

**BOARD OF DIRECTORS  
WORKSHOP**

July 9, 2020  
1:00 pm  
Via WebEx

**Chair: Dr. Elaine Bryant**

**Agenda**

- |  | Page     |
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| <b>I. AGENDA MODIFICATIONS</b>   |          |
| <b>II. CITIZENS COMMENTS RECEIVED VIA EMAIL</b><br>Public comments may be submitted by email to<br><a href="mailto:Comments@BlueprintIA.org">Comments@BlueprintIA.org</a> until 5 p.m. on July 8, 2020.<br>All comments received will be part of the record. |          |
| <b>III. GENERAL BUSINESS</b>   |          |
| 1. Workshop on the Draft Fiscal Year 2021 Operating Budget and FY<br>2021 -2025 Capital Improvement Program for the Blueprint<br>Intergovernmental Agency  | <b>1</b> |
| <b>V. ADJOURN</b>  |          |

NEXT BOARD OF DIRECTORS MEETING: July 9, 2020, 3:00 PM

In accordance with the Americans with Disabilities Act and Section 286.26, Florida Statutes, persons needing a special accommodation to attend this meeting should contact Susan Emmanuel, Public Information Officer, 315 South Calhoun Street, Suite 450, Tallahassee, Florida, 32301, at least 48 hours prior to the meeting. Telephone: 850-219-1060; or 1-800-955-8770 (Voice) or 711 via Florida Relay Service.

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**Blueprint Intergovernmental Agency  
Board of Directors  
Workshop Agenda Item  
July 9, 2020**

**Title:** Workshop on Fiscal Year 2021 Proposed Operating Budget and Proposed Five-Year Capital Improvement Plan for the Blueprint Intergovernmental Agency

**Category:** Workshop Discussion

**Intergovernmental Management Committee:** Vincent S. Long, Leon County Administrator  
Reese Goad, City of Tallahassee Manager

**Lead Staff / Project Team:** Benjamin H. Pingree, Director, Department of PLACE  
Autumn Calder, Director, Blueprint  
Cristina Paredes, Director, Office of Economic Vitality

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**STATEMENT OF ISSUE:**

This item requests the Blueprint Intergovernmental Agency Board of Director's (IA Board) acceptance of the workshop item on the Fiscal Year (FY) 2021 Proposed Operating Budget and Proposed Five-Year Capital Improvement Plan for the Blueprint Intergovernmental Agency. The item also proposes a budget amendment for FY 2020. The first public hearing for the budget will be advertised and will be conducted at the September 3, 2020 Citizens Advisory Committee (CAC) meeting. The second and final public hearing will be advertised and will be conducted at the September 17, 2020 IA Board meeting.

**FISCAL IMPACT:**

This item has fiscal impact as it presents a proposed FY 2020 operating and capital budget amendment and information for discussion regarding the proposed budget for Fiscal Year 2021.

**RECOMMENDED ACTION:**

- Option #1: Accept the Workshop Item on the Fiscal Year 2021 Proposed Operating Budget and Fiscal Year 2021-2025 Proposed Capital Improvement Program for the Blueprint Intergovernmental Agency.
- Option #2: Approve the proposed FY 2020 budget amendment to ensure that the Agency's estimated sources of funds are balanced with the authorized uses of funds.

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## **I. EXECUTIVE SUMMARY**

In accordance with Section 189.016(3), Florida Statutes, the Blueprint Intergovernmental Agency (Agency), as a special district of the State of Florida, is required to adopt a budget by resolution each year. This section provides an executive summary of the Fiscal Year 2021 Proposed Operating Budget and Proposed Five-Year Capital Improvement Plan for the Agency, which encompasses both the Blueprint Infrastructure Program and Office of Economic Vitality (OEV).

The Fiscal Year 2021 Proposed Operating Budget and Proposed Five-Year Capital Improvement Plan builds upon the prioritization and implementation processes approved previously by the IA Board, including the Project Prioritization Plan, Blueprint Infrastructure Implementation Plan, the Long-Term Economic Development Strategic Plan, the Target Industry Study, and prior IA Board direction. As described herein, the current global pandemic associated with the novel coronavirus (COVID-19) has created revenue shortfalls for both Blueprint Infrastructure program and OEV. This item also presents an Agency-wide budget amendment for FY 2020.

Beginning in February, staff reviewed project timelines to determine the level of resources that would be required over each of the five years of the Capital Improvement Plan to develop the Fiscal Year 2021 Proposed Operating Budget and Proposed Five-Year Capital Improvement Plan. In accordance with Blueprint Intergovernmental Agency budget policy, these documents were presented to City and County budget staff and to the Intergovernmental Management Committee (IMC) prior to April 30, 2020. The review and input from the IMC and from City and County staff led to the proposed budget presented herein.

The Agency establishes budget development calendars for each fiscal year. Section 102.07.3 of the Blueprint Budget Policy provides that the Director of PLACE must develop a proposed budget that is submitted to the IMC for review by April 30 of each year. The budget will be adopted after the close of two advertised public hearings and upon approval by the IA Board. The first public hearing will occur during the September 3, 2020 CAC meeting and the IA Board will conduct the second public hearing during the September 17, 2020 IA Board meeting. The IA Board's approval of the budget will appropriate funds necessary for the operation of the Blueprint Infrastructure and Office of Economic Vitality divisions of the Agency, as well as the FY 2021-2025 Capital Improvement Plan (CIP).

The Second Amended & Restated Interlocal Agreement between Leon County and the City of Tallahassee, which authorizes the existence of the Agency, divides the Blueprint 2020 sales tax among the Blueprint Intergovernmental Agency, Leon County, and the City of Tallahassee in the following proportions, to be maintained in individual, segregated funds (Table 1, on the following page):

**Table 1:**

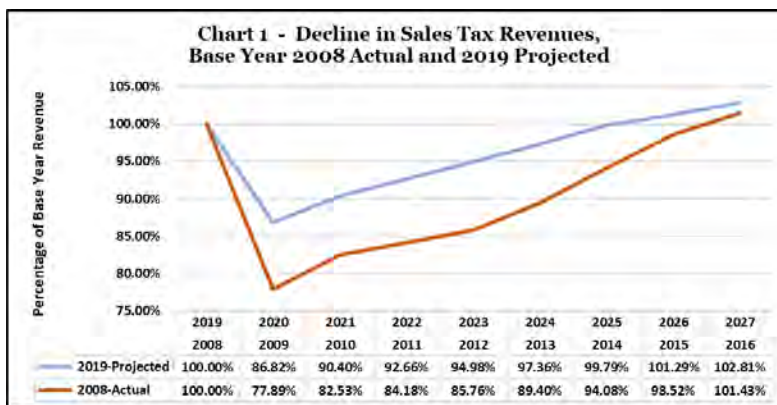
Authorized Uses of Sales Tax Funds	% of Sales Tax
Blueprint Infrastructure	66%
Office of Economic Vitality	12%
City of Tallahassee	10%
Leon County	10%
Livable Infrastructure for Everyone (L.I.F.E.)	2%
<b>Total, Blueprint 2020 Sales Tax Funds</b>	<b>100%</b>

Sections “A” through “F”, below, present an intermediate-term, five-year projection of sales tax revenue with a summary of other revenues and expenses (Attachment #1), a long-term, twenty-year projection of all estimated sources and uses of funds for the Agency (Attachment #2), the proposed operating budget for the Blueprint Infrastructure Program (Attachment #3), the Five-Year Capital Improvement Plan for Blueprint Infrastructure (Attachment #5), the proposed operating budget for the Office of Economic Vitality (Attachment #4), and the Five-Year Capital Improvement Plan for OEV (Attachment #6).

#### **A. FIVE-YEAR PROJECTION OF SALES TAX REVENUE**

Any discussion of sales tax revenue must be prefaced with the observation that much is unknown due to the current COVID-19 pandemic and accompanying federal, state, and local government guidance for individuals to maintain social distancing behavior to limit the contagion. Attachment #1 presents the five-year projection of revenues and changes to initial forecasts for FY2020.

On determining that the COVID-19 pandemic would have significant effects on the local economy, Agency staff contacted the City’s and County’s financial management staff. Leon County financial management staff prepared an initial estimate of reduced sales tax revenue collections that includes a sharp drop in revenue for the remainder of FY 2020 with a gradual return to FY2019 level revenues over several years. The current revenue estimate does not project as steep of a drop as was witnessed during the 2008 Great Recession. The chart below compares the 2008 recession (in orange) with the current projection for the present economic downturn (in blue).



Due to the extremely unusual nature of this recession and the immediate onset of 40 million nation-wide claims of unemployment within the span of ten weeks, these revenue estimates will require adjustment as Agency, County, and City staff receive additional data on which to base our analysis of the impacts on sales tax revenue. Nationally, some economists are forecasting second calendar-year quarterly declines in GDP of up to forty percent over the same period in 2019. The current model presented in this workshop includes an immediate decline of over thirteen percent for fiscal year 2020, with gradual improvement over the next five years. Updated revenue projections will be presented to the IA Board during the September meeting.

## **B. TWENTY-YEAR PROJECTION OF AGENCY SOURCES OF FUNDS AND USES OF FUNDS**

Attachment #2, the Agency's twenty-year projection of sources of funds and uses of funds, provides an estimate of sales tax revenue and other sources of funds including bond issues, State Infrastructure Bank Loans, TRIP funding, and other state and local government funding over the life of the sales tax, which will end on December 31, 2039. Short- to intermediate-term sales tax revenue estimates through FY 2025 are based on consultations with Leon County and City of Tallahassee budget staff and a review of financial expectations currently available through governmental sources including the State Revenue Estimating Conference, the Bureau of Labor Statistics, and the Federal Reserve.

During the budget planning process each year going forward, Agency staff will present the proposed budget for the following fiscal year as well as five-year, forward-looking sales tax revenue projection and capital improvement plans that are based on the expected economic conditions at the time. Staff will also provide the same twenty-year projection for the life of the Blueprint 2020 sales tax, with prior years serving as historical information for each budget cycle. The net effect of this economic downturn, based on current estimates, is a decline in sales tax revenues of \$97 million, or 11%, over the life of the Blueprint 2020 sales tax versus the amount presented in September 2019, primarily due to short term declines compounded with the historic 1.5% long-term sales tax revenue growth rate. While the long-term projected annual growth rate of 1.5% may be considered too conservative by some, history has demonstrated twice over the life of the Agency that aggressive growth projections are not sustainable indefinitely.

## **C. PROPOSED OPERATING BUDGET FOR THE BLUEPRINT INFRASTRUCTURE PROGRAM**

The current FY 2020 budget provides for \$3.54 million in operating expenses, while the FY 2021 budget includes \$3.27 million for operating expenses. This is a proposed expense reduction of \$270,000. The most significant item proposed in the FY 2021 operating budget is the purchase of a new vehicle for the Infrastructure program. Two vehicles that were purchased during the first years of the Blueprint 2000 program were retired during FY 2020 due to mechanical issues and the Infrastructure department proposes adding a single vehicle next year for staff to conduct Agency business.

There are no proposed increases in the number of positions over the FY 2020 budget. The budgeted amount for Personnel Expenses for the current FY 2020 period is \$2.60 million and the proposed FY 2021 budget for Personnel Expenses is \$2.51 million. Employee cost of living adjustments are not budgeted for FY 2021 in order to conserve resources for allocation to capital projects. Hiring for one vacant position will also be delayed until the midpoint of FY 2021. This will allow the Infrastructure program to assign more resources into design and construction activities that expand employment opportunities throughout the community.

Other operating expenses have been reduced by \$188,500, or 23.19% below FY 2020 budgeted levels, by reducing amounts budgeted for Unclassified Professional Fees and Travel and Training. Significantly higher amounts for Unclassified Professional Fees were budgeted during FY 2020 in order to secure a graphics and marketing contract in order to educate the community about Blueprint Infrastructure's ongoing projects and planning activities for future projects. These services have been procured and the estimate to complete the work is less than what was originally budgeted.

#### **D. FIVE-YEAR CAPITAL IMPROVEMENT PLAN FOR BLUEPRINT INFRASTRUCTURE**

The draft Five-Year Capital Improvement Plan (CIP) for the Blueprint Infrastructure Program builds upon the prioritization and implementation processes approved previously by the IA Board, including the Project Prioritization Plan, Blueprint 2020 Infrastructure Implementation Plan, and all prior IA Board direction. Per section I.A. above, sales tax revenues shortfalls resulting from the COVID-19 pandemic have impacted available funds for the Blueprint Infrastructure program. As described herein, Blueprint Infrastructure proposes to address anticipated capital budget shortfalls in FY 2021 by using available funding from the Blueprint 2000 program, which will be returned to the program to ensure completion of the Blueprint 2000 projects. In developing the draft FY 2021 – 2025 CIP, Blueprint evaluated opportunities to advance key Blueprint projects, including project components, with short lead times for construction and a complimentary, modified bonding strategy to increase funding for construction –ready projects in the near-term to assist in local economic recovery from the COVID-19 pandemic.

Capital project allocations totaling \$29.3 million for FY 2021 implement the construction-ready strategy described above while maintaining project progress consistent with prior IA Board direction and project prioritization. There is no bond, loan, or externally-leveraged funding proposed for the FY 2021 budget. However, consistent with IA Board direction to date, the draft FY 2021-2025 CIP maintains the \$100 million total bond amount to support implementation of Blueprint projects. The draft FY 2021-2025 CIP includes two bond issues to best align with project implementation and construction schedules – the first bond issuance totaling \$65 million is planned for FY 2022, with the second bond issuance of \$35 million planned for FY 2024. It is anticipated this strategy will assist with the local economic recovery from the COVID-19 pandemic. According to



prior IA Board direction, projects that are assigned to the City or County, such as stormwater improvements, sidewalk repairs, operating costs for parks, and StarMetro improvements, will receive an allocation annually to be paid in full each year.

#### **E. PROPOSED OPERATING BUDGET FOR THE OFFICE OF ECONOMIC VITALITY**

The proposed operating budget for the Office of Economic Vitality totals \$2.05 million, which is a \$139,000 decrease from the FY 2020 operating budget of \$2.18 million. This decrease is due to the current year's one-time expenses for setting up OEV's office location on the first floor of the Leon County Annex building. The office buildout is expected to be complete by June 30, 2020.

Personnel expenses for OEV are proposed to decrease from \$1.23 million in the FY 2020 budget to \$1.17 million in the FY 2021 budget. There is currently one vacant position an Administrative Specialist. Employee cost of living adjustments are not budgeted for FY 2021 in order to provide more economic development funding to businesses and public service organizations within the community as well as continuing OEV's campaign to bring advanced manufacturing jobs to Leon County.

#### **F. FIVE-YEAR CAPITAL IMPROVEMENT PLAN FOR THE OFFICE OF ECONOMIC VITALITY**

The largest proposed project over the life of the Office of Economic Vitality during the Blueprint 2020 sales tax will be the Convention Center. During the March IA Board Workshop, the IA Board allocated \$500,000 to fund additional market feasibility studies to support the proposed project. This amount must be reduced due to anticipated FY 2020 revenue shortfalls. It is estimated that construction costs will total \$40 million, to include the costs of furnishings and fixtures, based on estimates provided by FSU and generated by average construction costs per square foot for this type of facility. The estimate will be revised during the planning process and as directed by the IA Board. To begin construction, design and engineering costs must be funded with existing sales tax revenues. Planning for the Convention Center is estimated to take at least two years and the Blueprint Infrastructure team is staffed with planners and engineers who have extensive knowledge of infrastructure design and construction, however it is advised that an outside structural design and construction consultant be retained for the Convention Center project. The costs for the consultant are included in the initial \$4 million sales tax funding allocation. On March 12, 2020, Florida A&M University submitted a request to the IA Board for \$10 million in financial support for a project that has since received multiple modifications. FAMU modified this request on June 25<sup>th</sup>. An update on this request is included as Item #10 scheduled for the regular July 9, 2020 IA Board meeting and is not included with this workshop as the full scope is unknown and IA Board direction has not yet been received.

As stated in the Interlocal Agreement, up to \$14.1 million for the International Airport Growth and Development Project may help upgrade existing hangar facilities, provide the necessary utility infrastructure to construct additional hangars, and develop 1,000 acres

of Airport property for lease. Funding would help to create an international passenger processing facility, support international user fee expenses, and provide additional training to Airport staff in accordance with Tallahassee International Airport's 20-year Growth and Development Plan. The annual funding allocation is \$705,000 for the Airport as described in Attachment #6 and Attachment #13 provides information about the Airport's intended use of FY 2021 Economic Development funds.

Table 2, below, presents the Agency-wide sources and uses of funds and their respective percentages organized by 1) FY 2021 Proposed Budget, 2) FY 2021-2025 Projections, and 3) Projected Sources and Uses for all years of the Blueprint 2020 program.

**Table 2:**

BLUEPRINT INTERGOVERNMENTAL AGENCY Summary of Projected Sources and Uses of Funds First Year, Five Years, and All Years						
	FY 2021	Total	FY 2025	Total	FY 2040	Total
<b>Sources of Funds, Infrastructure</b>						
Sales Tax Revenue	27,926,580	85.63%	146,791,281	51.45%	639,839,272	82.20%
Bond Funding	-	0.00%	100,000,000	35.05%	100,000,000	12.85%
Loan Funding	-	0.00%	28,850,000	10.11%	28,850,000	3.71%
Grant Funding	4,685,797	14.37%	9,671,797	3.39%	9,671,797	1.24%
<b>Total, Sources of Funds, Infrastructure</b>	<b>32,612,377</b>	<b>100.00%</b>	<b>285,313,078</b>	<b>100.00%</b>	<b>778,361,069</b>	<b>100.00%</b>
<b>Sources of Funds, OEV</b>						
Sales Tax Revenue	5,077,560	94.84%	26,689,324	39.17%	116,334,411	71.40%
MWSBE City/County Funding	276,003	5.16%	1,450,763	2.13%	6,609,312	4.06%
Bond Funding	-	0.00%	40,000,000	58.70%	40,000,000	24.55%
Grant Funding	-	0.00%	-	0.00%	-	0.00%
<b>Total, Sources of Funds, OEV</b>	<b>5,353,563</b>	<b>100.00%</b>	<b>68,140,087</b>	<b>100.00%</b>	<b>162,943,723</b>	<b>100.00%</b>
<b>Total, Sources of Funds, Blueprint IA</b>	<b>37,965,940</b>		<b>353,453,165</b>		<b>941,304,792</b>	
<b>Uses of Funds, Infrastructure</b>						
Debt Service	-	0.00%	17,430,000	6.11%	150,480,000	19.33%
Operating Expenses	3,270,250	10.03%	17,189,507	6.02%	74,926,259	9.63%
Capital Projects & Reserve	29,342,127	89.97%	250,693,571	87.87%	552,954,810	71.04%
<b>Total, Uses of Funds, Infrastructure</b>	<b>32,612,377</b>	<b>100.00%</b>	<b>285,313,078</b>	<b>100.00%</b>	<b>778,361,069</b>	<b>100.00%</b>
<b>Uses of Funds, OEV</b>						
Debt Service	-	0.00%	6,420,000	9.42%	48,120,000	29.53%
Operating Expenses	1,891,266	35.33%	9,941,117	14.59%	43,331,711	26.59%
Capital Projects & Reserve	3,462,297	64.67%	51,778,970	75.99%	71,492,012	43.88%
<b>Total, Uses of Funds, OEV</b>	<b>5,353,563</b>	<b>100.00%</b>	<b>68,140,087</b>	<b>100.00%</b>	<b>162,943,723</b>	<b>100.00%</b>
<b>Total, Uses of Funds, Blueprint IA</b>	<b>37,965,940</b>		<b>353,453,165</b>		<b>941,304,792</b>	

## II. FIVE-YEAR FORWARD SALES TAX REVENUE ESTIMATE AND TWENTY-YEAR PROJECTION OF SOURCES AND USES OF FUNDS

### A. FIVE-YEAR SALES TAX REVENUE PROJECTION AND SUMMARY OF OTHER REVENUES, EXPENDITURES, AND ALLOCATIONS

Currently, the campuses of Florida State University, Florida A&M University, Tallahassee Community College, and most other educational institutions in our community are closed to students. Most government agencies and many private employers are closed unless the services are deemed essential. The Governor issued a shelter in place order and has recently authorized businesses to begin reopening after approximately three months of closures. There is currently very little tourism or hospitality revenue in Leon County, student-related revenue, and only limited restaurant or retail revenue as businesses reopen. Social distancing protocols will likely continue to be practiced by many in the community in order to reduce the risk of infection.

Table 3, below, provides the sales tax revenue projection as presented at the September 5, 2019 IA Board meeting during which the annual budget was adopted (Initial Projection) and compares that estimate with the projected decline due to COVID-19 (Current Projection). The projected revenue loss between the two estimates is approximately \$20 million dollars over six years, Agency-wide. This information is presented in detail in Attachment #1 and Attachment #2.

**Table 3:**

Sales Tax Revenue	Revenues Projected in FY2020 Compared to Current Projection						Total
	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	
Initial Projection	35,617,840	36,452,704	37,181,759	37,925,394	38,683,901	39,264,160	225,125,758
Current Projection	31,696,452	33,004,140	33,829,244	34,674,975	35,541,850	36,430,396	205,177,057
<b>Projected Revenue Loss</b>	<b>(3,921,388)</b>	<b>(3,448,564)</b>	<b>(3,352,515)</b>	<b>(3,250,419)</b>	<b>(3,142,051)</b>	<b>(2,833,764)</b>	<b>(19,948,701)</b>
<b>Blueprint Infrastructure</b>							
Initial Projection	31,534,266	30,844,596	31,461,488	32,090,718	32,732,532	33,223,520	191,887,120
Current Projection	28,284,852	27,926,580	28,624,745	29,340,363	30,073,873	30,825,720	175,076,133
Projected Revenue Loss	(3,249,414)	(2,918,016)	(2,836,743)	(2,750,355)	(2,658,659)	(2,397,800)	(16,810,987)
<b>Office of Economic Vitality</b>							
Initial Projection	4,083,574	5,608,108	5,720,271	5,834,676	5,951,369	6,040,640	33,238,638
Current Projection	3,411,600	5,077,560	5,204,499	5,334,612	5,467,977	5,604,676	30,100,924
Projected Revenue Loss	(671,974)	(530,548)	(515,772)	(500,064)	(483,392)	(435,964)	(3,137,714)

**\*Please note the decline in revenue is based on a FY 2020 11% decline, a FY 2021 9.5% decline, and 2.5% increases through FY 2025. The long-term sales tax revenue growth rate is the historical average of 1.5%.**

The Weekly Unemployment Claims data released by the U.S. Department of Labor for the week ending March 20 reported 3.3 million claims for unemployment benefits, while the claims for the week ending March 27 totaled 6.6 million. Previously, the largest weekly unemployment claims total was less than 700,000, and that was during the recession of 1982. An immediate economic contraction that takes place over a series of weeks, rather than months or years, is unprecedented in our nation's history. Experiencing 40 million job losses in a ten-week span was previously unimaginable.

The IA Board stepped in immediately during March to fill a necessary role providing temporary shelter to local businesses who have applied for state and federal economic assistance grant and loan programs with the COVID-19 Economic Disaster Relief (CEDR) grant program. The CEDR grants were meant to serve as a bridge for businesses until federal or state assistance is disbursed. A similar grant program for local non-profits was also established by the IA Board and funded by Blueprint Infrastructure funds.

The loss to Blueprint Infrastructure under the current projection is nearly \$17 million through FY 2025. If the recession is ten percent better than expected, revenues will not decline over the next five-year period under this model. But if the recession is ten percent worse, sales tax revenues will decline by \$34 million.

The loss to the Office of Economic Vitality is over \$3 million under the current projection and over \$6 million under an additional ten percent decline scenario through FY 2025. Under the initial, twenty-year projection, as discussed during the March 12 IA Board Economic Development Workshop, OEV would have had a remaining balance over the life of the program, barring reduced earnings growth, of \$13 million after the Convention Center construction project's estimated impact.

Attachment #1, the Agency's five-year sales tax revenue projection, provides an estimate of sales tax revenue for Fiscal Years 2021 through 2025. Table 4, below, includes a FY 2021 – 2025 high-level budget summary for the Agency based on estimated sales tax revenues, other sources of funds, and uses of funds.

**Table 4:**

Summary of Projected Sources and Uses of Funds, FY 2021-2025						
Sources of Funds	FY2021	FY2022	FY2023	FY2024	FY2025	Total
Sales Tax Revenue	33,004,140	33,829,244	34,674,975	35,541,850	36,430,396	173,480,605
Bond Funding	-	65,000,000	20,000,000	55,000,000	-	140,000,000
Loan Funding	-	-	-	28,850,000	-	28,850,000
Governmental Revenue	276,003	282,903	1,789,976	783,225	304,656	3,436,763
Other Revenue	4,685,797	-	-	3,000,000	-	7,685,797
<b>Total, Sources of Funds</b>	<b>37,965,940</b>	<b>99,112,147</b>	<b>56,464,951</b>	<b>123,175,075</b>	<b>36,735,052</b>	<b>353,453,165</b>
Uses of Funds	FY2021	FY2022	FY2023	FY2024	FY2025	Total
Debt Service	-	-	6,100,000	6,100,000	11,650,000	23,850,000
Operating Expenses	5,161,516	5,290,554	5,422,818	5,558,388	5,697,348	27,130,624
Infrastructure Projects	29,342,127	93,272,739	23,124,557	86,608,172	18,345,976	250,693,571
OEV Projects	3,462,297	3,548,854	21,817,576	21,908,515	1,041,728	51,778,970
<b>Total, Uses of Funds</b>	<b>37,965,940</b>	<b>102,112,147</b>	<b>56,464,951</b>	<b>120,175,075</b>	<b>36,735,052</b>	<b>353,453,165</b>

#### *Sales Tax Revenue*

- Available revenues for budgeting purposes are calculated at 95% of expected total revenues. The Blueprint 2020 sales tax, which began in January 2020, allocates 66% of revenue to Blueprint Infrastructure, 12% to the Office of Economic Vitality, 10% each to the City and County, and 2% to the County for Livable Infrastructure for Everyone (L.I.F.E.) programs.

#### *Bond and Loan Funding*

- Blueprint Infrastructure and OEV have planned to receive funds from four bond issues based on prior actions by the IA Board. At the June 21, 2018 IA Board meeting, the IA Board adopted the Blueprint Infrastructure Implementation Plan, which called for



\$100,000,000 of bond funding to be issued in FY 2022. Based on project schedules and funding availability, it is recommended to separate the bond funding into multiple issues to ensure the full \$100 million is spent within the applicable three-year arbitrage period.

- State Infrastructure Bank Loan funding is anticipated to fund \$28,650,000 associated with the Northeast Gateway: Welaunee Boulevard project. Rather than being a traditional SIB Loan with project financing provided in advance, this SIB Loan is offered as a reimbursement of project expenses to be repaid over time. To claim the \$28.7 million in funding, the agency must spend approximately twice the value of the loan funds, and funding must be provided in advance.
- At the September 20, 2018 OEV Workshop, the IA Board authorized staff to commence the bond financing process for the issuance of up to \$20,000,000 toward the convention center as early as October 2020 (FY 2021), subject to the IA Board's final approval of the scope, size, and operations plan for the hotel and convention center. Florida State University declined to proceed with additional funds for the project and the IA Board approved an additional study to determine the feasibility of constructing a \$40 million Convention Center. Two separate bond issues are proposed for the construction of the Convention Center project.

#### *Grant Funding*

- Blueprint Infrastructure anticipates \$4,986,000 million in the grant funding category over the five-year Capital Improvement Plan beginning in FY 2021. It is likely that Blueprint Infrastructure will receive additional grants or other funding from state or federal sources during fiscal years 2020-2039. However, those sources and leveraging opportunities are not known at this time. This funding category also includes TRIP funds from the Florida Department of Transportation and the \$3,000,000 partnership with FSU for the Airport Gateway.

#### *MWSBE Funding*

- OEV presents a budget that shares the costs of the MWSBE division between OEV, City, and County. MWSBE's procurement services and programs benefit all three local governments, therefore the budget presents sharing costs of the program among the governments. MWSBE expenses during the twenty-year projection period total \$16,732,992, with the City and County contributing \$11,155,328 and OEV absorbing \$5,577,664. Expenses for the program are expected to grow at 1.5% percent annually.

#### *Transfer from Reserve Account*

- Blueprint Infrastructure proposes utilizing funds set aside in the Infrastructure Reserve Account to offset the FY 2021 anticipated reduction in sales tax revenue in order to maintain momentum on projects that are currently under way. The entire \$4,685,797 balance of the reserve fund is programmed for the FY 2021 Capital Improvement Plan budget. Of this amount, \$2 million was set aside early in the Blueprint Infrastructure program to serve as a source of funding in the event of an economic downturn or project cost overruns. Additionally, \$2,685,797 was allocated to the fund as presented in the CAFR item at the May 26, 2020 IA Board meeting and the amount is the result of revenues that were higher than expected and actual expenses for the year that were less than budgeted during FY 2019. The draft FY 2021-2025 CIP includes allocations to restore the Blueprint reserve account to a \$2 million balance by FY 2025.

## B. TWENTY-YEAR, AGENCY-WIDE PROJECTION OF SOURCES AND USES OF FUNDS

Attachment #2, the Agency's twenty-year projection of sources of funds and uses of funds, provides an estimate of sales tax revenue and other sources of funds including bond issues, State Infrastructure Bank Loans, TRIP funding, and other state and local government funding over the life of the sales tax. Short- to intermediate-term sales tax revenue estimates through FY 2025 are based on consultations with Leon County and City of Tallahassee budget staff and a review of financial expectations currently available through governmental sources including the State Revenue Estimating Conference, the Bureau of Labor Statistics, and the Federal Reserve.

Table 5, below, provides the Agency's total sources and uses of funds, with the related percentages, for the proposed FY 2021 budget, the FY2021-FY2025 five-year revenue projection and CIP, and then for the life of the program through FY 2040. Projections for years beyond FY 2025 include a revenue and operating expense growth rate of 1.5% annually. While this may be considered relatively conservative, 1.5% is actually the long-term annual growth rate over the life of the Blueprint 2000 sales tax. It is anticipated that additional grant funding will be available in future years, however the funding is not identified at this time. Agency staff will take every opportunity to leverage Blueprint sales tax dollars to maximize the value to the community.

**Table 5:**

BLUEPRINT INTERGOVERNMENTAL AGENCY Summary of Projected Sources and Uses of Funds First Year, Five Years, and All Years						
	FY 2021	Total	FY 2025	Total	FY 2040	Total
<b>Sources of Funds, Infrastructure</b>						
Sales Tax Revenue	27,926,580	85.63%	146,791,281	51.45%	639,839,272	82.20%
Bond Funding	-	0.00%	100,000,000	35.05%	100,000,000	12.85%
Loan Funding	-	0.00%	28,850,000	10.11%	28,850,000	3.71%
Grant Funding	4,685,797	14.37%	9,671,797	3.39%	9,671,797	1.24%
<b>Total, Sources of Funds, Infrastructure</b>	<b>32,612,377</b>	<b>100.00%</b>	<b>285,313,078</b>	<b>100.00%</b>	<b>778,361,069</b>	<b>100.00%</b>
<b>Sources of Funds, OEV</b>						
Sales Tax Revenue	5,077,560	94.84%	26,689,324	39.17%	116,334,411	71.40%
MWSBE City/County Funding	276,003	5.16%	1,450,763	2.13%	6,609,312	4.06%
Bond Funding	-	0.00%	40,000,000	58.70%	40,000,000	24.55%
Grant Funding	-	0.00%	-	0.00%	-	0.00%
<b>Total, Sources of Funds, OEV</b>	<b>5,353,563</b>	<b>100.00%</b>	<b>68,140,087</b>	<b>100.00%</b>	<b>162,943,723</b>	<b>100.00%</b>
<b>Total, Sources of Funds, Blueprint IA</b>	<b>37,965,940</b>		<b>353,453,165</b>		<b>941,304,792</b>	
<b>Uses of Funds, Infrastructure</b>						
Debt Service	-	0.00%	17,430,000	6.11%	150,480,000	19.33%
Operating Expenses	3,270,250	10.03%	17,189,507	6.02%	74,926,259	9.63%
Capital Projects & Reserve	29,342,127	89.97%	250,693,571	87.87%	552,954,810	71.04%
<b>Total, Uses of Funds, Infrastructure</b>	<b>32,612,377</b>	<b>100.00%</b>	<b>285,313,078</b>	<b>100.00%</b>	<b>778,361,069</b>	<b>100.00%</b>
<b>Uses of Funds, OEV</b>						
Debt Service	-	0.00%	6,420,000	9.42%	48,120,000	29.53%
Operating Expenses	1,891,266	35.33%	9,941,117	14.59%	43,331,711	26.59%
Capital Projects & Reserve	3,462,297	64.67%	51,778,970	75.99%	71,492,012	43.88%
<b>Total, Uses of Funds, OEV</b>	<b>5,353,563</b>	<b>100.00%</b>	<b>68,140,087</b>	<b>100.00%</b>	<b>162,943,723</b>	<b>100.00%</b>
<b>Total, Uses of Funds, Blueprint IA</b>	<b>37,965,940</b>		<b>353,453,165</b>		<b>941,304,792</b>	

### III. FY 2020 BUDGET AMENDMENT DUE TO COVID-19

Due to the expected revenue shortfall presented above and in Attachment #1, it will be necessary for both Blueprint Infrastructure and the Office of Economic Vitality to make adjustments to the FY 2020 operating and capital budgets in order to maintain a positive general fund balance for the year. Blueprint Infrastructure is expected to incur a \$3.2 million shortfall in sales tax revenue while OEV is expected to incur a \$671,974 shortfall in sales tax revenue coupled with shortfalls in grant funding of \$510,000, with a total revenue shortfall of \$1,181,974.

Both divisions of the Agency propose adjustments to their operating budgets, described below, as well as adjustments to the FY 2020 capital program allocations. The Blueprint Infrastructure program proposes an operating budget reduction of \$429,120, affecting the Personnel Expense and Operating Expense line items. This amount will offset the required capital transfer reduction of \$3.2 million caused by the sales tax revenue shortfall. OEV proposes an Operating Expense reduction of \$50,000 coupled with multiple reductions in the capital budget as described in Section III.C.

The operating budget reductions will serve to limit the amount available to spend in the affected budget categories while preserving spending authority in projects that have previously been approved and prioritized by the IA Board. The budget amendment resolution is included as Attachment #14.

#### A. FY 2020 REVENUE ESTIMATE REVISION

On May 27, the Florida Department of Revenue released the March sales tax collections for the local option sales tax, and collections for the month of March were down over 23% from the prior year. The Governor of Florida issued an executive order related to the COVID-19 pandemic on March 1, 2020, yet strict social distancing guidelines were not implemented until March 16, therefore approximately half of the month of March saw relatively normal economic activity as individuals and families made preparations to isolate themselves for up to one month by purchasing excess quantities of groceries and consumer goods. The significant decline occurred in the final weeks of the month, indicating that the months of April and May could each see declines of up to 50% as compared to the same months in 2019.

The Agency currently projects that sales tax revenue will decline over the same month during the prior year by the following percentages, and for the remainder of the current FY 2020:

April	May	June	July	August	September
-40.00%	-40.00%	-30.00%	-25.00%	-15.00%	-15.00%

Should these assumptions hold true, the Agency's FY 2020 sales tax revenue for the second through fourth quarters is estimated to total \$22.2 million. Together with the revenue received during the first quarter, total sales tax revenue would equal \$31.7 million, which is an estimated reduction of approximately \$3.9 million, or 11%, for the current fiscal year as compared to the budget. More revenue was received during the first three months of the fiscal year than was initially budgeted, but these funds were received in the Blueprint 2000 funds. Blueprint 2020 revenue is expected to decline by approximately \$4.4 million, or 16.5% from the amount initially budgeted in FY 2020.

## B. BLUEPRINT INFRASTRUCTURE OPERATING AND CAPITAL PROGRAM

The initial FY 2020 Blueprint Infrastructure operating budget presented a sales tax revenue estimate of \$31.5 million coupled with \$1.28 million in local concurrency revenue, for a total of \$32.81 million in revenue. Operating expenses were budgeted at \$3.54 million, while debt service was budgeted at \$2.18 million. This left \$27.09 million available for transfers to capital projects including \$6.27 million in transfers to City and County projects identified in the Interlocal Agreement. With the revised revenue projection noted above and presented as Attachment #2, sales tax revenue is expected to fall short of the initially budgeted full-year projection by approximately \$3.25 million, or 10.3%. Blueprint Infrastructure staff have identified a number of cost saving measures, noted below, that will reduce the shortfall flowing to capital projects for FY 2020.

Blueprint Infrastructure has identified approximately \$430,000 in savings from the personnel expense and travel and training categories through the decision to maintain three vacant positions through the end of the fiscal year and from savings associated with travel to conferences related to licensing and certification of staff members, as presented in Table 6, below. Other reductions in expenditures may be realized in the operating budget, specifically in the Unclassified Professional Fees category, as expenses may not be incurred during this fiscal year. Analysis of expense reduction in this category remains ongoing.

**Table 6:**

FY 2020 Infrastructure Operating Budget Adjustments		
<i>Personnel Expenses</i>	<i>Reduction</i>	<i>Amount</i>
Right-of-Way Manager	12 months	157,776
Project Manager	12 months	139,694
Legal Assistant/Right-of-Way Asst	12 months	87,899
Principal Planner	3 months	26,251
<b>Total FY20 Personnel Reduction</b>		<b>411,620</b>
<i>Other Items</i>	<i>Reduction</i>	<i>Amount</i>
Travel/Training	50% Total	17,500
Unclassified Professional Fees*	TBD	
<i>*Increased \$104k in FY20; may be reduction opportunities</i>		429,120

As outlined in Attachment #3, the overall reduction required for Blueprint Infrastructure's transfer to capital projects within the Blueprint 2020 funds is estimated to be \$3.7 million, which may be reduced to \$3.3 million after considering the approximately \$430,000 reduction in operating expenses noted above.

Accommodation of the projected \$3.7 million revenue shortfall will require a delay to the funding and implementation of some Blueprint 2020 Infrastructure projects. To determine which projects from the adopted FY 2020 budget could be delayed with the least amount of impact to the community and project progress, staff assessed the current status of each project. All but three of the Blueprint 2020 projects with funding in FY 2020 have been initiated. Two of the Community Enhancement, Connectivity, and Quality of Life (CCQ) projects with approved funding allocations have not yet been initiated – Lake Lafayette & St. Marks Regional Park and Monroe-Adams Corridor Placemaking. Together, their FY 2020 allocation is \$1.5 million. From these projects,

\$1.0 million was redirected to fund OEV's LEAN grant program. In addition, the FY 2020 allocation to Airport Gateway is \$3.5 million, and phase one of the Airport Gateway project has not yet been initiated. The remaining shortfall could come from the Airport Gateway project. Table 7, below, details the operating and capital budget amendments specific to Blueprint Infrastructure.

**Table 7:**

BLUEPRINT INTERGOVERNMENTAL AGENCY Proposed FY 2020 Budget Amendment				
	FY 2020 as Adopted	Proposed Amendment	FY 2020 as Amended	FY 2020 % Change
<b>Blueprint Infrastructure</b>				
Sales Tax Revenue	\$ 31,534,266	\$ (3,695,857)	\$ 27,838,409	-11.72%
Personnel Services	2,603,475	(411,620)	2,191,855	-15.81%
Operating Expenses	812,791	(17,500)	795,291	-2.15%
Capital Transfer: Airport Gateway	27,088,927	(3,266,737)	23,822,190	-12.06%
<b>Sum of Budget Amendments</b>		<b>\$ -</b>		

### C. OFFICE OF ECONOMIC VITALITY OPERATING AND CAPITAL PROGRAM

The Office of Economic Vitality began sharing in the local option sales tax revenue on January 1, 2020 with the commencement of the Blueprint 2020 program. The initial FY 2020 OEV operating budget presented a sales tax revenue estimate of \$4.08 million coupled with \$510,000 in grant funding and \$852,928 in City and County funding for their equal shares of the MWSBE program, for a total of \$5.45 million in revenue. Operating expenses for OEV were budgeted at \$2.05 million. This left \$3.4 million available for transfers to Economic Vitality projects, including \$528,750 which was transferred to the Tallahassee International Airport, as required by the Interlocal Agreement. With the revised revenue projection noted above and presented as Attachment #1, sales tax revenue is expected to fall short of the initially budgeted full-year projection by approximately \$671,974, in addition OEV did not receive the anticipated grant revenue of \$510,000, leaving a total deficit between the initially budgeted revenue and currently expected revenue at \$1.18 million. OEV staff presented options for reallocating project transfers during the April 15 IA Board meeting.

COVID-19 has had an impact upon the OEV budget, and while it has entailed the reduction and cancellation of a variety of projects and programs, OEV has still managed to implement and provide significant support for our local economy. OEV's core goal remains to help our local business community, and although the pandemic has diminished sales tax revenues, those reductions that OEV has made to balance the budget will not diminish the critical information, assistance and support that OEV provides to local businesses.

To meet anticipated revenue reductions of \$1.2 million, OEV took management action as detailed below to operate within actual revenues. In the interest of employee safety and to best position OEV for the balance of the current and next fiscal year, OEV suspended all non-essential travel and training. In addition, OEV instituted a hiring freeze for all non-essential personnel. In light of the current pandemic, all travel has been discontinued and significant savings will be realized as a result of the travel freeze. OEV analyzed its expenses to identify immediate cost savings measures. Initial efforts focused on compliance with social distancing measures which discouraged, and later prohibited, large public gatherings. This entailed postponing and/or



cancelling all OEV events, workshops, or trade shows. The projected savings from cancelling travel, training, tradeshow, and related expenses totals approximately \$50,000 from the operating budget.

In discussions with the Florida Department of Economic Opportunity, staff received notice that FY 20 commitment for the Qualified Target Industry (QTI) incentive will be covered by an existing account credit, which will provide a cost savings of approximately \$13,500. Future QTI payments are budgeted at the full local commitment. It should be noted that on June 30, 2020, the QTI program will sunset as the Florida Legislature did not vote to extend the program.

Staff also began reviewing the existing projects to determine those that either could be deferred, reduced, or otherwise cancelled to provide significant budgetary savings. In order to achieve expenditure reductions to align with the projected \$1.2 million shortfall in OEV's FY 2020 budget, staff analyzed each of OEV's expenditure categories and year-to-date expenses to identify cost savings. The CEDR grant program has paid the full amount available to qualifying local businesses and an additional \$8,000 is requested in this budget amendment section to provide final payments related to reconciliations based on number of employees, while the LEAN grant program, which was funded by Blueprint 2020 Infrastructure dollars, has approximately \$400,000 remaining. The savings achieved by reducing OEV's operating expenses will not be substantial enough to prevent significant reductions to OEV's FY 2020 project allocations due to the projected \$1.2 million revenue shortfall.

In September 2019, the IA Board directed staff to partner with the Apalachee Regional Planning Council (ARPC) to develop a grant application that would leverage federal funds from the U.S. Economic Development Administration (EDA) to create a revolving loan fund (RLF) to increase capital available to startups and MWSBE businesses from the U.S. Economic Development Administration (EDA). As noted in the September 20, 2019 agenda item (Attachment #16), ARPC has a successful loan structure currently in place to evaluate and service loans. As part of the FY 2020 budget, \$200,000 allocated as match to an additional \$800,000 by the EDA, to establish a \$1 million in new Revolving Loan Fund capital that can be deployed as real estate & equipment loans or lines of credit (Attachment #16). Staff also worked with ARPC to incorporate new loan administration procedures to prioritize eligible MWSBE and entrepreneur borrowers in Leon County as part of the application. Upon award, ARPC will administer the loan program. As result of the decrease in sales tax revenue, matching funds for this grant have been reduced. Staff is recommending allocating \$200,000 from the remaining LEAN grant program as the matching funds for this RLF program. ARPC and staff have been working very closely with EDA over the last month and it is anticipated an announcement on this program by the end of the summer. It should be noted that staff is committed to discussing and evaluating additional microloan and RLF opportunities in order to increase capital access to Tallahassee-Leon County small businesses as well as evaluating additional proposals and referring them to the Economic Vitality Leadership Council (EVL) for recommendation and ultimately to the IA Board for consideration. In addition, the MWSBE Division refers MBE firms to the FAMU SBDC, FAMU Credit Union, and Envision Credit Union for assistance in securing funding as part of its Strategic and Work plans.

If all of the current projects are reduced to zero after accounting for current year expenses, there will be \$221,326 remaining within the Convention Center project and \$197,500 remaining in the LEAN grant program. This funding will allow staff to continue to move forward with the direction provided by the IA Board on March 12 which was to develop and execute a Memorandum of Understanding with FSU to formalize the development, operational, and maintenance

responsibilities for the new convention center in accordance with the content of this agenda item. In addition, the IA Board directed staff to work with FSU to conduct a cost feasibility analysis and visioning session with community partners as recommended by HVS study. Due to Covid-19, these discussions with FSU have progressed slowly over the last three months. It is anticipated that discussions will resume within the next few weeks. As shown in the Five-Year Capital Projects and Economic Vitality Programs Budget, funding is included for the bonding and debt service for the convention center project per the previous direction of the IA Board.

Table 8, below, details the operating and capital budget amendments specific to the Office of Economic Vitality.

**Table 8:**

<b>BLUEPRINT INTERGOVERNMENTAL AGENCY</b>				
<b>Proposed FY 2020 Budget Amendment</b>				
	<b>FY 2020 as Adopted</b>	<b>Proposed Amendment</b>	<b>FY 2020 as Amended</b>	<b>FY 2020 % Change</b>
<b>Office of Economic Vitality</b>				
Sales Tax Revenue	\$ 4,083,574	\$ (671,974)	\$ 3,411,600	-16.46%
Grant Funding	510,000	(510,000)	-	-100.00%
Operating Expenses	455,570	(50,000)	405,570	-10.98%
Capital Transfer: Qualified Target Industry	14,000	(14,000)	-	-100.00%
Capital Transfer: Urban Vitality	25,000	(6,500)	18,500	-26.00%
Capital Transfer: ARPC EDA Revolving Loan	225,000	(25,000)	200,000	-11.11%
Capital Transfer: Magnetic Technologies Recruit.	121,000	(5,000)	116,000	-4.13%
Capital Transfer: Business Development	48,000	(25,200)	22,800	-52.50%
Capital Transfer: FSU Partnership	10,000	(10,000)	-	-100.00%
Capital Transfer: Elevate Fund	100,000	(25,000)	75,000	-25.00%
Capital Transfer: Business/Workforce Engage.	40,000	(40,000)	-	-100.00%
Capital Transfer: Industry Academies	10,000	(8,350)	1,650	-83.50%
Capital Transfer: Economic Vitality Sponsorships	35,000	(2,250)	32,750	-6.43%
Capital Transfer: Unallocated to Projects	550,000	(550,000)	-	-100.00%
Capital Transfer: CEDR Grant Program	1,142,500	8,000	1,150,500	0.70%
Capital Transfer: LEAN Grant Program	1,000,000	(200,000)	800,000	-20.00%
Capital Transfer: Convention Center	450,000	(228,674)	221,326	-50.82%
<b>Sum of Budget Amendments</b>		<b>\$ -</b>		

#### **D. FY 2020 AGENCY-WIDE BUDGET AMENDMENT**

Table 9, on the following page, presents the proposed budget amendments for each program for FY 2020 and the resolution is presented in Attachment #14. The sales tax revenue shortfall for the Blueprint 2020 program totals \$4,367,831, including a reduction of \$3,695,857 to the Infrastructure program and a reduction of \$671,974 to the Office of Economic Vitality. OEV will also incur reduced revenues from grant funding of \$510,000, bringing the total revenue reduction for OEV to \$1,181,974.

Infrastructure proposes the reduction of Personnel Expenses and Operating Expenses in the amount of \$429,120 as described in Section III.B. above as well as a current year reduction of \$3,266,737 to the Airport Gateway project. The FY 2020 reduction to the Airport Gateway is proposed for the FY 2021 budget instead, which will allow the project to continue under the current timeline and design schedule.

OEV proposes the reduction of \$50,000 in the Operating Expenses category as a result of the reduction in Travel and Training expenses as described in Section III.C. above. The remaining revenue shortfall for OEV is proposed to be eliminated through the reductions to a number of capital projects listed in Table 9, on the following page.

**Table 9:**

BLUEPRINT INTERGOVERNMENTAL AGENCY					
Proposed FY 2020 Budget Amendment					
	FY 2020	Proposed	FY 2020	FY 2020	
	as Adopted	Amendment	as Amended	% Change	
Blueprint Infrastructure					
Sales Tax Revenue	\$ 31,534,266	\$ (3,695,857)	\$ 27,838,409	-11.72%	
Personnel Services	2,603,475	(411,620)	2,191,855	-15.81%	
Operating Expenses	812,791	(17,500)	795,291	-2.15%	
Capital Transfer: Airport Gateway	27,088,927	(3,266,737)	23,822,190	-12.06%	
Sum of Budget Amendments	\$ -				
Office of Economic Vitality					
Sales Tax Revenue	\$ 4,083,574	\$ (671,974)	\$ 3,411,600	-16.46%	
Grant Funding	510,000	(510,000)	-	-100.00%	
Operating Expenses	455,570	(50,000)	405,570	-10.98%	
Capital Transfer: Qualified Target Industry	14,000	(14,000)	-	-100.00%	
Capital Transfer: Urban Vitality	25,000	(6,500)	18,500	-26.00%	
Capital Transfer: ARPC EDA Revolving Loan	225,000	(25,000)	200,000	-11.11%	
Capital Transfer: Magnetic Technologies Recruit.	121,000	(5,000)	116,000	-4.13%	
Capital Transfer: Business Development	48,000	(25,200)	22,800	-52.50%	
Capital Transfer: FSU Partnership	10,000	(10,000)	-	-100.00%	
Capital Transfer: Elevate Fund	100,000	(25,000)	75,000	-25.00%	
Capital Transfer: Business/Workforce Engage.	40,000	(40,000)	-	-100.00%	
Capital Transfer: Industry Academies	10,000	(8,350)	1,650	-83.50%	
Capital Transfer: Economic Vitality Sponsorships	35,000	(2,250)	32,750	-6.43%	
Capital Transfer: Unallocated to Projects	550,000	(550,000)	-	-100.00%	
Capital Transfer: CEDR Grant Program	1,142,500	8,000	1,150,500	0.70%	
Capital Transfer: LEAN Grant Program	1,000,000	(200,000)	800,000	-20.00%	
Capital Transfer: Convention Center	450,000	(228,674)	221,326	-50.82%	
Sum of Budget Amendments	\$ -				

This proposed budget amendment, included as Attachment #14, may be approved by the IA Board by adopting Option #2.



## IV. BLUEPRINT INFRASTRUCTURE PROGRAM FY2021

### A. BLUEPRINT INFRASTRUCTURE PROPOSED OPERATING BUDGET

At the June 21, 2018 IA Board meeting, the IA Board approved a FY 2019-2024 Implementation Plan (Attachment #7). The Fiscal Year 2021 Proposed Operating Budget for the Blueprint Infrastructure Program (Attachment #3) results from an analysis of project and programmatic needs to implement the approved plan. The FY 2021 Proposed Operating Budget total of \$3.43 million for the Blueprint Infrastructure program reflects not only the growth in the number of projects managed compared to prior years, but also the additional staff required to implement those projects. While the program's internal staffing costs have increased over the prior two years, the General Engineering Consultant contract was eliminated during the current year, thus providing significant savings to the program.

Throughout FY 2021, the Blueprint Infrastructure Program will continue to implement projects consistent with the approved FY 2019-2024 Implementation Plan and FY 2020-2024 CIP, approved September 5, 2019. This entails advancing the remaining Blueprint 2000 program projects (Capital Cascades Trail Segments 3 & 4 and Magnolia Drive Trail) and implementation of Blueprint 2020 projects including the Northeast Gateway: Welaunee Boulevard, Airport Gateway, Northeast Connector Corridor: Bannerman Road, Orange/Meridian Placemaking, Market District, Lake Lafayette & St. Marks Linear Regional Park, Monroe-Adams Placemaking, Midtown Placemaking, and two greenways projects.

Table 10, below, presents the FY 2021 Proposed Operating Budget for Blueprint Infrastructure with comparative information presented from the actual results of FY 2019 and the approved operating budget for FY 2020. Descriptions of the individual line items can be found in Sections 1 through 6 on the following pages.

**Table 10:**

BLUEPRINT INFRASTRUCTURE				
Proposed FY 2021 General Fund Operating Budget				
Sources of Funds	FY 2019 Actual	FY 2020 Adopted	FY 2021 Proposed	% Change
Sales Tax Revenue	37,443,556	31,534,266	27,926,580	-11.44%
City/County Funding		1,280,000	-	-100.00%
Transfers from Other Funds	8,758,186	-	4,685,797	100.00%
Interest Income	(236,544)	-	-	100.00%
Miscellaneous Revenue	226,484	-	-	100.00%
<b>Total, Sources of Funds</b>	<b>46,191,681</b>	<b>32,814,266</b>	<b>32,612,377</b>	
Uses of Funds				
Debt Service	18,635,585	2,183,977	-	-100.00%
Personnel Services	1,793,678	2,603,475	2,510,825	-3.56%
Operating Expenses	522,207	812,791	624,270	-23.19%
Other Services/Charges	42,201	50,000	50,000	0.00%
Capital Outlay	9,176	55,000	75,000	36.36%
Allocated Costs	76,277	159,289	164,068	3.00%
Administrative Allocations	-	(139,193)	(153,912)	10.57%
Capital Projects Transfer	22,164,821	27,088,927	29,342,127	8.32%
<b>Total, Uses of Funds</b>	<b>43,243,946</b>	<b>32,814,266</b>	<b>32,612,377</b>	
<b>Sources Less Uses of Funds</b>	<b>2,947,735</b>	<b>-</b>	<b>-</b>	

The FY 2019 fund balance of \$2,947,735 was presented in the FY 2019 Consolidated Annual Financial Report (CAFR) agenda item at the May 26, 2020 IA Board meeting. Consistent with IA Board direction, \$261,135 was transferred to the Blueprint FY 2020 Operating Budget for expenses associated with the transition of IT services from Blueprint to the City of Tallahassee and the remaining \$2,685,797 FY 2019 fund balance was transferred to the Blueprint 2000 Operating Reserve. The proposed FY 2021 capital budget allocations discussed herein propose allocating these funds to Blueprint projects to address sales tax revenue shortfall associated with the COVID-19 pandemic.

## 1. BLUEPRINT INFRASTRUCTURE PERSONNEL SERVICES

The personnel services budget category encompasses all internal Infrastructure staffing costs, including salaries and temporary wages, employee benefit programs, and the employer share of taxes withheld and paid on behalf of the Agency. A 3.56% decrease under the FY 2020 budget is included in the FY 2021 budget. The decrease is the result of planning for zero employee cost of living adjustments for FY 2021, filling vacant positions at a later date in the year, and reducing the budgeted employee salary and benefits for employees hired during FY 2020 below the initial budgeted amounts. Table 11, below, presents the Infrastructure staffing level detail for FY 2019 – FY 2021.

**Table 11:**

BLUEPRINT INFRASTRUCTURE					
Summary of Staffing Levels					
	FY 2019	FY 2020	FY 2021	Increase/	Vacant
Infrastructure Full-Time Staff	Approved	Approved	Proposed	(Decrease)	Positions
Director, Blueprint Infrastructure	1.0	1.0	1.0	0.0	0.0
Design & Construction Manager	1.0	1.0	1.0	0.0	0.0
Planning Manager	1.0	1.0	1.0	0.0	0.0
Principal Planner	1.0	1.0	1.0	0.0	0.0
Planner I	1.0	1.0	1.0	0.0	0.0
Project Manager	5.0	5.0	5.0	0.0	1.0
Right of Way Manager	0.0	1.0	1.0	0.0	1.0
Right of Way Support	1.0	1.0	1.0	0.0	0.0
Public Information Officer	1.0	1.0	1.0	0.0	0.0
Executive Assistant	1.0	1.0	1.0	0.0	0.0
<b>Total, Infrastructure Staff</b>	<b>13.0</b>	<b>14.0</b>	<b>14.0</b>	<b>0.0</b>	<b>2.0</b>
<b>Shared Administrative Staff</b>					
Blueprint Attorney	1.0	1.0	1.0	0.0	0.0
Assistant Blueprint Attorney	1.0	1.0	1.0	0.0	0.0
Legal Secretary	1.0	1.0	1.0	0.0	1.0
Administrative Supervisor	1.0	1.0	1.0	0.0	0.0
Senior Accountant	1.0	1.0	1.0	0.0	0.0
<b>Total, Shared Admin Staff</b>	<b>5.0</b>	<b>5.0</b>	<b>5.0</b>	<b>0.0</b>	<b>1.0</b>
<b>Temporary/OPS Staff</b>					
IT Manager	0.5	0.5	0.5	0.0	0.0
Web Support	0.5	0.0	0.0	0.0	0.0
Administrative Support	0.5	0.5	1.0	0.5	0.0
Communications Intern	0.5	0.5	0.5	0.0	0.0
Planning Intern	0.5	0.5	0.5	0.0	0.0
Certified Legal Extern	0.5	0.5	0.0	-0.5	0.0
<b>Total, Temporary/OPS Staff</b>	<b>3.0</b>	<b>2.5</b>	<b>2.5</b>	<b>0.0</b>	<b>0.0</b>
<b>Total, Infrastructure Staff</b>	<b>21.0</b>	<b>21.5</b>	<b>21.5</b>	<b>0</b>	<b>3</b>

Blueprint Infrastructure does not budget for any new positions in FY 2021 over the FY 2020 staffing level. Based on prior IA Board direction, the Infrastructure program discontinued the long-standing contract for general design and engineering services in favor of moving those functions to full-time Agency employees in order to achieve long-term cost savings. Several new project manager and right of way positions were approved for the FY 2019 and FY 2020 budget as a result of this move. Most of the newly budgeted positions have been filled at this time, and there are currently only three vacant positions. It is anticipated these vacancies will be filled in FY 2021 to ensure adequate staffing to advance all projects proposed in the draft FY 2021 – 2025 CIP. The Project Manager and Right of Way Manager positions were advertised during FY 2020 but hiring was delayed to achieve savings and assist in off-setting the FY 2020 funding shortfall.

## ***2. Blueprint Infrastructure Operating Expenses, Other Services & Charges***

Operating expenses are projected to decline by twenty-three percent (23%) while Other Services & Charges, which is composed entirely of Infrastructure's liability and workers' compensation insurance, is projected to remain constant. The decline in operating expenses is due primarily to reduced budgeting for Unclassified Contract Services and Unclassified Professional Fees related to the Graphics Services and Strategic Communications contracts.

## ***3. Blueprint Infrastructure Capital Outlay***

Capital Outlay for FY 2021 has a proposed increase of thirty-six percent (36%). The FY 2020 budget for computer equipment of \$55,000 has been reduced to \$35,000 for FY 2021, while the vehicle equipment line has been increased by \$40,000 in order to purchase a new vehicle. Two vehicles, a 1999 Isuzu Rodeo and a 2002 Ford F-150, have been retired during the last year due to mechanical issues. These vehicles were both purchased during the early days of the Blueprint 2000 program and have served well beyond their originally estimated useful lives. In order to ensure that Blueprint project managers have access to transportation to project sites and off-site meetings, the purchase of an additional vehicle is requested in the FY 2021 budget.

## ***4. Blueprint Infrastructure Allocated Costs***

The City of Tallahassee provides several services to Blueprint including Technology, Human Resources, City Auditor, Records Management, and Purchasing. Blueprint provides a payment to the City of Tallahassee based on the services provided from each department, as determined by City of Tallahassee budget staff. The total budgeted allocated costs for FY 2021 is \$ 159,289 , which is a 106.96% increase from the FY 2020 budget. In FY 2019, allocated costs were \$ 116,958 due to accounting services being allocated.

At the September 20, 2018 meeting, the IA Board approved the transition of Blueprint's information technology infrastructure and management to the City of Tallahassee as part of the FY 2019 Blueprint Infrastructure operating budget. Due to unforeseen circumstances related to the placement of fiber optic cabling available to the Leon County Annex Building, where the Blueprint Offices are located, the transition to City IT services has not been completed at this time. The Agency anticipates that the transition will be complete early in FY 2021. Benefits achieved from this transition include enhanced information security, 24-hour operational support, and increased business continuity due to multiple backups in hardware and personnel.

### ***5. Blueprint Infrastructure Administrative Allocations***

The shared administrative costs of the agency are pooled into an administrative services department. These costs include the personnel expenses for legal, accounting, and administrative supervision staff members and their related operating expenses. Expenses related to outside contracts that benefit both Infrastructure and OEV, such as the external audit and outside general counsel contracts, are also included in the administrative department. All of the administrative expenses are pooled and then charged to Infrastructure and OEV at the end of the fiscal year. The method proposed for allocation is based on each division's share of the Blueprint 2020 sales tax: Infrastructure receives  $66/78=84.62\%$  while OEV receives  $12/78=15.38\%$  of the administrative costs.

### ***6. Blueprint Infrastructure Capital Projects Transfer***

The proposed allocations to Blueprint Infrastructure capital projects total \$29.3 million from the following sources, as detailed in Attachment #5:

- **Sales Tax Revenue:** The amount available for Capital Projects equals estimated sales tax revenues collected less the expenses associated with priority uses. Priority uses include debt service and operating expenses. Other priority uses, which include required expenditures for the satisfaction of grant revenue, are included within individual project budgets. The total revenue available for projects, which is the amount of the capital projects transfer, is estimated to be \$24,638,020 for FY 2021. Due to the current recessionary economic environment, the FY 2021 estimated transfer amount is a significant reduction as compared to the originally budgeted FY 2020 transfer amount. This amount could continue to be reduced as economic data becomes known over the summer.
- **Blueprint 2000 Reserve Funds:** A total of \$4,685,797 is held in a Blueprint Operating Reserve account. This funding includes \$2 million, which has previously been used to address funding shortfalls for specific Blueprint 2000 projects outside of annual budgeting processes, specifically to provide for emergency funding in the event of an economic decline or project cost overruns. Following the completion of the FY 2019 Comprehensive Annual Financial Report, an additional \$2,685,797, which is the remaining balance in the Agency's Infrastructure Operating Fund as a result of FY 2019 operations, was allocated to this fund by the IA Board at the May 26, 2020 meeting. The full balance of the reserve account are proposed for Advance Funding of the Airport Gateway project in FY 2021 due to the deallocation of funds from this project in FY 2020 to address the sales tax revenue shortfall. The draft FY 2021-2025 CIP includes allocations to restore the Blueprint reserve fund to a \$2 million balance by FY 2025.

## **B. BLUEPRINT INFRASTRUCTURE PROPOSED FIVE-YEAR CAPITAL IMPROVEMENT PLAN**

### *Sales Tax Revenue Impacts to Capital Improvement Program Due to COVID-19*

The approved FY 2020 and draft FY 2021 - 2025 Blueprint Infrastructure Five-Year Capital Improvement Plan has been necessarily altered due to the present economic conditions caused by the COVID-19 pandemic. Current sales tax revenue forecast decreases the previous revenue expectation by approximately \$17 million for fiscal years 2020 through 2025. As noted in previous sections, the current revenue forecast calls for a relatively shallower drop in sales tax revenue and a relatively shorter recovery period than was experienced during the previous recession. If the immediate decline in sales tax revenue is approximately ten percent greater, matching the previous recessionary falloff, the loss to the infrastructure program over the same period will be about \$34 million.

### *FY 2020 Capital Budget*

To account for the revenue shortfalls and reallocation of sales tax dollars to support local COVID-19 relief efforts, the Blueprint 2020 Infrastructure program FY 2020 capital budget allocation must be reduced. This section presents a strategy to minimize the impact to the program by continuing the funding and implementation schedules for 13 of the 16 Blueprint 2020 projects that have received allocations to date. Attachment #5 presents the detailed Infrastructure CIP.

Due to the COVID-19 impacts to local spending, the projected FY 2020 sales tax revenues for the Blueprint 2020 Infrastructure program have been reduced by a total of \$3,765,950, or 16.51%. Additionally, at the April 15, 2020 meeting, the IA Board directed \$1 million in funding from the FY 2020 Blueprint Infrastructure capital budget be reallocated to the Office of Economic Vitality to support the Local Emergency Assistance for Non-profits (LEAN) grant for Tallahassee-Leon County non-profits. This increased the funding shortfall for the Blueprint Infrastructure program FY 2020 capital budget to \$4,765,950, or 20.89%. The IA Board directed the LEAN Program to be funded as follows: \$500,000 deallocation from the Blueprint 2020 Lake Lafayette & St. Marks Regional Linear Park project and \$500,000 deallocation from the Blueprint 2020 Monroe-Adams Placemaking project. Following these budgetary adjustments, the FY 2020 project allocation for the Lake Lafayette & St. Marks Regional Linear Park project was reduced to \$0 and the FY 2020 project allocation for the Monroe-Adams Placemaking project was reduced to \$500,000. The initiation of both of these projects has been delayed until FY 2021. Following the conclusion of the LEAN grant program, \$602,500 has been spent and the remaining \$397,500 remains to be directed by the IA Board.

This agenda item proposes the following budget amendments to address the remaining \$3,765,950 funding shortfall in the FY 2020 Blueprint Infrastructure capital budget. As previously noted, a FY2020 operating budget amendment totaling \$429,120 is proposed to be reallocated to the FY 2020 project budget, reducing the total funding shortfall to \$3,266,737. This amount is proposed to be deallocated from a single Blueprint 2020 project, the Airport Gateway project. The FY 2020 allocation to Airport Gateway is \$3,500,000 and Phase One of the Airport Gateway project has not yet been initiated; however, the planning and design services was advertised in May 2020 and responses are currently being evaluated. The proposed FY 2021 allocation to this project is proposed to be increased by the same amount (\$3,266,737) to ensure funding is available to Phase One project activities scheduled for FY 2021. Given the



advertisement date of Spring 2020, the project schedule will not be impacted by postponing project funding to FY 2021.

It is impossible to accurately project the full impact of the COVID-19 pandemic on sales tax revenues for the remainder of FY 2020 or the lingering recessionary impacts over the next five years. As economic impacts over the late spring and summer become known, staff will provide an updated revenue projection and if necessary, proposed adjustments to the five-year capital improvement plan at the September 17, 2020 IA Board meeting.

### 1. Blueprint Infrastructure Accounting Summary

The Accounting Summary is included as Attachment #11 and provides current (as of May 31, 2020) information regarding funding sources, IA Board allocations to date, Agency encumbrances and expenditures for all Infrastructure projects, and remaining project balances.

### 2. Blueprint Infrastructure Annual Allocations of City and County Project Funding

At the April 1, 2015 IA Board meeting, the Board directed the City of Tallahassee and Leon County to complete a number of sales tax funded projects and directed that Blueprint provide the projects' funding through an annual allocation from Blueprint to each government. The annual allocations are presented in Table 12, below:

**Table 12:**

BLUEPRINT INFRASTRUCTURE						
Detail of Annual Allocations to Capital Projects						
Annual Allocations	FY2021	FY2022	FY2023	FY2024	FY2025	Total
Blueprint: Greenways Master Plan	750,000	750,000	750,000	750,000	750,000	3,750,000
Blueprint: Bike Route System	790,000	790,000	790,000	790,000	790,000	3,950,000
City of Tallahassee: StarMetro Enhancements	612,500	612,500	612,500	612,500	612,500	3,062,500
City of Tallahassee: Water Quality and Stormwater Improvements	2,125,000	2,125,000	2,125,000	2,125,000	2,125,000	10,625,000
City of Tallahassee: Sidewalks Improvements	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	6,250,000
City of Tallahassee: Operating Costs of Blueprint Funded Parks	500,000	500,000	500,000	500,000	500,000	2,500,000
Leon County: Water Quality and Stormwater Improvements	2,125,000	2,125,000	2,125,000	2,125,000	2,125,000	10,625,000
Leon County: Sidewalks Improvements	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	6,250,000
Leon County: Operating Costs of Blueprint Funded Parks	500,000	500,000	500,000	500,000	500,000	2,500,000
<b>Total, Annual Allocations to Capital Projects</b>	<b>9,902,500</b>	<b>9,902,500</b>	<b>9,902,500</b>	<b>9,902,500</b>	<b>9,902,500</b>	<b>49,512,500</b>

These allocations receive priority over the allocations included in Section IV.B.3 below due to the fact that they are included with annual funding amounts in the Interlocal Agreement over the life of the program. When adjustments are made to the budgeted annual Capital Projects Transfer, as is the case due to the present sales tax revenue shortfall, those adjustments must come from the Regional Mobility and Gateway or CCQ projects rather than from these annual allocations.

### 3. Beautification and Improvements to the Fairgrounds

The Beautification and Improvements to the Fairgrounds (Fairgrounds) project is a Blueprint 2020 project intended to enhance existing uses at the existing Fairgrounds site while providing new infrastructure to support expanded uses. The adopted project map and description is included as Attachment #17. The Board of County Commissioners adopted a Strategic Initiative to institute a sense of place initiative for the Fairgrounds at the December 9, 2013 Board of County Commissioners Strategic Planning Retreat and subsequently allocated \$50,000 to support the initiative. These funds were utilized to conduct a market study and consider potential improvements at the Fairgrounds, which was conducted by Markin Consulting, included as Attachment #18. The study included:

(1) assessing the community needs and market demand potential for new/expanded event facilities at Fairgrounds and

(2) analyzing the financial and economic impacts associated with operating recommended facilities.

Specifics on the approach are laid out on page 4 of the study and facility recommendations begin on page 50. The study was conducted by Markin Consulting at a cost of \$50,000 and the final report was accepted by the board on July 7, 2015. Staff estimates it would cost approximately \$65,000 to update this study with a similar scope.

Since voter approval of the sales tax extension in November 2014, the IA Board has taken significant action to prioritize all 27 projects, including the Fairground project. For prioritization purposes, the IA Board's adopted list of 27 Blueprint 2020 infrastructure projects were divided into five categories: Regional Mobility and Gateway projects, and Community Enhancement, Connectivity, and Quality of Life (CCQ) projects. The Fairgrounds and the Northeast Park projects are currently within the CCQ project category. The IA Board approved the prioritization for the CCQ projects at its September 19, 2017 meeting, included below in Table 13. The schedule for funding CCQ projects is included in the draft FY 2021 – 2025 Blueprint Infrastructure CIP, contained herein as Attachment #5. This draft CIP includes funding for all CCQ projects ranked higher than the Fairgrounds project. Should the IA Board approve this draft CIP, then the next projects to received funding based on the currently approved CCQ project prioritization are the Fairgrounds project and the Northeast Park, which are tied in priority. Note, the funding schedule is for each project based on project implementation needs, therefore, higher ranked CCQ project are not necessarily fully funded before lower ranked CCQ projects begin to received funding.

**Table 13.**  
***Blueprint 2020 Approved Prioritization for CCQ projects,***  
***tied projects listed in alphabetical order***

Priority Project Name		2014 Project Estimate
1	Market District (80 points)	9,400,000
1	Orange Avenue/Meridian Road Placemaking (80 points)	4,100,000
2	Lake Lafayette and St. Marks Regional Linear Park (75 points)	15,816,640
3	Monroe-Adams Corridor Placemaking (55 points)	7,000,000
4	Midtown Placemaking (50 points)	22,000,000
5	Beautification and Improvements to the Fairgrounds (45 poin	12,000,000
5	Northeast Park (45 points)	10,000,000
6	College Avenue Placemaking (40 points)	7,000,000
7	Florida A&M Entry Points (25 points)	1,500,000
8	Tallahassee-Leon County Animal Service Center (10 points)	7,000,000

Based on the approved FY 2019 – 2024 Blueprint 2020 Infrastructure Program Implementation Plan, (Implementation Plan), as approved by the IA Board at the June 21, 2018 meeting (Attachment #7), funding for both the Fairgrounds is anticipated between FY 2030 and 2034.

At the December 12, 2019 meeting, the IA Board considered an agenda item on “Acceptance of the Blueprint 2020 Beautification and Improvements to the Fairgrounds and Northeast Park Status Report with Cost Considerations to Advance the Projects”, which provided cost considerations for advancing the implementation of the Fairgrounds and the Northeast Park projects. At that meeting, the IA Board voted to accept the status report and took no further action.

At the January 27, 2020 Board of County Commissioners (Board) Retreat, the Board approved a new strategic initiative in relation to the Fairgrounds:

- Conduct an updated market feasibility study and evaluation of the Fairgrounds relocation/modification.

At that same meeting, the Board directed an agenda item reviewing the market study conducted by Markin Consulting and funding consideration for an update of that study to be undertaken by Blueprint. It is estimated that the updated market feasibility study and evaluation of the Fairgrounds relocation/modification will cost approximately \$65,000. This cost is not included in the draft FY 2021 – 2025 CIP, presented herein as Attachment #5, and action by the IA Board is required to fund the updated study for the Fairgrounds project in FY 2021.

Should the IA Board direct Blueprint to fund this study in FY 2021, this funding could be deducted from the proposed FY 2021 allocation to the Blueprint 2020 Market District project. Based on the current phasing of this project, the funding is not estimated to be needed until the latter half of FY 2021. The IA Board may proceed with directing staff to fund the Fairgrounds market feasibility study by approving Option #3.

#### ***4. Blueprint Infrastructure Proposed Five-Year Capital Improvement Plan Allocations and Deallocations Detail***

The draft Five-Year Capital Improvement Plan (CIP) for the Blueprint Infrastructure Program builds upon the prioritization and implementation processes approved previously by the IA Board, including the Project Prioritization Plan, Blueprint 2020 Infrastructure Implementation Plan, and all prior IA Board direction. As described herein, Blueprint Infrastructure proposes to address anticipated capital budget shortfalls in FY 2021 by using available funding from the Blueprint 2000 program, which will be paid back to the program in the future. In developing the draft FY 2021 – 2025 CIP, Blueprint evaluated opportunities to advance key Blueprint projects, including project components, with short lead times for construction and a complimentary, modified bonding strategy to increase funding for construction –ready projects in the near-term to assist in local economic recovery from the COVID-19 pandemic. The modified bonding strategy maintains the \$100 million total bond amount directed by the IA Board to support implementation of key Blueprint projects, including Airport Gateway and Northeast Corridor Connector: Bannerman Road. The bond issuance is proposed to be split into two smaller amounts to best align with current project schedules as updated since the approval of the bonding strategy by the IA Board at the June 21, 2018 meeting. As noted in the Draft FY 2021-2025 CIP, the first bond issuance totaling \$65 million is planned for FY 2022.



Capital project allocations totaling \$29.3 million for FY 2021 implement the construction-ready strategy described above while maintaining project progress consistent with prior IA Board direction and project prioritization. There is no bond, loan, or externally-leveraged funding proposed for the FY 2021 budget, as detailed in Attachment #5 (Infrastructure CIP) and Attachment #2. Table 14, below, shows the draft capital funding allocations/deallocations for the Blueprint Infrastructure capital projects in FY 2021 and through FY 2025:

**Table 14:**

BLUEPRINT INFRASTRUCTURE Detail of Infrastructure Project Transfers, FY 2021 - FY 2025						
Blueprint 2000 Projects	FY2021	FY2022	FY2023	FY2024	FY2025	Total
a. Northwest Florida WMD Partnership	(77,580)	-	-	-	-	(77,580)
b. Blueprint 2000 Land Bank	(579,771)	-	-	-	-	(579,771)
c. Capital Cascades Trail Segment 1 (Franklin)	(212,637)	-	-	-	-	(212,637)
d. Capital Cascades Crossing (Connector Bridge)	(19,486)	-	-	-	-	(19,486)
e. LPA Group Engineering Services	(541,326)	-	-	-	-	(541,326)
f. Magnolia Drive Trail	1,585,344	-	-	-	-	1,585,344
g. Capital Cascades Trail Segment 4	-	-	3,000,000	4,562,803	2,193,476	9,756,279
<b>Blueprint 2000 Advance Fundin for 2020</b>						
h. Advance Funding: Airport Gateway	4,531,253	-	-	-	-	4,531,253
<b>Blueprint 2020 Mobility &amp; Gateway Projects</b>						
h. Capital Circle Southwest Orange to Crawfordville	-	-	-	2,500,000	2,500,000	5,000,000
i. Airport Gateway	935,484	38,914,656	-	22,617,537	-	62,467,677
j. Northwest Connector: Tharpe Street	-	-	-	486,000	514,000	1,000,000
k. Northeast Connector: Bannerman Road	2,500,000	20,000,000	-	12,466,258	-	34,966,258
l. Northeast Gateway: Welaunee Boulevard	4,231,889	10,540,494	6,799,250	29,657,731	-	51,229,364
<b>Blueprint 2020 CCQ Projects</b>						
m. Orange Avenue/Meridian Placemaking	1,459,611	750,000	-	-	-	2,209,611
n. Market District Placemaking	2,126,846	5,415,089	971,663	-	-	8,513,598
o. Lake Lafayette and St. Marks Regional Park	500,000	750,000	-	1,833,526	1,236,000	4,319,526
p. Monroe-Adams Corridor Placemaking	1,500,000	2,500,000	2,451,144	1,581,817	-	8,032,961
q. Midtown Placemaking	1,000,000	4,000,000	-	500,000	1,000,000	6,500,000
r. DeSoto Winter Encampment	500,000	-	-	-	-	500,000
<b>Total, Infrastructure Transfers</b>	<b>19,439,627</b>	<b>82,870,239</b>	<b>13,222,057</b>	<b>76,205,672</b>	<b>7,443,476</b>	<b>199,181,071</b>

The sales tax revenues shortfall resulting from the COVID-19 pandemic will impact the FY 2021 capital project allocations. Currently, a shortfall of \$3,249,414 is projected compared to projected revenue collections at the time of the FY 2020-2024 capital budget approval at the September 5, 2019 IA Board meeting. To date, Blueprint has identified available funds totaling \$6,116,957 to both address this shortfall as well as mobilize available Blueprint 2000 funds to increase funding for construction –ready projects in the near-term to assist in local economic recovery from the COVID-19 pandemic. As previously noted, a total of \$4,685,797 is proposed to be transferred to the FY 2021 capital budget from the Blueprint Operating Reserve. The draft FY 2021-2025 CIP includes allocations to restore the Blueprint reserve account to a \$2 million balance by FY 2025. Additionally, the following deallocations totaling \$1,431,160 from completed Blueprint 2000 projects are proposed as below. This strategy will provide \$1,585,344 in additional funding for construction of Phase I Retrofit and Phase IV of the Magnolia Drive Trail project over the initial cost estimates provided in March 2018, described below, and provide \$4,531,613 to increase funding for Blueprint 2020 construction-ready projects in the near-term. It is anticipated this strategy will assist with the local economic recovery from the COVID-19 pandemic. Like previous advance-funding of Blueprint 2020 projects from Blueprint 2000 funds, this \$4,531,613 amount will be refunded to the Blueprint 2000 program to support the Capital Cascades Trail Segment 4 project, as well as any other Blueprint 2000 project where additional funds may be required.

#### Proposed FY 2021 Deallocations:

The following Blueprint 2000 project accounts are proposed for close-out and the remaining funds reallocated to the Magnolia Drive Trail project to provide funding to construct Phase I

Retrofit and Phase IV from Pontiac Drive to Monroe Street, including the cost of undergrounding utilities. This transfer of Blueprint 2000 funds to an active Blueprint 2000 project is the most appropriate use of these dollars which are no longer needed to complete their respective projects:

- Blueprint 2000 Land Bank – This project has been the funding source for the entirety of the Magnolia Drive Trail project to date. The remaining balance of \$579,771 is proposed for deallocation to the Magnolia Drive Trail.
- Capital Cascades Trail Segment 1 (Franklin Boulevard) – This completed project reconstructed the Franklin Boulevard corridor, including stormwater conveyance system and multi-use trail. The remaining balance of \$212,637 is proposed for deallocation to the Magnolia Drive Trail.
- Northwest Florida Water Management District - This sensitive lands acquisition project was intended to comprise a partnership agreement with the NFWFMD which specified a 50/50 cost split between Blueprint and NFWFMD to acquire sensitive lands in the headwaters of the St. Marks River. When the funding source NFWFMD utilized for land acquisitions became unavailable, the NFWFMD agreement with Blueprint was not renewed. Per IA Board direction at the January 13, 2017 meeting, \$500,000 from this project was used to fund the first phase of the Blueprint 2020 Alternative Sewer Solutions Study. The remaining balance of \$77,580 is proposed for deallocation to the Magnolia Drive Trail.
- Capital Cascades Crossing (Connector Bridge & Subprojects) – This completed project constructed the pedestrian bridge across Monroe Street connecting Cascades Park to Cascades Trail Segment 3 and FAMU Way. The remaining balance of \$19,486 is proposed for deallocation to the Magnolia Drive Trail.
- LPA Group Engineering Services – This project provided the funding source for the General Engineering Consultant (GEC) program, which ended at the end of FY 2019. The remaining balance of \$541,326 is proposed for deallocation to the Magnolia Drive Trail.

## ***5. Proposed FY 2021 Allocations - Blueprint Infrastructure Project Descriptions***

Blueprint 2000 Projects:

- Magnolia Drive Trail – This project will construct a new shared-use trail and underground utilities along the Magnolia Drive corridor from Apalachee Parkway to Adams Street. At the December 5, 2017 meeting, the IA Board approved a design modification for the Magnolia Drive Trail and directed staff to evaluate opportunities to underground utilities throughout the corridor. Per the approval of the IA Board at the March 1, 2018 meeting, Blueprint is coordinating with Leon County and City Electric Utilities to integrate undergrounding electric utility lines from Chowkeebbin Nene to Monroe Street. The agenda item from this meeting is included as Attachment 8. The proposed FY 2021 allocation of \$1,585,344 will address the funding shortfall for the construction of two phases (Phase I Retrofit and Phase IV) from Pontiac Drive to Monroe Street, including the cost of undergrounding utilities, while maintaining existing project balances to support future completion of the project. The proposed FY 2021 allocation will provide funding consistent with current construction costs for Phase I Retrofit and Phase IV over and above the estimates provided at the time of direction at the March 1, 2018, a total cost increase of \$1,585,344. A detailed update on the current costs and FY 2021 implementation schedule for Phases I and IV, as well as an update on remaining project phases, is included as Attachment 9. As detailed therein, costs for right-of way, construction, utility impacts, and undergrounding electric utilities for all phases of the Magnolia Drive Trail have

increased since receiving IA Board direction in March 2018 and the subsequent required time to complete design. Additional funding beyond the proposed FY 2021 allocation will be required to complete this project consistent with IA Board direction to underground utilities from Chowkeebin Nene to Monroe Street, and if requested by the IA Board, Blueprint will bring back an agenda item detailing current cost estimates at a future meeting.

**Blueprint 2020 Projects:**

- **Water Quality and Stormwater Improvements (City and County)** - The Blueprint 2020 program includes an \$85,000,000 project to be used for stormwater, sewer and/or water quality retrofit, to be split 50/50 between County and City, and distributed in annual allocations. The total FY 2021 allocation of \$4,250,000 is split, with \$2,125,000 to both the City and County
- **County/City Sidewalk Projects (City and County)** - The Blueprint 2020 program includes a \$50,000,000 project to be used for sidewalks to be split 50/50 between County and City, and distributed in annual allocations. The total FY 2021 allocation of \$2,500,000 is split, with \$1,250,000 to both the City and County.
- **Operating Costs for Parks Built with Surtax Funds (City and County)** - The Blueprint 2020 program includes a \$20,000,000 project for the operation and maintenance of parks split 50/50 between County and City, and distributed in annual allocations. The total FY 2021 allocation of \$1,000,000 is split, with \$500,000 to both the City and County.
- **StarMetro (City)** - The Blueprint 2020 program includes a \$12,250,000 project to be used to provide bus stop amenities (including bench, shelter, or other structure), as well as make bus stops ADA compliant and enhance service for customers at major transfer points. At the April 1, 2015 meeting, the IA Board directed the City to implement this project and provided for its funding through an annual allocation. The programmed annual allocation for this project is \$612,500.
- **Build the Bike Route System** - The Blueprint 2020 program includes a \$15,000,000 project for continued implementation of a bicycle and pedestrian master plan. At the April 1, 2015 meeting, the IA Board directed Blueprint to implement this project and provided for its funding through an annual allocation. The FY 2021 allocation for this project is \$750,000, which will fund the construction of the bike route components of the Lake Jackson Greenway and Capital Circle SW Greenway projects.
- **Implement Greenways Master Plan** - The Blueprint 2020 program includes a \$15,800,000 project to for the implementation of the Greenways Master Plan. At the April 1, 2015 meeting, the IA Board directed Blueprint to implement this project and provided for its funding through an annual allocation. The FY 2021 allocation for this project is \$750,000, which will fund the construction of the greenways components of the Lake Jackson Greenway and Capital Circle SW Greenway projects.
- **Airport Gateway** - The proposed FY 2021 allocation of \$5,466,737 will fund design services for Phases 2 and 3 of the Airport Gateway project, which include North and South Lake Bradford Road as well Orange Avenue intersection improvements. Funding for design services for Phase 1 of the Airport Gateway project (Springhill Road, Stuckey Avenue, and the new roadway through Innovation Park and the southwest FSU campus) were originally included the FY 2020 budget. However, \$3,266,737 was deallocated from this project to address the FY 2020 funding shortfall resulting from the COVID-19 pandemic. This \$3,266,737 funding for Phase I design has been added to the planned FY 2021 allocation of \$2,200,000 identified in the adopted FY 2020 CIP approved by the IA Board at the September 5, 2019 meeting. The source of the additional FY 2021 allocation of \$3.3 million is Advance Funding from the Blueprint reserve account. The reserve account will be replenished with annual allocations through FY 2025. Once

completed, the Airport Gateway project creates a network of interconnected roadways with enhancements, including pedestrian and bicycle facilities, landscaping, and other aesthetic improvements, throughout the seven-mile project area in southwest Tallahassee-Leon County.

- Northeast Connector Corridor: Bannerman Road – The project is comprised of numerous greenway, trail, and sidewalk improvements, as well improvements to Bannerman Road between Thomasville and Meridian Road, which includes widening the roadway to four lanes from Thomasville to Tekesta and constructing a multi-use trail along the entire length of the corridor. A feasibility study is currently underway to evaluate widening Bannerman Road from Tekesta Drive to Meridian Road. The feasibility study is expected to be complete by fall 2020 for consideration and further direction by the IA Board. The feasibility study will include an analysis of estimated costs associated with expanding the scope of the Northeast Connector Corridor project. This project also includes portions of the Meridian Greenway project, from Orchard Pond Greenway south to Lake Overstreet, which will begin design in fall 2020. Combined with the FY 2020 allocation for this project (\$3,500,000), the proposed allocation of \$2,500,000 will fully fund the design phase of the Bannerman Road and Meridian Greenway projects.
- Northeast Gateway: Welaunee Boulevard – This project includes the planning, design, and construction of Welaunee Boulevard north from Fleischmann Road to Roberts Road and the Shamrock Street extension intersection with Centerville Road, as well as the Welaunee Greenway. The proposed allocation of \$4,231,889 will be used to fully fund the design of Welaunee Boulevard Phase 1 following the conclusion of the PD&E, which is currently underway and scheduled for completion in fall 2020. The design will include the roadway from the eastern edge of the Canopy Development area north to an intersection in the vicinity of Roberts Road, the proposed Shamrock Street extension ending at Centerville Road, and the Welaunee Greenway. Blueprint anticipates that design will complete in 2021. Consistent with IA Board direction at the September 12, 2016 meeting, during FY 2020 Blueprint will also submit an application to the FDOT State Infrastructure Bank (SIB) Loan program with a request for 50% of total project costs.

Consistent with IA Board direction at the February 28, 2019 meeting the FY 2021 allocation will also fund the repayment to the City of Tallahassee for costs associated with the cost of portions of Welaunee Boulevard within the Canopy development.

- Orange Avenue/Meridian Road Placemaking – This project is a top priority project for the Blueprint 2020 program (tied for #1 priority Community Enhancement, Connectivity, and Quality of Life project as ranked by the IA Board at the September 19, 2017 meeting). The proposed FY 2020 allocation of \$209,611 will continue to fully fund this project, including the construction of the East Drainage Ditch improvements and Orange Avenue stormwater facility amenities. The \$1 million planned allocation to support StarMetro's development of the Southside Transit Center is scheduled for FY 2022.
- Market District – The Market District project is also a top priority project for the Blueprint 2020 program (tied for #1 priority Community Enhancement, Connectivity, and Quality of Life project as ranked by the IA Board at the September 19, 2017 meeting). The proposed FY 2021 allocation of \$2,126,846 will fund design for the public space component of this placemaking project, as well as design of the Maclay Road sidewalk and traffic analysis studies at selected intersections within Market District. Blueprint is currently coordinating with the City regarding the public space component of this placemaking project to align the design and construction activities with the completion of the City's Market District Stormwater project.
- Lake Lafayette and St. Marks Regional Park – This project will connect 7,200 acres of public recreation lands east of Capital Circle Southeast, as well as provides ecosystem restoration and flooding analysis. Consistent with these project objectives, the proposed FY 2021 allocation of



\$750,000 will fund initial environmental studies for this project. The initiation of this project was moved from FY 2020 to FY 2021 by the IA Board at the April 15, 2020 meeting.

- **Monroe-Adams Corridor Placemaking** – This placemaking project will create safe, comfortable streets for pedestrians, transit users, and cyclists along the Monroe-Adams corridor. The initiation of this project was moved from FY 2020 to FY 2021 by the IA Board at the April 15, 2020 meeting. The proposed FY 2021 allocation of \$1,500,000 will fund preliminary engineering, design services, and construction for one of the five cross-streets connecting Monroe Street and Adams Street consistent with improvements identified in the Monroe-Adams Placemaking plan. Blueprint will coordinate with the public and private sector partners, including Florida A&M University, members of the Monroe-Adams Placemaking citizens group, FDOT, the City of Tallahassee, Leon County, and area businesses to develop the implementation plan for this project.
- **Midtown Placemaking**– This placemaking project will create safe, comfortable streets for pedestrians, transit users, and cyclists along the Thomasville Road and Monroe Street corridors. In late summer 2020, the Capital Region Transportation Planning Agency will conclude Phase 2 of the Midtown Transportation Study. Over the past three years, the CRTPA has conducted numerous traffic studies and developed proposed concepts for streetscaping and safety improvements along the Thomasville Road and Monroe Street corridors. Over the past year, the CRTPA has undertaken significant public engagement activities to obtain feedback from FDOT, Leon County residents, Midtown businesses owners, and neighborhoods regarding the proposed improvements, included as attachment 10. The results of the midtown transportation study will be presented to the CRTPA board in late summer 2020.

Building on the significant progress made by the CRTPA over the past three years to determine feasible solutions to improve safety, traffic operations, resiliency, and aesthetics along the Thomasville Road and Monroe Street corridors, the draft FY 2021 – 2025 proposes to accelerate implementation of the Midtown Placemaking project. Specifically, the CRTPA has gained consensus on planned improvements along Thomasville Road from Monroe Street to Seventh Avenue. Initiation of the project in FY 2021 will leverage the three-year effort to date by the CRTPA, the substantial public engagement in developing the proposed conceptual design, and the costs of the traffic studies and concept development incurred by the CRTPA. Building on the progress to date at this point will ensure that this same work will not have to be re-evaluated in two-three years and Blueprint funds can be allocated to advance this project to the design phase in FY 2021. The proposed FY 2021 allocation of \$1,000,000 will fund preliminary engineering and design services along Thomasville Road from Monroe Street to Seventh Avenue. The estimated construction cost of these improvements is \$3.5-4 million, and no right-of-way acquisition is required to implement the current conceptual design. It is anticipated construction could begin on this project in spring/summer 2022.

## **V. OFFICE OF ECONOMIC VITALITY FY 2021**

### **A. OFFICE OF ECONOMIC VITALITY PROPOSED OPERATING BUDGET**

The Office of Economic Vitality will not face as large of an anticipated revenue decline as the Infrastructure program due to the fact that OEV only began to receive sales tax revenue in January of 2020. FY 2021 represents a degree of uncertainty, as OEV moves into the post-COVID business climate. As demonstrated globally, nationally, and statewide, the pandemic has made significant impacts upon the way in which we conduct business, and has left its mark on many industries. OEV is fully cognizant of these changes, and all programs and projects have been reviewed to ensure they best meet the needs of our local community, particularly those industries and businesses most adversely affected. Supporting local businesses and workforce initiatives has never been more important than now, and OEV's budget will be aligned to best meet those needs. Although revenues may be less than anticipated, and project dollars may be diminished, OEV will still provide best in class technical assistance, customer service, and business support. OEV remains the primary convener and provider for local economic information and collaborative initiatives. The FY 21 budget reflects these commitments and responsibilities, and outlines those priorities to which our community and the Board has highlighted as critical areas of focus.

The proposed OEV FY 2021 operating budget is \$1.89 million, which is 7.5% reduction from the approved FY 2020 operating budget. The paragraphs below detail how proposed reductions in operating expenses have been achieved and the full, detailed OEV draft and proposed operating budget is presented with prior year comparisons in Attachment #4.

Personnel expenses have been budgeted with a 4.81% or \$59,000 reduction as compared to the FY 2020 total. This anticipated expenditure reduction was achieved by planning for zero employee cost of living adjustments for the year and due to a lower actual amount of salary and employee benefits expense for employees who were hired during the year versus higher budgeted amounts for FY 2020. OEV's operating expenses are also down 1.46% over the previous fiscal year. This reduction achieved in spite of increase in expenditures for rent and insurance expenses associated with the move into new office space this summer.

OEV remains committed to the success and vitality of our local business community, and seeks to maintain a fiscally responsible and equitable role in utilizing sale tax revenues. With the advent of COVID-19, it has become readily apparent that support for our local business is paramount, to which OEV continually leverages staff and resources to provide effective, rapid, and meaningful assistance to our business community. To that effect, OEV will prioritize local business and workforce developments effort, while providing a balanced budget and sustaining the high-level of service our community deserves.

The FY 2021 Office of Economic Vitality Proposed Operating Budget, presented in Attachment #4, presents an operating expense reduction of \$125,000, or 6.14%, from the approved FY 2020 operating budget. The primary sources of savings come from a reduction in Personnel Expenses, due to reduced spending on salary and benefits expenses for newly hired employees versus the amounts budgeted for those expenses, and Capital Outlay Expenses, which were increased for FY 2020 due to OEV's relocation to the first floor of the Leon County Annex Building. Table 15, on the following page, presents OEV's proposed FY 2021 operating budget with prior year comparisons.

**Table 15:**

<b>OFFICE OF ECONOMIC VITALITY</b>				
<b>Proposed FY 2021 General Fund Operating Budget</b>				
<b>Sources of Funds</b>	<b>FY 2019 Actual</b>	<b>FY 2020 Adopted</b>	<b>FY 2021 Proposed</b>	
Sales Tax Revenue	-	4,083,574	5,077,560	24.34%
City/County Funding	689,557	852,928	276,003	-67.64%
Interest Income	(2,262)	-	-	100.00%
Miscellaneous Revenue	-	510,000	-	-100.00%
<b>Total, Sources of Funds</b>	<b>687,295</b>	<b>5,446,502</b>	<b>5,353,563</b>	
<b>Uses of Funds</b>				
Debt Service	-	-	-	100.00%
Personnel Services	839,793	1,229,722	1,170,609	-4.81%
Operating Expenses	164,273	455,570	448,915	-1.46%
Other Services/Charges	1,495	30,000	40,000	33.33%
Capital Outlay	-	163,542	50,000	-69.43%
Allocated Costs	22,998	27,020	27,831	
Administrative Allocations	-	139,193	153,912	10.57%
Capital Projects Transfer	-	3,401,455	3,462,297	1.79%
<b>Total, Uses of Funds</b>	<b>1,028,559</b>	<b>5,446,502</b>	<b>5,353,563</b>	
<b>Sources Less Uses of Funds</b>	<b>(341,264)</b>	<b>-</b>	<b>-</b>	

### **1. OEV Personnel Services**

The FY 2021 Personnel Services budget calls for staffing levels consistent with the approved FY 2020 budget. OEV proposes maintaining the current eleven approved positions, and will seek to fill one vacancy, an Administrative Assistant, when the first floor office renovations are complete. Personnel Services expenses are projected to decline by 4.81% versus the amounts budgeted for FY 2020 due to savings achieved in budgeted salary and employee benefits expenses. This is due to reduced employee benefits expenses for individuals who were hired over the last year when compared to the original budgeted amount for those expenses. There is no employee cost of living increase proposed for FY 2021 due to the projected revenue shortfall and need to program all available funds into local economic development programs.

Table 16, on the following page, presents the proposed Office of Economic Vitality staffing levels for FY 2021. No new positions are proposed for the fiscal year and there is currently one vacant position. The vacant Administrative Assistant position is anticipated to be advertised later this year, commensurate with the completion of the new OEV office space.

**Table 16:**

<b>OFFICE OF ECONOMIC VITALITY</b>					
<b>Summary of Staffing Levels</b>					
	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>Increase/</b>	<b>Vacant</b>
<b>Business Development / MWSBE</b>	<b>Approved</b>	<b>Approved</b>	<b>Proposed</b>	<b>(Decrease)</b>	<b>Positions</b>
Deputy Director, Business Development	1.0	1.0	1.0	0.0	0.0
Deputy Director, MWSBE	1.0	1.0	1.0	0.0	0.0
Business Development Manager	1.0	1.0	1.0	0.0	0.0
Business Vitality Manager	1.0	1.0	1.0	0.0	0.0
Business Intelligence Manager	1.0	1.0	1.0	0.0	0.0
Research Coordinator	1.0	1.0	1.0	0.0	0.0
MWSBE Coordinator	2.0	2.0	2.0	0.0	0.0
<b>Total, Program Staff</b>	<b>8.0</b>	<b>8.0</b>	<b>8.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Shared Administrative Staff</b>					
Director, Office of Economic Vitality	1.0	1.0	1.0	0.0	0.0
Marketing & Outreach Coordinator	0.0	1.0	1.0	0.0	0.0
Administrative Assistant	0.0	1.0	1.0	0.0	1.0
<b>Total, Shared Admin Staff</b>	<b>1.0</b>	<b>3.0</b>	<b>3.0</b>	<b>0.0</b>	<b>1.0</b>
<b>Temporary/OPS Staff</b>					
Management Intern	1.0	1.0	1.0	0.0	0.0
<b>Total, Temporary/OPS Staff</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Total, Office of Economic Vitality Staff</b>	<b>10.0</b>	<b>12.0</b>	<b>12.0</b>	<b>0.0</b>	<b>1.0</b>

## **2. OEV Operating Expenses, Other Services & Charges**

Operating expenses for the Office of Economic Vitality, which include standard office expenses, rent and leases, contract services, and similar charges, are proposed to decrease by \$6,655, or 1.46% for FY 2021 over the amount budgeted for FY 2020. The primary increases are in the categories of 1) Computer Software, due to existing software contracts being budgeted under the operating fund rather than the Business Recruitment and Incentive Fund; 2) Rent, which is budgeted for the full year rather than half of the year being budgeted in FY 2020; and 3) Supplies and Contract Services for setting up the new office area with necessary supplies and planning for business attraction and development events during FY 2021.

The Liability Insurance line item includes both liability and workers' compensation insurance, and it is the only cost budgeted under the Other Services & Charges category. This line item has a budgeted increase of 33% due to additional premium of \$10,000 related to the office space on the first floor of the Leon County Annex Building.

## **3. OEV Capital Outlay**

The vast majority of capital outlay needs for the Office of Economic Vitality were budgeted for the FY 2020 year. Another \$50,000 in equipment is budgeted for FY 2021, and this is related primarily to the transition of IT services from being managed within the agency to the services being managed by the City of Tallahassee Technology & Innovations department.

## **4. OEV Allocated Costs**

Allocated costs are for services that are provided by the City of Tallahassee on behalf of the Office of Economic Vitality. These costs include Human Resources, Purchasing, Information Technology, and Revenue Collection. The costs are budgeted by the City of Tallahassee Resource



Management department and then assigned to all other business units that utilize these services based on a defined cost driver. Though the final cost allocations have not been provided by City Resource Management at this time, it is estimated that costs will increase by approximately three percent over FY 2020 levels.

### **5. *OEV Administrative Allocations***

The shared administrative costs of the agency are pooled into an administrative services department. These costs include the personnel expenses for legal, accounting, and administrative supervision staff members and their related operating expenses. Expenses related to outside contracts that benefit both Infrastructure and OEV, such as the external audit and outside general counsel contracts, are also included in the administrative department. All of the administrative expenses are pooled and then charged to Infrastructure and OEV at the end of the fiscal year. The method proposed for allocation is based on each division's share of the Blueprint 2020 sales tax: Infrastructure receives  $66/78=84.62\%$  while OEV receives  $12/78=15.38\%$  of the administrative costs.

### **6. *OEV Capital Projects Transfer***

The amount available for Capital Projects equals estimated sales tax revenues collected less the expenses associated with priority uses. Priority uses include debt service and operating expenses. Other priority uses, which include required expenditures for the satisfaction of grant revenue, are included within individual project budgets. The total available for projects, which is the amount of the capital projects transfer, is estimated to be \$3,462,297 for FY 2021. This amount could continue to be reduced as economic data becomes known over the summer.

## **B. OFFICE OF ECONOMIC VITALITY PROPOSED FIVE-YEAR CIP**

The approved FY 2020 and draft FY 2021 - 2025 Office of Economic Vitality Five-Year Capital Improvement Plan (Attachment #6) has been necessarily altered due to the present economic conditions caused by the COVID-19 pandemic. The current sales tax revenue forecast decreases the previous revenue expectation by approximately \$3 million for fiscal years 2020 through 2025. As noted in previous sections, the current revenue forecast calls for a relatively shallower drop in sales tax revenue and a relatively shorter recovery period than was experienced during the previous recession. If the immediate decline in sales tax revenue is approximately ten percent greater, matching the previous recessionary falloff, the loss to the Office of Economic Vitality over the same period will be about \$6 million.

### **1. *OEV Accounting Summary***

The Accounting Summary is included as Attachment #11 and provides current (as of May 31, 2020) information regarding funding sources, IA Board allocations to date, Agency encumbrances and expenditures for all Office of Economic Vitality projects, and remaining project balances.

### **2. *OEV Annual Allocations of City Project Funding***

According to the Interlocal Agreement, OEV has one annual allocation to the City of Tallahassee. The allocation is for \$705,000 to be applied to improvements to the Tallahassee International Airport, for a total contribution of \$14.1 million over the life of the Blueprint 2020 program. The contribution will go toward upgrading existing hangar facilities, providing the necessary utility infrastructure to construct additional hangars, and developing 1,000 acres of Airport property

for lease. In addition, funding would help to create an international passenger processing facility, support international user fee expenses, and provide additional training support to Airport staff in accordance with Tallahassee International Airport's 20-year Growth and Development Plan. Attachment #13 is a letter from the Airport detailing the intended usage of the funds for FY 2021.

### ***3. OEV Proposed Five-Year Capital Improvement Plan Allocations Detail***

OEV's Five-Year Capital Projects and Economic Vitality Programs Budget has not been reduced as dramatically as for the Infrastructure program for FY 2021, only \$500,000 for OEV versus \$3 million for Infrastructure. As OEV moves into FY 2021, the key focus will remain on supporting our local business community through targeted programing aligned with the long-term economic development strategic plan as well as identify new emerging business development opportunities. This focus includes the key priority areas approved by the Board during the March 12 workshop: local business support, minority, woman and small business engagement, applied science and manufacturing, creative economy, strategic sites location, technology information industry.

To accomplish this goal, OEV will be sun-setting two projects in FY 2021: (1) Urban Vitality Job and (2) Elevate Grant programs. The first – The Urban Vitality Job Creation Pilot Program was created in 2016 to build off of the state-led Urban High Crime Job Tax Credit Program. The state program sought to reward employers hiring individuals from identified high-crime tracts within Florida cities, and included a selection of target industries. Initially, the OEV complementary incentive mirrored these geographic restrictions and industry codes, however the incentive met with minimal applicants. During a 2019 performance review and update, three key updates were enacted: geographic limitations were removed, making the incentive available county-wide; industry limitations were removed, making the incentive available to all business types; and eligibility became open to businesses hiring recent completers of Bethel, CareerSource, TEMPO, and CESC training programs at ALICE or better wages (11.00/hr).

Additionally, a new awareness and promotion effort was mounted that included social media, email, and physical materials sent to OEV's extensive list-host and obtaining thousands of views via Facebook. The program was promoted by MWSBE and Business Development staff through business consultations and other radio and television appearances. Despite this, business interest in the program remained insufficient to warrant a second round of updates. With low barriers to entry, the program appeared not carry a high enough financial incentive, and to raise the incentive would have made the social return on investment difficult to justify. Furthermore, a collaboration between the MIT Sloan School of Management and Leon County found that the funds could have greater impact if directed toward ecosystem training partners directly – that is, to assist in expanded trainings offered by entities such as Bethel Ready4Work, ReFire Culinary, and the DISC Village LIFT program. Thus, the Urban Vitality Jobs Pilot will sunset at the end of FY 20 and further workforce development support for ecosystem partners will be explored via novel programs. Staff will continue to review the findings of the MIT study recommendation and explore opportunities and partnerships to address this workforce need. In addition, funding for the Elevate grant program will be reallocated to the Local Workforce and Business Support, to provide targeted support for local small businesses and workforce programs along with the Urban Vitality funding. The Elevate Fund was originally intended to support entrepreneurial endeavors, particularly as they related to workforce. While this is still an important focus for OEV, given the pandemic and its subsequent impact upon the local economy, it was prudent for OEV to echo the efforts begun with the CEDR and LEAN grant programs to provide targeted, rapid, and effective

support for local businesses. It should be noted that OEV has extended all existing agreements with current workforce development partners and grant recipients, in light of the delays and restrictions resulting from COVID-19 and will continue to work with them until the grant deliverables are fulfilled. In addition, this reallocation supports efforts to aid the employment of those workers adversely effected by the pandemic, providing resources to augment the efforts of local workforce and education providers.

The shift in focus allows OEV to address some of the most critical issues facing our community today, specifically local business support and workforce development. Finally, this reallocation of funding will provide additional cost savings and additional support for critical sectors of our economy, in particular those involving small business enterprises, workforce development, talent attraction, and developing a manufacturing association to support our area manufactures.

As OEV moves into FY 2021, OEV intends to focus on supporting our local business community through targeted programing aligned with the long-term economic development strategic plan as well as identify new emerging business development opportunities. For example, funding is included to support local businesses for the following activities, please note that a detailed description of each line item is included on page 34:

- Funding for industry academies and business to business connections specifically targeted for minority, women, and small businesses
- Funding for local workforce development and business support which includes Leon Works Expo, partnership agreements for talent recruitment and creative class initiatives such as KCCI and Choose Tallahassee.
- Funding for economic vitality partner support for targeted business support programming from the local Chambers, entrepreneur focused activities.
- Funding for business retention and expansion support, as well as local commitments for Qualified Target Industry Tax Refund and Target Business Programs.

The FY 2021 – 2040 long-term revenue and expense projection also contemplates repayment of advance funding from the City of Tallahassee and Leon County. The City and County each contributed \$500,000 to fund OEV's Business Recruitment and Incentive Fund in FY 2017. The repayment of this advance funding is programmed for FY 2023 and FY 2024, with \$500,000 repayments proposed for each year. This amount was programmed to be repaid in the FY 2020 budget, however the IA Board developed the concept of the CEDR grant fund, and the repayment funding was used to provide grants to local small businesses. It is anticipated that there will be sufficient sales tax revenue in FY 2023 to begin repayment and there are limited options for funding the repayment prior to FY 2023. OEV is also seeking reimbursement for the CEDR and LEAN grants from federal and state sources through the CARES Act.

Table 17, below, summarizes the proposed capital project allocations for FY 2021-2025, which are detailed in Attachment #6:

**Table 17:**

<b>OFFICE OF ECONOMIC VITALITY</b>						
<b>Detail of Annual Allocations, Capital Projects, &amp; Economic Vitality Programs</b>						
<b>Annual Allocations</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>	<b>FY 2025</b>	<b>Total</b>
International Airport	705,000	705,000	705,000	705,000	705,000	3,525,000
<b>Capital Projects</b>						
Convention Center Bond	2,000,000	2,000,000	20,000,000	20,000,000	-	44,000,000
<b>1) Economic Vitality Programs</b>						
<b>Incentives, Grants and Programs</b>						
Qualified Target Industry Tax Refund	47,000	47,000	37,000	15,000	15,000	161,000
Target Business Program	160,000	175,000	190,000	210,000	230,000	965,000
ARPC EDA Revolving Loan Fund	25,000	25,000	25,000	25,000	25,000	125,000
Magnetic Technologies Recruitment	65,000	65,000	65,000	65,000	65,000	325,000
Business Development: Attraction/Expansion	30,000	35,000	35,000	35,000	35,000	170,000
Competitiveness Project Fund	25,000	50,000	100,000	100,000	150,000	425,000
<b>Business2Business Engagement Actions</b>						
Local Business and Workforce Development	112,000	100,000	100,000	100,000	100,000	512,000
Industry Academies and B2B Outreach	12,000	12,000	12,000	12,000	12,000	60,000
Strategic Marketing and Communication	65,000	65,000	65,000	65,000	65,000	325,000
Economic Vitality Sponsorships	30,000	35,000	35,000	35,000	35,000	170,000
<b>Economic Vitality Studies</b>						
MWSBE Disparity Study	-	-	-	500,000	-	500,000
Target Industry Study	-	-	100,000	-	-	100,000
Updates to Strategic Plan	-	100,000	-	-	-	100,000
2) Future Opportunity Leveraging Fund	186,297	134,854	348,576	41,515	(395,272)	315,970
<b>Total, OEV CPEVP Budget</b>	<b>3,462,297</b>	<b>3,548,854</b>	<b>21,817,576</b>	<b>21,908,515</b>	<b>1,041,728</b>	<b>51,778,970</b>

As directly by the IA Board during the March workshop, the Competitive Project Fund (CPF) policy and the Future Opportunity Leveraging Fund (FOLF) are on the IA Board's July 9 agenda for approval. The FY 2021 budget includes funding to seed the CPF, with the anticipation that additional funding be provided in future budget cycles, as sales tax revenues stabilize. In similar fashion, FOLF will receive those funds remaining at the end of the fiscal year, the remaining balance of which shall roll in the FOLF, and do so annually to gradually develop the fund balance.

On March 12, 2020, Florida A&M University (FAMU) submitted a request to the IA Board to utilize \$10 million in financial support for a project that has since been modified, and communication between the Agency and FAMU is ongoing regarding this project. The IA Board directed staff to prepare an agenda item with an analysis of the FAMU proposal and to collaborate with FAMU to refine the request. Staff has worked closely with FAMU to clarify the project scope and an extensive amount of additional information is required in order to proceed with a project plan. Based on the information presented in Item #10, scheduled for the regular July 9, 2020 IA Board meeting immediately following this workshop, the estimated amount remaining for all OEV programs beyond amounts presently anticipated for debt service, operating expenses, existing capital project allocations, and other existing commitments is an estimated \$4.9 million over the next 20 years through FY 2040. Staff anticipates receiving IA Board direction on Item #10 and, based upon same, will continue to communicate and seek additional information so that a well-defined project may be presented to the IA Board at a later date.

Finally, OEV will continue to work with the Economic Vitality Leadership Council, Magnetic Technologies Taskforce, and Minority Women and Small Business Citizens Advisory Committee to identify fiscally responsible programs that provide the resources and assistance our business community needs.



The next step in addressing funding levels for OEV's five-year CIP is the completion of any adjustments to the revenue projection presented in Attachment #1. Agency staff will be monitoring economic data from multiple state and federal sources over the following month and the Florida Department of Revenue will release the Agency's sales tax remittance on or about June 25 for the month of April. Taken together, Agency budget staff will be able to present a more accurate top-level revenue estimate for the FY 2021 draft and proposed operating budget and the proposed FY 2021-2025 CIP.

#### **4. OEV Project Descriptions**

- **Convention Center (Line 9):** As directed by the IA Board on March 12, 2020, funding is provided to include the \$40 million estimate for bonding and debt service in the development of the FY 2021 budget process. At present, \$2 million is set aside for the Convention Center's design and preplanning in both FY 2021 and FY 2022, with the first bond issue being anticipated in late FY 2023.
- **Tallahassee International Airport (Line 10):** As stated in the Interlocal Agreement, up to \$14.1 million for the International Airport Growth and Development Project may help upgrade existing hangar facilities, provide the necessary utility infrastructure to construct additional hangars, and develop 1,000 acres of Airport property for lease. Funding would help to create an international passenger processing facility, support international user fee expenses, and provide additional training to Airport staff in accordance with Tallahassee International Airport's 20-year Growth and Development Plan. The annual funding allocation is \$705,000 for the Airport as described in Attachment #6 and Attachment #13 provides information about the Airport's intended use of FY 2021 Economic Development funds.
- **Qualified Target Industry Tax Refund and Target Business Program (Lines 14 and 15):** Provide funds for existing commitments to local businesses for expansion and job creation. These incentives were provided to these businesses as the result of a competitive project process and will be reviewed each year to ensure that the job creation and capital investment objectives were met. OEV utilizes both the QTI (80/20 State to Local match) and TBP (local only) incentives to induce recruitment and expansion for prospective companies. Prospects seeking these incentives for their projects can submit an RFP with details on their proposed project. Should the project show sufficient capital investment, job creation, and space requirements, the prospect will be asked to submit an application, detailing their project commitment. The application is then reviewed by staff and the Competitive Project Cabinet (CPC). If approved, OEV will enter into negotiations with the prospect and formalize the incentive via a legal contract.
- **ARPC Revolving Loan Fund (Line 17):** Provides matching funds to establish a \$1 million revolving loan program for small businesses, which will be administered by Apalachee Regional Planning Council (ARPC) application. Staff has been working with EDA and ARPC to address questions regarding this grant proposal.
- **Magnetic Technologies Recruitment (Line 18):** Allowing for a more focused approach to Magnetic recruitment, OEV will reduce the contract with Research on Investment (ROI) to focus primarily upon the existing pipeline of leads (approx. 1,200), and nurturing these existing leads via project development, site visits, and trade shows. This would result in annual cost savings of approximately \$56,000. OEV is also working with the



local research institutions to put together and host virtual tours of facilities such as the MagLab, to allow for remote visits by interested businesses or researchers. OEV is actively seeking new avenues to market our local assets, and bring them to prospects in new and innovative ways. OEV continues to receive interest from companies seeking to relocate and expand within our community, and although COVID-19 has impacted in-person visits and tours, there is still activity, particularly in the field of bio-technology and agriculture.

- **Business Development (Line 19):** Funding is provided for business attraction and expansion activities. Recruitment initiatives are being held virtually, and many of these prospects have indicated a desire to accelerate their plans once restrictions on travel and visitation are relaxed. OEV has extended all existing agreements with current workforce development partners and grant recipients, in light of the delays and restrictions resulting from COVID-19. OEV is doing everything we can to support our local businesses in response to COVID-19, and will maintain a high level of service and support for our community, while remaining fiscally sound and within budget. This line item has been reduced by \$18,000.
- **Competitive Project Fund (Line 22):** As directed by the IA Board during the March workshop, staff has allocated \$25,000 to seed the initial fund, with the anticipation that additional funding be provided in future budget cycles, as sales tax revenues stabilize. This funding will be used to induce business expansion or relocation for competitive projects, which are those seeking to locate/expand in Tallahassee as well as another community(ies). Funding may be used to cover land and infrastructure improvements as well as workforce development needs as it relates directly to project needs. The policy governing the usage of these funds is on the IA Board's July 9 agenda for approval.
- **Local Workforce and Business Support (Line 26):** Funding is provided to support local and small businesses, workforce development, talent attraction, and developing a manufacturing association to support our area manufactures. Funding is included specifically for Leon Works Expo, Domi, partnership agreements for talent recruitment and creative class initiatives such as KCCI and Choose Tallahassee. Additional funds will be utilized to support the developing manufacturing association.
- **Industry Academies and B2B Outreach (Line 27):** Funding is provided specifically for industry academies and business to business connections specifically targeted for minority, women, and small businesses offered by the MWSBE Division. Funds will be utilized to create on-line webinars, promote mentor-protégé development, as well as facilitate technical assistance businesses. It is important to note that all activities and events that are administered by the OEV staff are promoted to all area businesses, including MWSBEs.
- **Strategic Marketing and Communications (Line 28):** Funding for enhanced marketing efforts to promote and elevate the profile of local businesses on regional and national level specifically those businesses within the four targeted industries: applied science, manufacturing, professional services/IT, and health. Funding is also included to develop promotional content to MWSBE business champions.

- **Economic Vitality Sponsorships (Line 29):** Funding for economic vitality partner support for targeted business support programming from the local Chambers, entrepreneur focused activities, Power Forward event, etc.
- **Economic Vitality Studies (Lines 31-33):** Funding is provided in the out years to conduct updated studies for the foundational documents that support the work of OEV which include: strategic plan, target industries, and disparity studies.
- **Future Opportunity Leveraging Fund (Line 35):** Funding remaining at the end of the fiscal year, the remaining balance of which shall roll in the FOLF and do so annually to gradually develop the fund balance. As directed by the IA Board on March 12, the policy governing the usage of these funds is on the IA Board's July 9 agenda for approval.

Should the economic recovery take longer than anticipated, OEV will prioritize local business support and workforce development initiatives. OEV staff and existing resources will be leveraged to that end, focusing on the vitality of our small businesses and sustaining local employment. OEV will make any necessary adjustments to existing programs as needed once a determination of sales tax revenues occur. OEV will still maintain a high level of service, but the focus will be primarily local, with an emphasis on resiliency and sustainability. Finally, OEV will continue to work with the Economic Vitality Leadership Council, Magnetic Technologies Taskforce, and Minority Women and Small Business Citizens Advisory Committee to identify fiscally responsible programs that provide the resources and assistance our business community needs.

## **VI. CONCLUSION**

The unprecedented nature of the COVID-19 pandemic and resulting economic crisis has significantly altered the Blueprint Infrastructure and Office of Economic Vitality five-year capital improvement plan as it was presented during the previous budget workshop in August 2019. The next step in finalizing the Agency's draft and proposed FY 2021 operating budget and FY 2021-2025 Capital Improvement Plan is the receipt of the April sales tax remittance from the Florida Department of Revenue, which will occur on or about June 25, 2020. Immediately after this number is received, Agency staff will work with City and County budget offices to form an opinion on whether to maintain the current revenue estimate or to revise the estimate. Once a consensus has been reached with City and County staff, the new estimate will be incorporated into the budget worksheets and adjustments will be made to capital project allocations for FY 2021-2025 as necessary.

A possible date for a second budget workshop has been set aside for the month of August, should the IA Board request the opportunity for additional discussion. The first public hearing of the Agency's FY 2021 Operating Budget and FY 2021-2025 Capital Improvement Plan is scheduled for the Blueprint Intergovernmental Agency's Citizens' Advisory Committee meeting on September 3, 2020. The second and final public hearing is scheduled for the Blueprint Intergovernmental Agency Board meeting on September 17, 2020.

## **OPTIONS:**

- Option #1: Accept the Workshop Item on the Fiscal Year 2021 Proposed Operating Budget and Fiscal Year 2021-2025 Proposed Capital Improvement Program for the Blueprint Intergovernmental Agency.
- Option #2: Approve the proposed FY 2020 budget amendment to ensure that the Agency's estimated sources of funds are balanced with the authorized uses of funds.
- Option #3: Direct the Blueprint Infrastructure Program to program an allocation of \$65,000 for the Beautification and Improvements to the Fairgrounds project in FY 2021, and decrease the proposed allocation to the Market District project by this same amount.
- Option #4: IA Board direction.

## **RECOMMENDED OPTIONS:**

- Option #1: Accept the Workshop Item on the Fiscal Year 2021 Proposed Operating Budget and Fiscal Year 2021-2025 Proposed Capital Improvement Program for the Blueprint Intergovernmental Agency.
- Option #2: Approve the proposed FY 2020 budget amendment to ensure that the Agency's estimated sources of funds are balanced with the authorized uses of funds.

### **Attachments:**

1. Five-year projection of sales tax, other sources and uses of funds
2. Twenty-year projection of all estimated sources and uses of funds
3. Proposed operating budget for Blueprint Infrastructure Program
4. Proposed operating budget for the Office of Economic Vitality
5. Five-Year Capital Improvement Plan for Blueprint Infrastructure
6. Five-Year Capital Improvement Plan for OEV
7. Blueprint Infrastructure Approved Implementation Plan
8. March 1, 2018 IA Board Agenda Item on Magnolia Drive Trail
9. Status Update on the Magnolia Drive Trail Project
10. Midtown Placemaking – Conceptual Design
11. Accounting summary for Blueprint Infrastructure and OEV projects
12. Estimated FY 2021 – 2025 project expenses
13. Letter from Tallahassee International Airport
14. FY 2020 Budget Amendment Resolution
15. Letter from Domi Education, Inc.
16. September 5, 2019 Agenda Item ARPC Loan Information
17. Blueprint 2020 Adopted Project Map
18. Fairgrounds Market Study

BLUEPRINT INTERGOVERNMENTAL AGENCY Draft Sales Tax Revenue Estimate														
	Growth Rate:	Q1	Q2-Q4	Total	Initial Proj.	Difference	10.44%	Initial Proj.	Difference	2.50%	2.50%	2.50%	2.50%	Total
	FY2019	FY2020	FY2020	FY2020	FY2020	FY2020	FY2021	FY2021	FY2021	FY2022	FY2023	FY2024	FY2025	FY21-25
Base Year:	46,804,374	11,901,316	28,430,000	40,331,316			44,540,000	49,193,933	(4,653,933)	45,653,500	46,794,838	47,964,709	49,163,827	234,116,874
95%					45,373,046	(5,041,730)	42,313,000	46,734,237	(4,421,237)	43,370,825	44,455,096	45,566,474	46,705,636	222,411,031
80%	37,443,500	9,521,052	-	9,521,052	9,074,609	446,443	-	-	-	-	-	-	-	-
66%	-	-	18,763,800	18,763,800	22,459,657	(3,695,857)	27,926,580	30,844,596	(2,918,016)	28,624,745	29,340,363	30,073,873	30,825,720	146,791,281
Subtotal, Infrastructure	37,443,500	9,521,052	18,763,800	28,284,852	31,534,266	(3,249,414)	27,926,580	30,844,596	(2,918,016)	28,624,745	29,340,363	30,073,873	30,825,720	146,791,281
OEI	-	-	3,411,600	3,411,600	4,083,574	(671,974)	5,077,560	5,608,108	(530,548)	5,204,499	5,334,612	5,467,977	5,604,676	26,689,324
Subtotal, Blueprint IA	37,443,500	9,521,052	22,175,400	31,696,452	35,617,840	(3,921,388)	33,004,140	36,452,704	(3,448,564)	33,829,244	34,674,975	35,541,850	36,430,396	173,480,605
LIFE	-	-	568,600	568,600	680,596	(111,996)	846,260	934,685	(88,425)	867,415	889,101	911,330	934,112	4,448,218
County Funds	4,680,437	1,190,132	2,843,000	4,033,132	4,537,305	(504,173)	4,231,300	4,673,424	(442,124)	4,337,083	4,445,510	4,556,647	4,670,564	22,241,104
City Funds	4,680,437	1,190,132	2,843,000	4,033,132	4,537,305	(504,173)	4,231,300	4,673,424	(442,124)	4,337,083	4,445,510	4,556,647	4,670,564	22,241,104
Total Sales Tax Funds	46,804,374	11,901,316	28,430,000	40,331,316	45,373,046	(5,041,730)	42,313,000	46,734,237	(4,421,237)	43,370,825	44,455,096	45,566,474	46,705,636	222,411,031
Difference	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Blueprint Infrastructure														
Blueprint Tax Revenue	37,443,500	9,521,052	18,763,800	28,284,852	31,534,266	(3,249,414)	27,926,580	30,844,596	(2,918,016)	28,624,745	29,340,363	30,073,873	30,825,720	146,791,281
Transfers In	8,699,365			-			4,685,797			-	-	-	-	4,685,797
Donations/Other	299,341			-			-			3,000,000	-	-	-	3,000,000
Governmental Revenue				1,280,000			-			-	1,500,000	486,000	-	1,986,000
Bonds	-			-			-			65,000,000	-	35,000,000	-	100,000,000
SIB Loans	-			-			-			-	-	28,850,000	-	28,850,000
Sources	46,442,206			29,564,852			32,612,377			96,624,745	30,840,363	94,409,873	30,825,720	285,313,078
Operating	3,250,269			3,541,362			3,270,250			3,352,006	3,435,806	3,521,701	3,609,744	17,189,507
Debt Service	18,635,585			2,183,977			-			-	4,280,000	4,280,000	8,870,000	17,430,000
Priority Uses	21,885,854			5,725,339			3,270,250			3,352,006	7,715,806	7,801,701	12,479,744	34,619,507
Available for Projects	24,556,352			23,839,513	27,088,927	(3,249,414)	29,342,127	27,267,820	2,074,307	93,272,739	23,124,557	86,608,172	18,345,976	250,693,571
Office of Economic Vitality														
OEI Tax Revenue	-	-	3,411,600	3,411,600	4,083,574	(671,974)	5,077,560	5,608,108	(530,548)	5,204,499	5,334,612	5,467,977	5,604,676	26,689,324
Donations/Other	-			-			-			-	-	-	-	-
Governmental Revenue	1,264,540			852,928			276,003			282,903	289,976	297,225	304,656	1,450,763
Bonds	-			-			-			-	20,000,000	20,000,000	-	40,000,000
Sources	1,264,540			4,264,528			5,353,563			5,487,402	25,624,588	25,765,202	5,909,332	68,140,087
Operating	1,264,540			2,045,047			1,891,266			1,938,548	1,987,012	2,036,687	2,087,604	9,941,117
Debt Service	-			-			-			-	1,820,000	1,820,000	2,780,000	6,420,000
Priority Uses	1,264,540			2,045,047			1,891,266			1,938,548	3,807,012	3,856,687	4,867,604	16,361,117
Available for Projects	-			2,219,481	3,401,455	(1,181,974)	3,462,297	3,804,953	(342,656)	3,548,854	21,817,576	21,908,515	1,041,728	51,778,970
Total Sources of Funds	47,706,746	-	-	33,829,380	-	-	37,965,940	-	-	102,112,147	56,464,951	120,175,075	36,735,052	353,453,165
Total Uses of Funds	47,706,746	-	-	33,829,380	-	-	37,965,940	-	-	102,112,147	56,464,951	120,175,075	36,735,052	353,453,165

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BLUEPRINT INTERGOVERNMENTAL AGENCY PROPOSED SALES TAX REVENUE PROJECTIONS, OTHER SOURCES OF FUNDS, AND USES OF FUNDS FISCAL YEARS 2019 - 2040																											
SALES TAX REVENUE PROJECTIONS	1	SALES TAX REVENUE PROJECTIONS																									
	2	Projected Sales Tax Funds (A) Base Year:  95% L.I.F.E. (Leon County) Sales Tax Funds (2%) Leon County Sales Tax Funds (10%) City of Tallahassee Sales Tax Funds (10%) Blueprint Infrastructure: (B) 80% of Blueprint 2000 Tax 66% of Blueprint 2020 Tax Total, Blueprint Infrastructure Economic Vitality (12% of Blueprint 2020 Tax) Total, Blueprint Intergovernmental Agency Total, All Sales Tax Funds	Growth Rate:	10.44%	2.50%	2.50%	2.50%	Total	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	FY20-40 Total		
	3		FY2020 Budget	FY2021	FY2022	FY2023	FY2024	FY2025	FY21-25	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	FY2036	FY2037	FY2038	FY2039	FY2040			
	4		47,761,100	44,540,000	45,653,500	46,794,838	47,964,709	49,163,827	234,116,874	49,901,284	50,649,803	51,409,550	52,180,693	52,963,403	53,757,854	54,564,222	55,382,685	56,213,425	57,056,626	57,912,475	58,781,162	59,662,879	60,557,822	61,467,547	62,392,822	1,020,477,304	
	5		45,573,045	42,313,000	43,370,825	44,455,096	45,566,474	46,705,636	222,411,031	47,406,220	48,117,313	48,839,073	49,571,658	50,315,233	51,069,961	51,836,011	52,613,551	53,402,754	54,203,795	55,016,851	55,842,104	56,679,735	57,529,931	58,392,220	59,273,547	969,453,441	
	6		680,596	846,260	867,415	889,101	911,330	934,112	4,448,218	948,124	962,346	976,781	991,433	1,006,305	1,021,399	1,036,720	1,052,271	1,068,055	1,084,076	1,100,337	1,116,842	1,133,595	1,150,599	1,167,964	1,185,699	19,389,065	
	7		4,537,305	4,231,300	4,337,083	4,445,510	4,556,647	4,670,564	22,241,104	4,740,622	4,811,731	4,883,907	4,957,166	5,031,523	5,106,996	5,183,601	5,261,355	5,340,275	5,420,380	5,501,685	5,584,210	5,667,974	5,752,993	5,839,220	5,926,999	6,015,334	96,945,344
	8		4,537,305	4,231,300	4,337,083	4,445,510	4,556,647	4,670,564	22,241,104	4,740,622	4,811,731	4,883,907	4,957,166	5,031,523	5,106,996	5,183,601	5,261,355	5,340,275	5,420,380	5,501,685	5,584,210	5,667,974	5,752,993	5,839,220	5,926,999	6,015,334	96,945,344
	9		9,074,609	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	10		22,459,657	27,926,580	28,624,745	29,340,363	30,073,873	30,825,720	146,791,281	31,288,105	31,757,427	32,233,788	32,717,294	33,208,054	33,706,174	34,211,767	34,724,944	35,245,818	35,774,505	36,311,122	36,855,789	37,408,625	37,969,754	38,538,220	39,116,122	39,702,569	639,839,272
11	31,534,266	27,926,580	28,624,745	29,340,363	30,073,873	30,825,720	146,791,281	31,288,105	31,757,427	32,233,788	32,717,294	33,208,054	33,706,174	34,211,767	34,724,944	35,245,818	35,774,505	36,311,122	36,855,789	37,408,625	37,969,754	38,538,220	39,116,122	39,702,569	639,839,272		
12	4,083,574	5,077,560	5,204,499	5,334,612	5,467,977	5,604,676	26,689,324	5,688,746	5,774,078	5,860,689	5,948,599	6,037,828	6,128,395	6,220,321	6,313,626	6,408,330	6,504,455	6,602,022	6,701,052	6,801,568	6,903,592	7,007,136	7,112,284	7,219,069	116,334,411		
13	35,617,840	33,004,140	33,829,244	34,674,975	35,541,850	36,430,396	173,480,605	36,976,851	37,531,505	38,094,477	38,665,893	39,245,882	39,834,569	40,432,088	41,038,570	41,654,148	42,278,960	42,913,144	43,556,841	44,210,193	44,873,346	45,545,611	46,227,999	46,921,411	756,173,683		
14	45,373,046	42,313,000	43,370,825	44,455,096	45,566,474	46,705,636	222,411,031	47,406,219	48,117,313	48,839,072	49,571,658	50,315,233	51,069,960	51,836,010	52,613,551	53,402,753	54,203,796	55,016,851	55,842,103	56,679,736	57,529,931	58,392,219	59,273,547	60,167,822	969,453,436		
AGENCY-WIDE SOURCES OF FUNDS	16	BLUEPRINT INTERGOVERNMENTAL AGENCY, SOURCES OF FUNDS																									
	17	Infrastructure Sales Tax Revenue (from Line 12)	FY2020 Budget	FY2021	FY2022	FY2023	FY2024	FY2025	FY21-25	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	FY2036	FY2037	FY2038	FY2039	FY2040		Total 2020-40	
	18	Known Federal Grants	-	-	-	1,500,000	-	-	1,500,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,500,000	
	19	Known State Grants	-	-	-	-	486,000	-	486,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	486,000	
	20	Known Local Grants	1,280,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	21	Known Other Grants	-	-	3,000,000	-	-	-	3,000,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,000,000	
	22	Transfers In From Other Funds	4,685,797	-	-	-	-	-	4,685,797	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,685,797	
	23	Bond Funding (D)	-	65,000,000	-	-	-	35,000,000	100,000,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100,000,000	
	24	SIB Loan Funding	-	-	-	-	-	28,850,000	28,850,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	28,850,000	
	25	Total, Infrastructure, Sources of Funds	32,814,266	32,612,377	32,624,745	30,840,363	30,490,873	30,825,720	285,313,078	31,288,105	31,757,427	32,233,788	32,717,294	33,208,054	33,706,174	34,211,767	34,724,944	35,245,818	35,774,505	36,311,122	36,855,789	37,408,625	37,969,754	38,538,220	39,116,122	778,361,069	
	26	OEI Sales Tax Revenue (from Line 13)	4,083,574	5,077,560	5,204,499	5,334,612	5,467,977	5,604,676	26,689,324	5,688,746	5,774,078	5,860,689	5,948,599	6,037,828	6,128,395	6,220,321	6,313,626	6,408,330	6,504,455	6,602,022	6,701,052	6,801,568	6,903,592	7,007,136	7,112,284	7,219,069	116,334,411
	27	City/County Funding (Operating & MWSBE) (C)	852,928	276,003	282,903	289,976	297,225	304,656	1,450,763	309,226	313,864	318,572	323,351	328,201	333,124	338,121	343,193	348,341	353,566	358,869	364,252	369,716	375,262	380,891	386,611	6,609,312	
	28	Known Local Grants	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	29	Known Other Grants	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	30	Bond Funding (D)	-	-	-	20,000,000	20,000,000	-	40,000,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	40,000,000	
	31	Total, OEI, Sources of Funds	4,936,502	5,353,563	5,487,402	55,624,588	25,765,202	5,909,332	68,140,087	5,997,972	6,087,942	6,179,261	6,271,950	6,366,029	6,461,519	6,558,442	6,656,819	6,756,671	6,858,021	6,960,891	7,065,304	7,171,284	7,278,854	7,386,999	7,495,733	162,943,723	
	32	Total, Agency-Wide Sources of Funds	37,750,768	37,965,940	102,112,147	56,464,951	120,175,075	36,735,052	353,453,165	37,286,077	37,845,369	38,413,049	38,989,244	39,574,083	40,167,693	40,770,209	41,381,763	42,002,489	42,632,526	43,272,013	43,921,093	44,579,909	45,248,608	45,928,220	46,607,822	941,304,792	
AGENCY-WIDE USES OF FUNDS	33	BLUEPRINT INTERGOVERNMENTAL AGENCY, USES OF FUNDS																									
	34	Infrastructure, Uses of Funds	FY2020 Budget	FY2021	FY2022	FY2023	FY2024	FY2025	FY21-25	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	FY2036	FY2037	FY2038	FY2039	FY2040		Total 2020-40	
	35	Debt Service, Bonds (D)	-	-	-	4,280,000	4,280,000	6,830,000	15,390,000	6,830,000	6,830,000	6,830,000	6,830,000	6,830,000	6,830,000	6,830,000	6,830,000	6,830,000	6,830,000	6,830,000	6,830,000	6,830,000	6,830,000	6,830,000	6,830,000	117,840,000	
	36	Debt Service, SIB Loans	2,183,977	-	-	-	-	2,040,000	2,040,000	2,040,000	2,040,000	2,040,000	2,040,000	2,040,000	2,040,000	2,040,000	2,040,000	2,040,000	2,040,000	2,040,000	2,040,000	2,040,000	2,040,000	2,040,000	2,040,000	32,640,000	
	37	Total, Debt Service	2,183,977	-	-	4,280,000	4,280,000	8,870,000	17,430,000	8,870,000	8,870,000	8,870,000	8,870,000	8,870,000	8,870,000	8,870,000	8,870,000	8,870,000	8,870,000	8,870,000	8,870,000	8,870,000	8,870,000	8,870,000	8,870,000	150,480,000	
	38	Operating Expenses (E)	3,541,362	3,270,250	3,352,006	3,435,806	3,521,701	3,609,744	17,189,507	3,663,890	3,718,848	3,774,631	3,831,250	3,888,719	3,947,050	4,006,256	4,066,350	4,127,345	4,189,255	4,252,094	4,315,875	4,380,613	4,446,322	4,512,012	4,577,699	74,926,259	
	39	Annual Allocations (F)	7,426,875	9,902,500	9,902,500	9,902,500	9,902,500	9,902,500	49,512,500	9,902,500	9,902,500	9,902,500	9,902,500	9,902,500	9,902,500	9,902,500	9,902,500	9,902,500	9,902,500	9,902,500	9,902,500	9,902,500	9,902,500	9,902,500	9,902,500	190,623,125	
	40	Blueprint Infrastructure Projects	19,662,052	19,439,627	82,870,239	13,222,057	76,205,672	74,443,476	199,181,071	8,851,715	9,266,079	9,686,657	10,113,544	10,546,835	10,986,624	11,433,011	11,886,094	12,345,973	12,812,750	13,286,528	13,767,414	14,255,512	14,750,932	15,248,054	15,746,176	360,331,685	
	41	Addition to Reserve Fund	-	-	500,000	-	-	1,000,000	2,000,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,000,000	
	42	Total, Infrastructure, Uses of Funds	32,814,266	32,612,377	32,624,745	30,840,363	30,490,873	30,825,720	285,313,078	31,288,105	31,757,427	32,233,788	32,717,294	33,208,054	33,706,174	34,211,767	34,724,944	35,245,818	35,774,505	36,311,122	36,855,789						

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Attachment #3				Page 1
DRAFT FY 2021 Operating Budget, Blueprint Infrastructure				
Sources of Funds	FY 2019 Actual	FY 2020 Approved	FY 2021 Proposed	% Change
Estimated Net Sales Tax Revenues	37,443,500	31,534,266	27,926,580	-11.44%
City, County, State and Federal Funding (1)		1,280,000	-	-100.00%
Transfers In	8,699,365	-	-	0.00%
Donations/Other	299,341	-	-	0.00%
Bond Proceeds		-	-	0.00%
State Infrastructure Bank Loan		-	-	0.00%
<b>Total, Sources of Funds</b>	<b>46,442,206</b>	<b>32,814,266</b>	<b>27,926,580</b>	<b>-14.90%</b>
Uses of Funds				
<b>Personnel Expenses</b>				
Salaries	1,069,449	1,740,131	1,594,592	-8.36%
Salary Enhancements	-	44,288	-	-100.00%
Temporary Wages	182,964	63,440	164,320	159.02%
Overtime	2,050	3,000	-	-100.00%
Other Salary Items	12,134	13,580	24,026	76.92%
Pension-Current	300,770	392,502	358,321	-8.71%
Pension-Map	41,481	92,919	86,010	-7.44%
Social Security	14,908	3,933	10,681	171.57%
Medicare	17,727	24,808	24,494	-1.27%
Health Benefits	112,590	162,949	187,441	15.03%
Health Benefits-Retirees	20,396	25,000	25,000	0.00%
Flex Benefits	19,207	36,925	35,941	-2.67%
<b>Total, Personnel Expenses</b>	<b>1,793,678</b>	<b>2,603,475</b>	<b>2,510,825</b>	<b>-3.56%</b>
<b>Operating Expenses</b>				
Advertising	4,115	10,000	10,000	0.00%
Reproduction	10,948	10,000	4,000	-60.00%
Unclassified Professional Fees	126,631	238,581	11,000	-95.39%
Equipment Repairs	1,870	2,000	16,600	730.00%
Legal Services	1,127	45,000	49,000	8.89%
Unclassified Contractual Svcs	28,990	77,000	112,860	46.57%
Computer Software	28,150	75,000	70,000	-6.67%
Telephone	40,434	50,000	42,480	-15.04%
Food	5,825	5,000	4,000	-20.00%
Gasoline	1,368	1,500	2,000	33.33%
Postage	230	1,000	1,000	0.00%
Office Supplies	11,227	13,210	15,000	13.55%
Unclassified Supplies	7,015	5,000	1,000	-80.00%
Vehicle- Non-Garage	1,064	4,000	4,400	10.00%
Travel & Training	18,057	35,000	25,800	-26.29%
Journals & Books	1,829	8,000	6,890	-13.88%
Memberships	4,023	11,000	8,075	-26.59%
Certificates & Licenses	99	2,000	2,495	24.75%
Rent Expense- Building & Offic	175,040	200,000	216,700	8.35%
Rent Expense- Machines	3,897	8,500	4,970	-41.53%
Unclassified Charges	29,091	11,000	16,000	45.45%
<b>Total, Operating Expenses</b>	<b>501,029</b>	<b>812,791</b>	<b>624,270</b>	<b>-23.19%</b>

Attachment #3				Page 2
DRAFT FY 2021 Operating Budget, Blueprint Infrastructure				
Sources of Funds	FY 2019 Actual	FY 2020 Approved	FY 2021 Proposed	% Change
<b>Other Expenses</b>				
Liability Insurance Premium	42,201	50,000	50,000	0.00%
<b>Total, Other Expenses</b>	<b>42,201</b>	<b>50,000</b>	<b>50,000</b>	<b>0.00%</b>
<b>Capital Outlay</b>				
Computer Equipment	7,811	55,000	35,000	-36.36%
Vehicle Equipment	-	-	40,000	100.00%
Unclassified Equipment	1,366	-	-	-100.00%
<b>Total, Capital Outlay</b>	<b>9,176</b>	<b>55,000</b>	<b>75,000</b>	<b>36.36%</b>
<b>Allocated Costs</b>				
Human Resource Expense	11,903	23,229	23,926	3.00%
Purchasing Expense	26,690	31,536	32,482	3.00%
Information Systems Expense	5,350	72,262	74,430	3.00%
Revenue Collection	-	1,012	1,042	3.00%
Indirect Costs	32,334	31,250	32,188	3.00%
<b>Total, Allocated Costs</b>	<b>76,277</b>	<b>159,289</b>	<b>164,068</b>	<b>3.00%</b>
<b>Total, Blueprint Infrastructure Operating Budget</b>	<b>2,422,361</b>	<b>3,680,555</b>	<b>3,424,162</b>	<b>-6.97%</b>
<b>Interfund Transfers</b>				
Admin Allocation Transfer	-	(139,193)	(153,912)	10.57%
Debt Service Transfer	18,635,585	2,183,977	-	-100.00%
Inter-Fund Ops Transfer	22,164,821	27,088,927	29,342,127	8.32%
<b>Total, Interfund Transfers</b>	<b>40,800,406</b>	<b>29,133,711</b>	<b>29,188,215</b>	<b>0.19%</b>
<b>Total, Uses of Funds</b>	<b>43,222,767</b>	<b>32,814,266</b>	<b>32,612,377</b>	<b>-0.62%</b>
<b>Sources of Funds Less Uses of Funds</b>	<b>3,219,439</b>	<b>-</b>	<b>-</b>	

Attachment #4				Page 1
DRAFT FY 2021 Operating Budget, Office of Economic Vitality				
Sources of Funds	FY 2019 Actual	FY 2020 Approved	FY 2021 Proposed	% Change
Estimated Net Sales Tax Revenues	-	4,083,574	5,077,560	24.34%
City, County, State and Federal Funding (1)	1,264,540	852,928	276,003	-67.64%
Donations/Other	-	510,000	-	0.00%
<b>Total, Sources of Funds</b>	<b>1,264,540</b>	<b>5,446,502</b>	<b>5,353,563</b>	<b>-1.71%</b>
Uses of Funds				
<b>Personnel Expenses</b>				
Salaries	564,333	855,042	794,399	-7.09%
Salary Enhancements	-	22,352	-	-100.00%
Temporary Wages	19,772	-	23,400	100.00%
Other Salary Items	2,048	1,560	3,120	100.00%
Pension-Current	134,083	201,349	186,760	-7.25%
Pension-Map	21,796	39,920	36,732	-7.99%
Social Security	9,885	-	1,521	100.00%
Medicare	8,403	10,263	9,784	-4.67%
Health Benefits	69,521	81,224	96,880	19.28%
Flex Benefits	9,953	18,012	18,013	0.00%
<b>Total, Personnel Expenses</b>	<b>839,793</b>	<b>1,229,722</b>	<b>1,170,609</b>	<b>-4.81%</b>
<b>Operating Expenses</b>				
Advertising	11,103	19,840	6,100	-69.25%
Reproduction	4,600	15,400	32,700	112.34%
Unclassified Professional Fees	861	68,000	-	-100.00%
Equipment Repairs	652	-	-	-100.00%
Legal Services	-	25,000	-	-100.00%
Unclassified Contractual Svcs	5,135	24,750	47,750	92.93%
Computer Software	59,483	27,870	74,480	167.24%
Telephone	4,229	30,000	15,000	-50.00%
Food	8,208	18,500	10,050	-45.68%
Gasoline	112	-	-	-100.00%
Postage	247	-	-	-100.00%
Office Supplies	624	15,000	35,000	133.33%
Unclassified Supplies	833	11,700	7,400	-36.75%
Vehicle- Non-Garage	56	-	-	-100.00%
Travel & Training	47,720	54,500	54,500	0.00%
Journals & Books	133	-	-	-100.00%
Memberships	3,162	7,450	7,810	4.83%
Certificates & Licenses	-	860	1,100	27.91%
Rent Expense- Building & Offic	-	111,500	142,700	27.98%
Rent Expense- Machines	-	8,500	3,000	-64.71%
Unclassified Charges	16,835	16,700	11,325	-32.19%
<b>Total, Operating Expenses</b>	<b>163,991</b>	<b>455,570</b>	<b>448,915</b>	<b>-1.46%</b>
<b>Other Expenses</b>				
Liability Insurance Premium	790	30,000	40,000	33.33%
<b>Total, Other Expenses</b>	<b>790</b>	<b>30,000</b>	<b>40,000</b>	<b>33.33%</b>



Attachment #4

DRAFT FY 2021 Operating Budget, Office of Economic Vitality

Page 2

Sources of Funds	FY 2019 Actual	FY 2020 Approved	FY 2021 Proposed	% Change
Capital Outlay				
Computer Equipment	-	62,000	10,000	-83.87%
Unclassified Equipment	-	101,542	40,000	-60.61%
Total, Capital Outlay	-	163,542	50,000	-69.43%
Allocated Costs				
Human Resource Expense	6,233	14,934	15,382	3.00%
Purchasing Expense	7,957	8,146	8,390	3.00%
Information Systems Expense	-	3,804	3,918	3.00%
Revenue Collection	-	136	140	3.00%
Indirect Costs	831	-	-	0.00%
Total, Allocated Costs	15,021	27,020	27,831	3.00%
Total, OEV Operating Budget	1,019,594	2,045,047	1,891,266	-7.52%
Interfund Transfers				
Admin Allocation Transfer	-	139,193	153,912	10.57%
Inter-Fund Ops Transfer	244,946	3,401,455	3,462,297	1.79%
Total, Interfund Transfers	244,946	3,540,648	3,616,209	2.13%
Total, Uses of Funds	1,264,540	5,446,502	5,353,563	-1.71%
Sources of Funds Less Uses of Funds	-	-	-	

Proposed FY 2021 Blueprint Infrastructure Capital Improvement Program						FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total, FY 2021-2025	Amount Remaining to Complete Project Based on Estimated Cost to Complete
1 Sources of Funds						Blueprint 2020 Program Funding					FY 2021-2025	
2	Estimated Net Sales Tax Revenues					24,656,330	25,272,739	21,624,557	22,272,172	18,345,976	112,171,774	
3	City, County, State and Federal Funding (1)					4,685,797	3,000,000	1,500,000	486,000	-	9,671,797	
4	Bond Proceeds					-	65,000,000	-	35,000,000	-	100,000,000	
5	State Infrastructure Bank Loan					-	-	-	28,850,000	-	28,850,000	
6	Total Sources of Funds for Capital Infrastructure Projects					29,342,127	93,272,739	23,124,557	86,608,172	18,345,976	250,693,571	
7 Uses of Funds						Blueprint 2020 Program Funding (3)					Total Projected FY 2021-2025 Allocations	Amount Remaining to Complete Project Based on Estimated Cost to Complete
						FY 2021 Projected Allocations	FY 2022 Projected Allocations	FY 2023 Projected Allocations	FY 2024 Projected Allocations	FY 2025 Projected Allocations	Total Projected FY 2021-2025 Allocations	
8	Projects	Estimated Cost to Complete Project (2)	Amounts Allocated in Prior Years	Project Expenses Through June 30, 2020	Proposed Desallocations Due To FY 2020 Projected Shortfall	Project Balance as of June 30, 2020	Estimated Allocations Required to Complete Project					
9	Blueprint 2020 Program											
10	Water Quality Project: City	25,000,000	25,000,000	11,929,752		13,070,248	-	-	-	-	-	-
11	Water Quality Project: County	25,000,000	25,000,000	19,779,713		5,220,287	-	-	-	-	-	-
12	Blueprint 2000 LIDAR	349,817	349,817	349,817		-	-	-	-	-	-	-
13	Northwest Florida Water Management District Partnership	697,420	775,000	697,420		77,580	(77,580)	-	-	-	(77,580)	-
14	Blueprint 2000 Building Renovations	48,180	48,180	48,180		-	-	-	-	-	-	-
15	Headwaters of the St. Marks	8,920,221	8,920,221	8,920,221		-	-	-	-	-	-	-
16	Ford's Arm Watershed	272,429	272,429	272,429		-	-	-	-	-	-	-
17	Fred George Basin	2,770,000	2,770,000	2,770,000		-	-	-	-	-	-	-
18	Sensitive Lands Project Management	394,699	394,699	394,699		-	-	-	-	-	-	-
19	Lafayette Heritage Bridge	500,000	500,000	500,000		-	-	-	-	-	-	-
20	Lake Lafayette Floodplain	2,800,000	2,800,000	1,498,948		1,301,052	-	-	-	-	-	-
21	Blueprint 2000 Land Bank	1,320,263	1,900,034	1,320,263		579,771	(579,771)	-	-	-	(579,771)	-
22	Booth Property Purchase	584,754	584,754	584,754		-	-	-	-	-	-	-
23	Mayhan Drive	4,825,731	4,825,731	4,825,731		-	-	-	-	-	-	-
24	Capital Circle Northwest (N-1)	69,230,163	69,230,163	69,230,163		-	-	-	-	-	-	-
25	Capital Circle Northwest/Southeast (N-2)	127,003,286	127,003,286	124,490,859		2,512,427	-	-	-	-	-	-
26	Capital Circle East (E-1)	38,628,775	38,628,775	38,628,775		-	-	-	-	-	-	-
27	Capital Circle Southeast and Subprojects (E-2)	37,040,455	37,040,455	37,040,455		-	-	-	-	-	-	-
28	Capital Circle Southeast Woodville/Crawfordville (E-3)	11,587,229	11,587,229	11,587,229		-	-	-	-	-	-	-
29	Capital Circle Southwest (W-1)	4,554,895	4,554,895	4,291,715		263,179	-	-	-	-	-	-
30	Capital Circle Southwest (W-1) ROW Acquisition	8,539,400	8,539,400	2,704,852		5,834,548	-	-	-	-	-	-
31	Capital Circle Southwest (W-1) Stormwater	2,800,000	2,800,000	211,930		2,588,070	-	-	-	-	-	-
32	Capital Cascades Trail Segment 1 (Franklin Boulevard)	19,035,973	19,248,610	19,035,973		212,637	(212,637)	-	-	-	(212,637)	-
33	Capital Cascades Trail Segment 2 (Cascades Park & Subprojects)	50,933,289	50,933,289	50,332,285		601,004	-	-	-	-	-	-
34	Capital Cascades Crossing (Connector Bridge & Subprojects)	8,506,584	8,526,070	8,506,584		19,486	(19,486)	-	-	-	(19,486)	-
35	Capital Cascades Trail Segment 3 (FAMU Way & Subprojects)	67,776,617	67,776,617	58,535,951		9,240,666	-	-	-	-	-	-
36	Capital Cascades Trail Segment 4	20,000,000	10,243,721	17,601		10,226,120	3,000,000	4,562,803	2,193,476	9,756,279	9,756,279	-
37	LPA Group Engineering Services	8,915,148	9,456,474	8,527,288		929,186	(541,326)	-	-	-	(541,326)	-
38	Magnolia Drive Trail and Subprojects	12,990,162	11,404,818	2,793,726		8,611,092	1,585,344	-	-	-	1,585,344	-
39	Advance Funding for Blueprint 2020 Projects											
40	Advance: Airport Gateway	5,531,253	1,000,000	-		1,000,000	4,531,253	-	-	-	4,531,253	-
41	Advance: Orange Avenue Corridor Study	350,000	350,000	350,000		-	-	-	-	-	-	-
42	Advance: Orange Avenue/Meridian Placemaking	1,000,000	1,000,000	449,159		550,841	-	-	-	-	-	-
43	Advance: Market District Placemaking	1,000,000	1,000,000	690,752		309,248	-	-	-	-	-	-
44	Advance: Northeast Gateway: Welaunee Boulevard	5,182,242	5,182,242	4,397,880		784,362	-	-	-	-	-	-
45	Advance: Northeast Corridor Connector: Bannerman Road	750,000	750,000	740,599		9,401	-	-	-	-	-	-
46	Advance: Comprehensive Wastewater Treatment Plan	500,000	500,000	-		500,000	-	-	-	-	-	-
47	Advance: 2020 Sales Tax Extension: Bike Route and Greenways	900,000	900,000	274,930		625,070	-	-	-	-	-	-
48	Blueprint 2020 Program											
49	Annual Allocations											
50	Blueprint: Greenways Master Plan	15,000,000	592,500	412,767		179,733	14,407,500	750,000	750,000	750,000	3,750,000	10,657,500
51	Blueprint: Bike Route System	15,800,000	562,500	22,500		540,000	15,237,500	790,000	790,000	790,000	3,960,000	11,287,500
52	City of Tallahassee: StarMetro Enhancements	12,250,000	459,375	459,375		11,790,625	612,500	612,500	612,500	612,500	3,062,500	8,728,125
53	City of Tallahassee: Water Quality and Stormwater Improvements	42,500,000	1,593,750	1,593,750		40,906,250	2,125,000	2,125,000	2,125,000	2,125,000	10,625,000	30,281,250
54	City of Tallahassee: Sidewalks Improvements	25,000,000	937,500	937,500		24,062,500	1,250,000	1,250,000	1,250,000	1,250,000	6,250,000	17,812,500
55	City of Tallahassee: Operating Costs of Blueprint Funded Parks	10,000,000	375,000	375,000		9,625,000	500,000	500,000	500,000	500,000	2,500,000	7,125,000
56	Leon County: Water Quality and Stormwater Improvements	42,500,000	1,593,750	1,593,750		40,906,250	2,125,000	2,125,000	2,125,000	2,125,000	10,625,000	30,281,250
57	Leon County: Sidewalks Improvements	25,000,000	937,500	937,500		24,062,500	1,250,000	1,250,000	1,250,000	1,250,000	6,250,000	17,812,500
58	Leon County: Operating Costs of Blueprint Funded Parks	10,000,000	375,000	375,000		9,625,000	500,000	500,000	500,000	500,000	2,500,000	7,125,000
59	Regional Mobility and Gateway Projects											
60	Southside Gateway: Woodville Highway	36,928,219	-	-		36,928,219	-	-	-	-	-	36,928,219
61	Capital Circle Southwest Orange to Crawfordville	5,000,000	-	-		5,000,000	-	-	2,500,000	2,500,000	5,000,000	-
62	Orange Avenue: Adams to Springhill	41,155,691	-	-		41,155,691	-	-	-	-	-	41,155,691
63	Westside Student Gateway: Pensacola Street	37,222,648	-	-		37,222,648	-	-	-	-	-	37,222,648
64	Airport Gateway	62,700,940	3,500,000	-	(3,266,737)	233,263	55,924,203	935,484	38,914,656	22,617,537	62,467,671	-
65	Northwest Connector: Tarpe Street	66,147,515	-	-		66,147,515	-	-	486,000	514,000	1,000,000	65,147,515
66	Northeast Corridor Connector: Bannerman Road	38,266,258	3,300,000	5,900		3,294,100	34,966,258	2,500,000	20,000,000	12,466,258	34,966,258	-
67	Northeast Gateway: Welaunee Boulevard	53,629,364	2,400,000	824		2,399,176	51,229,364	4,231,889	10,540,494	6,799,250	51,229,364	-
68	North Monroe Gateway	11,687,718	-	-		11,687,718	-	-	-	-	-	11,687,718
69	CCQ Projects											
70	Orange Avenue/Meridian Placemaking	3,709,611	1,500,000	-		1,500,000	2,209,611	1,459,611	750,000	-	2,209,611	-
71	Market District Placemaking	10,013,598	1,500,000	-		1,500,000	8,513,598	2,126,846	5,415,089	971,663	8,513,598	-
72	Lake Lafayette and St. Marks Regional Park	19,645,314	-	-		19,645,314	500,000	750,000	5,415,089	1,833,526	4,319,526	15,325,788
73	Monroe-Adams Corridor Placemaking	8,532,961	500,000	-		500,000	8,032,961	1,500,000	2,500,000	2,451,144	8,032,961	-
74	Midtown Placemaking	27,354,236	-	-		27,354,236	1,000,000	4,000,000	-	500,000	1,000,000	20,854,236
75	Fairgrounds Beautification and Improvement	14,920,492	-	-		14,920,492	-	-	-	-	-	14,920,492
76	Northeast Park	12,433,743	-	-		12,433,743	-	-	-	-	-	12,433,743
77	College Avenue Placemaking	8,703,620	-	-		8,703,620	-	-	-	-	-	8,703,620
78	Florida A&M Entry Points	1,865,062	-	-		1,865,062	-	-	-	-	-	1,865,062
79	Alternative Sewer Solutions	2,359,761	-	-		2,359,761	-	-	-	-	-	2,359,761
80	Tallahassee-Leon County Animal Service Center	8,703,620	-	-		8,703,620	-	-	-	-	-	8,703,620
81	DeSoto Winter Encampment	500,000	-	-		500,000	-	-	-	-	-	500,000
82	Total Uses of Funds, Capital Infrastructure Projects	1,245,769,356	581,923,784	503,444,500	(3,266,737)	75,212,547	660,578,835	29,342,127	92,772,739	23,124,557	248,693,571	418,418,738
83	Reserve Fund, Blueprint Infrastructure	2,000,000	2,000,000	-		-	-	500,000	-	500,000	2,000,000	-
84	Total Uses of Funds, Capital Projects and Addition to Reserve Fund	1,247,769,356	583,923,784	503,444,500	(3,266,737)	75,212,547	660,578,835	29,342,127	93,272,739	23,124,557	250,693,571	418,418,738
85	Sources of Funds less Uses of Funds											

NOTE: The Capital Improvement Program allocates net sales tax and other sources of funds to capital infrastructure projects; only funding identified in FY 2021 will be allocated toward any projects. Funding identified in the outlying years (2022 - 2025) is based on current estimates of future net sales tax revenues for capital projects and other anticipated funding sources.

(1) City, County, State, and Federal Revenues (Line 3) include the following funding in designated years:  
a. FY 2021: Transfer in from Blueprint 2000 Operating Reserve  
b. FY 2022: Florida State University project contribution for the Airport Gateway project (consistent with IA Board direction at March 1, 2018 meeting)  
c. FY 2023: FDOT TRIP funding for the Northeast Gateway; Welaunee Boulevard project  
d. FY 2024: Significant Benefit District Funds (District 4) from the City and County for the Northwest Corridor; Tarpe Street project

(2) Project costs were estimated as a component of Blueprint's approved Funding Schedule and Implementation Plan, which received IA Board approval on June 21, 2018. Project cost estimates (Line 8) increase 2% annually through the first year of construction for each project or through FY 2025, the final year of this project.

(3) Projects funded after FY 2021 will only include Blueprint 2020 projects with the exception of Capital Cascades Trail Segment 4 (Line 36) and Magnolia Drive Trail (Line 38). Funding for this project during FY 2022 will come from funds paid back to the Blueprint 2000 program for advance payments made on behalf of the Blueprint 2020 program prior to the start of the 2020 sales tax. The projects that received advance funding are included on lines 40-47.

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Proposed FY 2021 Office of Economic Vitality Capital Projects and Economic Vitality Programs Budget							FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total, FY 2021-2025							
							Blueprint 2020 Program Funding												
1 Sources of Funds																			
2 Allocation of Net Sales Tax Revenues							3,186,294	3,265,951	1,527,600	1,611,290	737,072	10,328,207							
3 City, County, State and Federal Funding (1)							276,003	282,903	289,976	297,225	304,656	1,450,763							
4 Bond Proceeds							-	-	20,000,000	20,000,000	-	40,000,000							
5 Grants and Miscellaneous Funding							-	-	-	-	-	-							
6 Total Sources of Funds for Office of Economic Vitality Projects							3,462,297	3,548,854	21,817,576	21,908,515	1,041,728	51,778,970							
7 Uses of Funds								Blueprint 2020 Program					Total Projected FY 2021-2025 Allocations	Amount Remaining to Complete Project Based on Estimated Cost to Complete					
							FY 2021 Projected Allocations	FY 2022 Projected Allocations	FY 2023 Projected Allocations	FY 2024 Projected Allocations	FY 2025 Projected Allocations								
8 Capital Projects Allocations																			
9 Convention Center							42,000,000	450,000	-	(228,674)	221,326	44,000,000	2,000,000	2,000,000	20,000,000	20,000,000	-	44,000,000	-
10 Tallahassee International Airport							14,100,000	528,750	528,750	-	-	13,571,250	705,000	705,000	705,000	705,000	705,000	3,525,000	10,046,250
11 LCRDA Incubator: \$2.5 million Pledge							2,500,000	-	-	-	-	2,500,000	-	-	-	-	-	2,500,000	
12 Incentives, Grants & Programs																			
13 Business Recruitment and Incentive Fund (BRIF)							665,000	665,000	448,496	-	216,504	-	-	-	-	-	-	-	
14 Qualified Target Industry Tax Refund							189,000	14,000	-	(14,000)	-	161,000	47,000	47,000	37,000	15,000	15,000	161,000	-
15 Target Business Program							1,166,205	194,705	21,896	(6,500)	166,309	965,000	160,000	175,000	190,000	210,000	230,000	965,000	-
16 Urban Vitality Job Creating Pilot Program							-	-	-	-	-	-	-	-	-	-	-	-	
17 ARPC EDA Revolving Loan Fund for Small Businesses							375,000	225,000	-	(25,000)	200,000	125,000	25,000	25,000	25,000	25,000	25,000	125,000	-
18 Magnetic Technologies Recruitment							451,000	121,000	115,117	(5,000)	883	325,000	65,000	65,000	65,000	65,000	65,000	325,000	-
19 Business Development: Attraction/Expansion							243,200	48,000	7,729	(25,200)	15,071	170,000	30,000	35,000	35,000	35,000	35,000	170,000	-
20 COVID-19 Economic Disaster Relief Program							1,150,500	1,142,500	1,142,500	8,000	8,000	-	-	-	-	-	-	-	-
21 COVID-19 Nonprofit LEAN Program							602,500	1,000,000	585,000	(200,000)	215,000	(197,500)	-	-	-	-	-	-	(197,500)
22 Competitiveness Project Fund							425,000	-	-	-	-	425,000	25,000	50,000	100,000	100,000	150,000	425,000	-
23 Business2Business Engagement Actions																			
24 Americas Competitiveness Exchange							10,650	10,650	10,650	-	-	-	-	-	-	-	-	-	-
25 Elevate Grant Program							112,500	87,500	85,000	(25,000)	(22,500)	-	-	-	-	-	-	-	-
26 Local Business and Workforce Development							592,000	40,000	-	(40,000)	-	512,000	112,000	100,000	100,000	100,000	100,000	512,000	-
27 Industry Academies and B2B Outreach							78,350	10,000	1,550	(8,350)	100	60,000	12,000	12,000	12,000	12,000	12,000	60,000	-
28 Strategic Marketing and Communication							485,000	160,000	139,796	-	20,204	325,000	65,000	65,000	65,000	65,000	65,000	325,000	-
29 Economic Vitality Sponsorships							232,250	60,000	57,750	(2,250)	-	170,000	30,000	35,000	35,000	35,000	35,000	170,000	-
30 Economic Vitality Studies																			
31 MWSBE Disparity Study							1,050,000	550,000	488,486	-	61,514	500,000	-	-	-	500,000	-	500,000	-
32 Target Industry Study							255,300	155,300	149,299	-	6,001	100,000	-	-	100,000	-	-	100,000	-
33 Strategic Plan							100,000	-	-	-	-	100,000	-	100,000	-	-	-	100,000	-
34 Total Uses of Funds, OEI Projects							66,783,455	5,462,405	3,782,019	(571,974)	1,108,412	63,811,750	3,276,000	3,414,000	21,469,000	21,867,000	1,437,000	51,463,000	12,348,750
35 Future Opportunity Leveraging Fund							-	-	-	-	-	-	186,297	134,854	348,576	41,515	(395,272)	315,970	-
36 Total Uses of Funds for Office of Economic Vitality Projects							66,783,455	5,462,405	3,782,019	(571,974)	1,108,412	63,811,750	3,462,297	3,548,854	21,817,576	21,908,515	1,041,728	51,778,970	12,348,750
37 Sources of Funds less Uses of Funds																			

NOTE: The Capital Improvement Program allocates net sales tax and other sources of funds to capital infrastructure projects and economic development projects; only funding identified in FY 2021 will be allocated toward any projects. Funding identified in the outlying years (2022 - 2025) is based on current estimates of future net sales tax revenues for capital projects and other anticipated funding sources.

(1) Budgeted revenue from City, County, State and Federal funding consists of equal funding shares from the City of Tallahassee and Leon County to support the operations of the Minority, Women and Small Business Enterprise program. Each government has committed to fund one-third of the program's operating costs while the Office of Economic Vitality will fund the remaining amount from its dedicated sales tax revenue.

(2) The estimated costs to complete each project is based on the five-year time horizon presented in this Capital Projects Budget. Many of OEI's projects are of an ongoing nature and will not be considered "complete" until the IA Board provides direction to discontinue the project. Other projects, such as contributions to the Convention Center and LCRDA Incubator will be complete upon OEI's provision of funding. The annual airport allocation is ongoing for the life of the Blueprint 2020 sales tax.

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**Blueprint FY 2019 -2024 Funding Schedule and Implementation Plan**  
**Option C: SIB Loan (\$28.7 M) FY2022 Bond (\$100 M) | Total Debt Service (18 years): \$53.8 M**

Attachment 7  
1 of 1

1	Blueprint Infrastructure Program - Income <sup>1</sup>								
2	Description	FY2019	FY2020 <sup>3</sup>	FY 2021	FY 2022	FY 2023	FY2024	FY19-24 Total	
3	Sales Tax Revenues <sup>2</sup>	\$ 34,808,000	\$ 30,885,900	\$ 30,244,000	\$ 31,151,200	\$ 32,085,500	\$ 33,047,900	\$ 192,222,500	
4	Additional Funding								
5	Bond Proceeds				\$ 100,000,000			\$ 100,000,000	
6	Significant Benefit District Funds	\$ 750,000	\$ 1,280,000				\$ 486,000	\$ 2,516,000	
7	State Infrastructure Bank (SIB) Loan <sup>4</sup>				\$ 14,325,000		\$ 14,325,000	\$ 28,650,000	
8	Other Funding Sources <sup>5</sup>				\$ 3,000,000			\$ 3,000,000	
9	Subtotal - Available Funding	\$ 35,558,000	\$ 32,165,900	\$ 30,244,000	\$ 148,476,200	\$ 32,085,500	\$ 47,858,900	\$ 326,388,500	
10	Blueprint Infrastructure Program - Expenses								
11	Description	FY2019	FY2020 <sup>3</sup>	FY 2021	FY 2022	FY 2023	FY2024	FY19-24 Total	
12	Debt Service - BP2000 Bond & FY2022 Bond	\$ 9,957,094	\$ 2,183,977			\$ 3,902,000	\$ 7,809,750	\$ 23,852,821	
13	SIB Loan Payment					\$ 2,367,612	\$ 2,367,612	\$ 4,735,224	
14	Infrastructure Program - Operating Expenses	\$ 3,300,000	\$ 3,600,000	\$ 3,700,000	\$ 3,800,000	\$ 3,900,000	\$ 4,000,000	\$ 22,300,000	
15	Contingency Funds for Infrastructure Projects			\$ 2,000,000				\$ 2,000,000	
16	Annual Allocations <sup>6,7</sup> - City of Tallahassee		\$ 3,365,625	\$ 4,487,500	\$ 4,487,500	\$ 4,487,500	\$ 4,487,500	\$ 21,315,625	
17	Annual Allocations <sup>6</sup> - Leon County		\$ 2,906,250	\$ 3,875,000	\$ 3,875,000	\$ 3,875,000	\$ 3,875,000	\$ 18,406,250	
18	Subtotal - Expenses	\$ 13,257,094	\$ 12,055,852	\$ 14,062,500	\$ 12,162,500	\$ 18,532,112	\$ 22,539,862	\$ 92,609,920	
19	Blueprint Infrastructure Program - Capital Improvements								
20	Description	FY2019	FY2020 <sup>3</sup>	FY 2021	FY 2022	FY 2023	FY2024	FY19-24 Total	
21	Projected Funding - Blueprint Capital Projects	\$ 22,300,906	\$ 20,110,048	\$ 16,181,500	\$ 136,313,700	\$ 13,553,388	\$ 25,319,038	\$ 233,778,580	
22	Blueprint 2000 -Infrastructure Projects <sup>8</sup>								
23	Water Quality Project/City	\$ 2,207,360	\$ 385,835					\$ 2,593,195	
24	Headwaters of St. Marks	\$ 2,617,303	\$ 982,831					\$ 3,600,134	
25	Capital Cascades Trail - Segment 2							\$ -	
26	Capital Cascades Trail - Segments 3 & 4	\$ 4,437,178						\$ 4,437,178	
27	Capital Cascades Trail - Segment 4	\$ 4,787,365	\$ 3,891,763		\$ 8,262,126			\$ 16,941,254	
28	Magnolia Drive Trail	\$ 2,476,700						\$ 2,476,700	
29	Blueprint 2020 - Infrastructure Projects							FY19-24 Total	Adjusted Project Cost <sup>12</sup>
30	Annual Allocations <sup>6</sup> - Blueprint 2020 - Bike Route Network (\$750k annually) - Greenways Plan (\$790k annually)	\$ 300,000	\$ 1,155,000	\$ 1,540,000	\$ 1,540,000	\$ 1,540,000	\$ 1,540,000	\$ 7,615,000	\$ 30,800,000
31	Regional Mobility & Gateway Projects (listed in order per the CRTPA's Proposed Project Priority List)								
32	(State) Southside Gateway: Woodville Highway <sup>9,10</sup>							\$ -	\$ 36,204,134
33	(State) Capital Circle Southwest (W1) <sup>9</sup>					\$ 2,500,000	\$ 2,500,000	\$ 5,000,000	\$ 5,000,000
34	(State) Orange Avenue: Adams to Springhill <sup>89</sup>							\$ -	\$ 40,348,715
35	(State) Westside Student Gateway: Pensacola Street <sup>9,10</sup>							\$ -	\$ 36,492,792
36	Airport Gateway	\$ 1,000,000	\$ 3,500,000	\$ 2,200,000	\$ 61,532,194			\$ 68,232,194	\$ 68,232,194
37	Northwest Connector: Tharpe Street <sup>10</sup>						\$ 486,000	\$ 486,000	\$ 64,850,503
38	Northeast Connector: Bannerman Road <sup>10</sup>	\$ 750,000	\$ 3,300,000	\$ 2,500,000	\$ 33,246,583			\$ 39,796,583	\$ 39,796,583
39	Northeast Gateway: Welaunee Boulevard <sup>8</sup>	\$ 1,725,000	\$ 2,394,619	\$ 2,731,889	\$ 24,185,152	\$ 7,263,388	\$ 17,119,441	\$ 55,419,489	\$ 55,419,489
40	North Monroe Gateway <sup>8</sup>							\$ -	\$ 11,458,548
41	CCQ Projects (in rank order)								
42	Orange Avenue/Meridian Placemaking	\$ 1,000,000	\$ 1,500,000	\$ 2,209,611				\$ 4,709,611	\$ 4,709,611
43	Market District <sup>9</sup>	\$ 1,000,000	\$ 1,500,000	\$ 3,500,000	\$ 4,797,645			\$ 10,797,645	\$ 10,797,645
44	Lake Lafayette and St. Marks Regional Park		\$ 500,000		\$ 750,000	\$ 500,000		\$ 1,750,000	\$ 19,260,112
45	Monroe-Adams Corridor Placemaking		\$ 1,000,000	\$ 1,000,000	\$ 2,000,000	\$ 1,000,000	\$ 3,201,616	\$ 8,201,616	\$ 8,201,616
46	Midtown Placemaking					\$ 750,000	\$ 471,981	\$ 1,221,981	\$ 26,817,877
47	Fairgrounds Beautification & Improvement							\$ -	\$ 14,627,933
48	Northeast Park							\$ -	\$ 12,189,944
49	College Avenue Placemaking							\$ -	\$ 8,532,961
50	Florida A&M Entry Points							\$ -	\$ 1,828,492
51	Alternative Sewer Solutions							\$ -	\$ 2,838,842
52	Tallahassee-Leon County Animal Service Center							\$ -	\$ 8,532,961
53	DeSoto Winter Encampment <sup>11</sup>			\$ 500,000				\$ 500,000	\$ 500,000
54	Total Allocated	\$ 22,300,906	\$ 20,110,048	\$ 16,181,500	\$ 136,313,700	\$ 13,553,388	\$ 25,319,038	\$ 203,730,119	\$ 507,440,950
55	Remaining Funds to Be Allocated	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
56	Total Active Blueprint-Managed Projects by Year	11 Projects	12 Projects	12 Projects	10 Projects	12 Projects	12 Projects		
57	Notes 1/ Income includes sales tax revenues (80% for Blueprint 2000 and 66% for Blueprint 2020) 2/ Projections based on 3% increases for FY20-22; FY23 and 24 assume 2% increase in revenues 3/ FY20 reflects BP2000 revenue collection (Oct. 1 - Dec. 31, 2019) & BP2020 revenue collection (Jan. 1 - Sept. 30, 2020) 4/ SIB (State Infrastructure Bank) Loan will be applied for in FY2020 for 50% of project costs for Welaunee Boulevard 5/ Other Funding Sources: FY2022 - \$3 million FSU contribution to Airport Gateway project 6/ Annual allocations for FY2020 prorated to reflect only 9 months of revenue collection 7/ StarMetro only difference in annual allocations between City & County; County manages LIFE (2% revenues) 8/ Total FY 19-24 expenditures & project cost does not include all expenditures on this project prior to FY2019 9/ Portions of these projects in progress and funded by the City, County, CRTPA, or FDOT 10/ Significant Benefit Project; City & County funds included in first year of project - as of May 2018 11/ Project Complete - Repayment to the City of Tallahassee 12/ Project estimates increase 2% annually through the first year of construction for each project or FY 2024 13/ Assume state funding for capacity projects on state roads; any remaining local improvements will be funded thru Blueprint						Project Phases - Legend Planning /PD&E Design Right-of-Way Acquisition Construction  Note: Project phases are approximate and reflect projected general timeframes for these project phases. Project phases will likely overlap in adjacent years. Funding is not necessarily corresponded to the project phase identified in that year.		

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## ITEM #11

### Blueprint Intergovernmental Agency Board of Directors Agenda Item

**TITLE:** Evaluation of Underground Placement of Electric Utility Lines in Coordination with the Magnolia Drive Trail Project

**Date:** March 1, 2018

**Requested By:** Blueprint Staff

**Contact:** Blueprint

**Type of Item:** Discussion

#### STATEMENT OF ISSUE:

This item seeks direction from the Blueprint Intergovernmental Agency Board (IA Board) on the Magnolia Drive Trail project related to relocating electric utility lines underground. Preliminary information on the undergrounding of power was presented to the IA Board at the December 5, 2017 meeting, and staff was directed to seek further analysis. This agenda item provides this analysis and recommends the relocation of electric utilities underground along the Magnolia Drive corridor.

#### SUPPLEMENTAL INFORMATION:

##### UNDERGROUNDING ELECTRIC UTILITY LINES

In November of 2017, public comments were received requesting relocating electric utilities underground and a trail design incorporating a 4-foot planted buffer between the trail and Magnolia Drive. The public requests reflected safety concerns and the desire to enhance the aesthetics of the area. Specifically, the request for moving electric utilities underground was the result of several days of power outages during and after Hurricane Hermine in 2016.



The new trail concept for an eight foot wide trail and a four foot planted buffer between the trail and Magnolia Drive was presented to, and approved by the IA Board on December 5, 2017. At that time, preliminary cost estimates for the utility relocation were provided, and staff was directed to prepare further analysis including what additional construction costs would be incurred due to the expansion of the project scope.

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To incorporate relocating electric lines underground into the new trail and planted area layout, two Alternatives, detailed herein, were assembled and costs were estimated. As part of the utility relocation, lighting will be provided along the entire route, enhancing public safety. As a result, the trail alignment will no longer be affected by poles and guidewires. Further, placing the electric utility lines below ground will provide for a safer and more reliable power system in the area.

Concurrent with the trail construction, the City Electrical Department agreed to participate in relocating the power and communication utilities underground from Monroe Street to Chowkeebin Nene (Attachment 1 includes a map illustrating the area for underground power). Installing power below grade generally involves excavating a 5-foot to 8-foot wide by 7-feet deep trench and encapsulating several pipes in concrete at the bottom of the trench. Wire and fiber optic cable will then be pulled through the underground pipes which are known in industry as a “duct bank”. After all underground wire is energized, the above ground power and communication utilities can be removed. It should be



noted that existing overhead power must remain in service until the underground installation is complete.

Peripheral to the installation of underground electrical and communication lines, is the need for large above ground cabinets containing electrical switch gear and 3-phase termination points used for circuit isolation as well as above ground transformer boxes at residential lot lines. If manholes can be used, pull point cabinets can be eliminated. Such cabinets



must be located in the right of way within close proximity to the proposed subterranean power lines. The City electrical department has provided a conceptual design and cost estimate for underground electrical conduits along the project route.

### **ANALYSIS OF UNDERGROUND UTILITY CORRIDORS**

The analysis of constructing underground electric utility lines along Magnolia Drive consisted of developing potential utility corridors by examining the locations of existing utilities, drainage features, topographical information, and right of way constraints. After the initial investigation, two corridors were identified in which to construct underground power lines. The potential





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corridors are presented as “Alternative 1” and “Alternative 2”. Both corridors were studied to determine roadway impacts to the traveling public, needs for additional right of way, needs for temporary construction easements, and construction costs.

### **Alternative 1: Construct Underground Power and Communication Utilities Beneath the Proposed Trail**

The proposed power duct bank can be constructed beneath the proposed trail along the south side of Magnolia Drive near the back of the existing right of way between Monroe Street and Chowkeebin Nene. Ancillary electrical cabinets serving residential customers, and connecting to other electrical lines at intersections with Magnolia Drive must be located along the back of the south (and east) right of way. A 12 inch to 18 inch space must be available between the back of the trail and right of way limit to accommodate water meters and sanitary sewer cleanouts. In areas north of Jim Lee Road, the existing topography may not permit duct bank installation beneath the trail. To account for these sections, the duct bank will be routed beneath the existing pavement with any necessary cabinets located along the back of the west right of way.

In constructing near the south/east right of way lines throughout the project, temporary construction easements should be considered for spoil piles, demolished material storage and access to work areas. Spoils and equipment placed on the roadway side of the installation will impact the traveling public, triggering maintenance of traffic requirements and could also affect existing drainage structures. The cost associated with this Alternative avoids some Maintenance of Traffic (MOT) expenses but affects the existing sidewalk and storm system within Phase 1 and will require several additional electrical termination



cabinets with possible right of way acquisition for placement. The trail and the landscape design must account for electrical cabinets or additional right of way that will be required for placement.

### **Alternative 2: Construct Underground Power and Communication Utilities Beneath the Pavement**

The proposed power duct bank can also be constructed beneath the existing pavement along Magnolia Street from Monroe Street to Chowkeebin Nene. The corridor is routed primarily along the north/west side of the roadway due to the presence of other utilities. This Alternative will encompass the complete demolition and reconstruction of the southbound/westbound lane of Magnolia Drive. No curb and gutter is currently in place along this side of the roadway.



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Ancillary electrical cabinets serving residential customers, and connecting to other electrical lines at intersections with Magnolia Drive, must be located along the back of the north and west right of way. Manholes can be used in place of termination boxes within the roadway limiting the number of above ground cabinets placed along the route. Ample room is available over much of the project to account for the electrical cabinets. Costs are limited through the use of manholes reducing the need for cabinets. No power pole relocations are anticipated for this Alternative, however, cabinet placement should be accounted for by the trail design north of Diamond Street.

Construction within the existing roadway will pose the greatest impacts to the travelling public and should be phased accordingly to limit impeding motorists. Detour routes should be designed and permitted with the development of 60% drawings and public notice should be given as soon as the construction start date is known. The construction should be sequenced with the water and sewer upgrades proposed by the City. Due to the detour, sufficient space will be available within the roadway and on the north and west shoulder for spoil piles, material storage area decreasing the time of installation. After all work within a phase of the project is completed, the roadway can be paved and the area restored for turnover to the County - thus the roadway is only closed and paved once, saving time and limiting costs.

### Phase I Retrofit Alternative Options

Phase 1 is the only section of the project that has been completed to date. The section was originally constructed with a ten foot wide sidewalk extending from the back of the curb to the south right of way along Magnolia Drive from Meridian Street to Pontiac Drive. The construction was finalized in February of 2017. The City water and sewer utilities were upgraded and new storm sewers were located at the south edge of pavement extending south approximately 6 feet beneath the new sidewalk. Given the recent construction in the area, a separate analysis and cost estimate was performed to route underground electric through Phase 1. Due to the heavy concentration of other existing utilities within the right of way, two potential corridors within the right of way are available to route a proposed underground power duct bank:



### **Phase 1 Retrofit Alternative 1 – Construct Underground Power Beneath the Existing Trail**

The proposed power duct bank can be constructed beneath the existing trail along the south side of Magnolia Street near the back of the existing right of way. To accomplish the construction, the existing trail/sidewalk, must be completely demolished and the existing storm pipe must be shored and supported or relocated. Temporary construction agreements should

## Blueprint Intergovernmental Agency Board of Directors Meeting

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be anticipated as the necessary excavation will be will range outside of the right of way. The estimated cost for constructing Alternative 1 is \$2.1 million.

### **Phase 1 Retrofit Alternative 2 – Construct Underground Power Beneath the Westbound Lane (northern) Lane of Travel**

The proposed duct bank can also be constructed within the westbound lane of travel (north side of the road) between the north edge of pavement and the roadway centerline. This Alternative will encompass the complete demolition and reconstruction of the westbound lane of Magnolia Drive. Upon installation of the new underground power system, the westbound lane will be reconstructed and the eastbound lane will be milled and resurfaced with new asphalt to avoid a color discrepancy between the two lanes. All striping will be replaced. No right of way or temporary easement acquisition is anticipated. The estimated cost for constructing Alternative 2 is \$1.8 million.

### **PROJECT BUDGET**

The City Electrical Utility generated a preliminary design and worked with the Blueprint staff to define a cost for each Alternative of power and communication relocation below ground. Given the significant impacts resulting from hurricanes over the past two years, the community has expressed a strong desire for the City of Tallahassee to underground power lines wherever possible in an effort to create greater reliability in service to the citizens. In response, the City Commission has directed City staff to evaluate placing power lines underground concurrent with development projects as these opportunities occur. To support this action, the City Commission on March 22, 2017 directed City staff to implement a cost-share approach for main circuit underground conversions, whereby the City funds 25% of the total cost of undergrounding electric lines concurrent with the project. The developer or customer agrees to fund the remaining 75% of costs to underground electric lines.

The anticipated costs for the entire corridor, including the Phase 1 retrofit and 20% contingency, are presented below:

Alternative 1 (Power under Trail)	\$4.67 million
-25% for City Cost Share	<b>\$3.5 million</b>
Alternative 2 (Power under Pavement)	\$4.0 million
-25% for City Cost Share	<b>\$3 million</b>

The anticipated cost to construct the trail and complete the project without the electrical relocation is \$5.8 million. The anticipated cost to complete the project with the electrical relocation is \$8.8 million (Alternative 2) or \$9.3 million (Alternative 1). The following is a table showing the Magnolia Drive Trail project expenditures and remaining balance (without undergrounding electric utility).

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<b>Starting Balance</b>	<b>\$7,983,300</b>
Expenses	(-\$1,200,000)
Encumbrances & Pre-Encumbrances	(-\$460,000)
Original Cost Without Electrical Relocation	\$5,800,000
Remaining Balance to Complete Project	\$6,323,300
Remaining Project Funds	\$523,300
Anticipated Cost of Electrical Underground*	\$3,000,000
Anticipated Cost of the Project	\$8,800,000
Amount Needed to Fund Electric Relocation	<b>\$2,476,700</b>
<b>Amount Needed to Fund Electric Relocation</b>	<b>\$2,476,700</b>

\* Assumes Alternative 2, Phase 1 Retrofit Alternative 2, and 25% cost share with the City.

### Funding

Should the IA Board direct staff to install underground electric utilities along the Magnolia Drive corridor from South Monroe Street to Chowkeebin Nene using Alternative 2, \$2.5 million would be required to supplement the Magnolia Drive Trail project budget. Funding in the amount of \$880,000 is immediately available in the Capital Circle Southeast/Tram Road budget. These revenues were set aside to supplement the Florida Department of Transportation project for landscaping along this corridor, if needed. However, the project was completed in FY 2017, and the supplemental funding was not needed. The remaining balance of \$1.6 million would be allocated from Blueprint 2000 funds in FY 19, without the need to reduce the allocation to other Blueprint projects.

If the available funding exceeds the amount of the base bid with contingency, Blueprint will investigate the possibility of funding residential electrical service connections outside of the right of way. In prior year sales tax revenue projections, the estimated revenues for FY 18, 19 and 20 were held to the levels received in 2015. Discussions with the City of Tallahassee Department of Financial Management and Leon County Office of Financial Stewardship during the planning of the transition from the Blueprint 2000 program to the 2020 program, have resulted in an update to the growth of the sales tax revenues. Based upon budgetary projects, staff anticipates sufficient funding to cover the final \$1.6 million gap. This will be brought forth in the FY 19 budget process.

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## **BICYCLE AND PEDESTRIAN INFRASTRUCTURE ANALYSIS**

The Magnolia Drive Trail project was originally conceptualized and proposed as a sidewalk project. Prior to the IA Board direction on December 5, 2017, the improvements evolved to a 10 foot wide multi-use trail project through input received via community involvement and public meetings. Per the guidelines provided by the Federal Highway Administration (FHWA), shared use paths, also known as multi-use trails, are paved facilities physically separated from motorized vehicular traffic by an open space or barrier and are either within the highway right of way or an independent right of way. Shared use paths are used by bicyclists, pedestrians, skaters, runners and others. The multi-use trail was intended to accommodate a variety of users and was the preferred design alternative given the constraints along the Magnolia Drive corridor. Adding on-street bike lanes was evaluated during the initial project development; however, adding on-street bicycle lanes would require reconstruction of the existing roadway and new construction of 8 to 10 feet of additional roadway, including roadbed, for bicycle lanes. The addition of on-street bicycle lanes would also have significant right-of-way impacts for residences along the corridor and require the acquisition of additional private land. To create the space for the expanded roadway with bicycle lanes, the ditches along both sides of Magnolia Drive would need to be converted to culverts. Given the above constraints and amount of funding available for the project, the multi-use trail emerged as the preferred option for the Magnolia Drive corridor. The multi-use trail option provides a wide space for multiple users while minimizing impacts on homeowners along the Magnolia Drive corridor.

## **STAFF RECOMMENDATION AND NEXT STEPS**

Staff recommends the relocation of electric utilities underground along the Magnolia Drive corridor utilizing the "Alternative 2" method, for Blueprint to enter into a joint partnership agreement with the City of Tallahassee to secure 25% of the cost to underground power with City funds, transfer of the remaining funds in the Capital Circle Southeast project to the Magnolia Drive Trail project, and allocate the remaining project funding needs in FY 19 to fully fund the project.

Alternative 2 places the new electrical duct bank beneath the roadway where manholes can be used. Manholes eliminate much of the need for above ground cabinets, cutting costs to the project and negating the need for additional right of way or easements for cabinet placement. The City of Tallahassee owns the Capital City Country Club along the north side of Magnolia Drive between Monroe Street and Pontiac Drive. The wooded area along the golf course adjacent to the Magnolia Street Right of Way can be used for electrical cabinet placement along this portion of the project eliminating the need for easements and keeping the cabinets on the opposite side of the road from the trail. Further, as discussed in the analysis of the Phase 1 retrofit, power placement under pavement eliminates the possible needs for additional construction easements and for relocating the existing storm sewer, keeping costs to a minimum.

As the project progresses north of Jim Lee Road, the proposed trail design is on the east side of Magnolia Drive. The existing topography along the east right of way consists of a steep slope down to the residential area at the roadside. To support the proposed trail, this area will require retaining wall construction and hand rails at the trail perimeter. Construction of underground

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duct bank near the retaining wall is not advisable due to seepage constraints and possible conflict with mechanically supported earth. Any above ground electrical cabinets necessary through this portion of the project can be located on the west side of Magnolia drive behind the existing ditch.

Construction phasing will be required to construct the underground power within the roadway to maintain detour routes and reopen the roadway after sections of the project are completed. The trail construction will be coordinated with the duct bank installation so that the roadway will be repaved and restriped once only, minimizing closure durations affecting the public.

### OPTIONS:

Option 1: Direct staff to install underground electric utilities along the Magnolia Drive corridor utilizing the "Alternative 2" method, authorize Blueprint to enter into a joint partnership agreement with the City of Tallahassee to secure City funds for 25% of the cost to underground power, approve a budget amendment to transfer of the remaining balance of funds in the Capital Circle Southeast project capital fund to the Magnolia Drive Trail project capital fund, and allocate the remaining project funding needs in FY19 to fully fund the project.

Option 2: Do not direct staff to install underground electric utilities along Magnolia Drive.

### TCC and CAC RECOMMENDATION:

The TCC discussed the relocating the electric utilities underground, and was concerned funding the relocation would take away from existing Blueprint 2000 projects. Note, at the time of the TCC meeting a funding strategy was not prepared.

The CAC unanimously made the following recommendation to the IA Board: Approve funding the undergrounding of the electric utility on Magnolia Drive from South Monroe to Chowkeebin Nene if funding is available without impacting existing Blueprint projects.

### RECOMMENDED ACTION:

Option 1: Direct staff to install underground electric utilities along the Magnolia Drive corridor utilizing the "Alternative 2" method, authorize Blueprint to enter into a joint partnership agreement with the City of Tallahassee to secure City funds for 25% of the cost to underground power, approve a budget amendment to transfer of the remaining balance of funds in the Capital Circle Southeast project capital fund to the Magnolia Drive Trail project capital fund, and allocate the remaining project funding needs in FY19 to fully fund the project.

#### Attachments:

Attachment 1: Project Map



Attachment #2



Exhibit "A"



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## Status Update on Magnolia Drive Trail Project

Per a supermajority vote of the IA Board at the April 1, 2015 meeting, the Magnolia Drive Trail project was added to the Blueprint 2000 and funding in the amount of \$7,983,300 was approved for project implementation. The project extends from Adams Street to Apalachee Parkway. Phase I from Meridian Street to Pontiac Drive and Phase VI from Adams to Monroe were both completed in 2017. At the December 5, 2017 meeting, the IA Board approved the redesign of Phases I through IV to include an 8 ft. wide trail with a 4 ft. planted buffer between the trail and Magnolia Drive roadway, and also a retrofit project for Phase I to add a 3 ft. planted buffer. At the March 1, 2018 IA Board Meeting, the IA Board directed staff to include the undergrounding of utilities along the project corridor, at an estimated cost of \$3 million to Blueprint. To accomplish this, the IA Board allocated an additional \$2,476,700 to the project.

Since that time, due to a number of factors, specifically including rising construction and right-of-way costs, as well as a cost increase of approximately \$1.46 million to underground utilities above the initial \$3 million estimate, current cost estimates for full project completion indicate a project deficit. The proposed FY 2021 allocation of \$1,585,344 will provide additional funding will address the funding shortfall required for the construction of two phases (Phase I Retrofit and Phase IV) from Pontiac Drive to Monroe Street, including the cost of undergrounding utilities, while maintaining existing project balances to support future completion of the project, to account for the increase in project cost estimates since March 2018. The proposed FY 2021 allocation will provide funding consistent with current construction costs for Phase I Retrofit and Phase IV over and above the estimates provided at the time of direction at the March 1, 2018, a total cost increase of \$1,585,344.

As detailed herein, costs for right-of way, construction, utility impacts, and undergrounding electric utilities for all phases of the Magnolia Drive Trail have increased since receiving IA Board direction in March 2018 and the subsequent required time to complete design. Additional funding beyond the proposed FY 2021 allocation is anticipated to be required to complete this project. Provided below is an update on current project status, costs for project phases scheduled for construction in FY 2021, including an analysis of current cost estimates to complete these phases consistent with IA Board direction at the March 1, 2018 meeting, and an update on the costs of undergrounding utilities along the Magnolia drive corridor in Phases I –IV of the project.

### FY 2021 Improvements - Phase I Retrofit and Phase IV Construction

Consistent with IA Board direction provided at the March 1, 2018 meeting, the Magnolia Drive Trail Phase I will be retrofitted to include the planted buffer and to underground utilities. The design and right of way acquisitions required for Phase I (S. Meridian Street to Pontiac Drive) and Phase IV (S. Monroe Street to S. Meridian Street) for all roadway improvements and electric conversion is complete. A Leon County General Permit has been secured for Phase I and Blueprint staff submitted for an Environmental Management Permit on June 2, 2020 for Phase IV. Construction is estimated to begin in Fall 2020 for Phase I retrofit and Phase IV.

Table 1 compares previous cost estimates to current costs for construction for Phase I. These costs are inclusive of the undergrounding of electric.

<b>Table 1: Phase I Retrofit Cost Estimate Comparison</b>			
<u>Phase</u>	<u>March 2018 Est.</u>	<u>Current Est.</u>	<u>Amt. Increase</u>
Phase I Retrofit (S. Meridian to Pontiac)	\$1,800,000	\$2,134,769	\$334,769

Table 2 compares previous cost estimates to current costs for Phase IV. Previous cost estimates for Phase IV are from December 2017, and did not include an estimate for electric utilities and associated impacts (water and sewer relocation, utility customer impacts, gas relocation/redesign, etc.). The Dec. 2017 Est. column includes the cost estimates for Phase IV from December 2017 combined with an allocation of the original estimate for Blueprints costs for undergrounding utilities as part of this project (\$3 million), portioned to Phase IV.

<b>Table 2: Phase IV Cost Estimate Comparison</b>			
<u>Phase</u>	<u>Dec. 2017 Est.</u>	<u>Current Est.</u>	<u>Amt. Increase</u>
Phase IV (S. Monroe to S. Meridian)	\$1,078,230	\$2,328,805	\$1,250,575

Based on the above analysis, costs estimates to Blueprint to construct Phase I and Phase IV have increased by \$1,585,344. Blueprint staff will move forward in FY 2021 with implementing Phase I and Phase IV, including hosting additional public engagement opportunities to get adjacent neighborhoods and businesses construction ready.

### **Phases I – IV Utility Undergrounding Cost Estimates**

When brought before the IA Board for consideration at the March 1, 2018 meeting, cost estimates for undergrounding the electric utility along this project corridor were estimated at \$4 million, to be split 75/25 between Blueprint and the City, \$3 million and \$1 million, respectively. Current estimates are significantly higher, due to increases in construction costs and costs associated with the impacts of undergrounding electric, most significantly the costs associated with the relocation/replacement of water and sewer to accommodate the electric. Blueprint and City Underground Utilities and Public Infrastructure (UUPI) have agreed to split these water/sewer relocation costs 40/60, respectively. Other costs (Associated Impacts of Conversion in table 3, below) include connection costs for residential and commercial customers along the corridor, fiber communications, tree mitigation, and gas replacement/relocation. Table 3 depicts the most recent cost estimates associated with undergrounding utilities.

<b>Table 3: Undergrounding Utilities Estimated Costs with Allocations</b>				
<u>Cost</u>	<u>Cost to Blueprint</u>	<u>Cost to City Electric</u>	<u>Cost to City UUPI</u>	<u>Total</u>
Electric Conversion	\$4,463,612	\$1,487,871	-	<b>\$5,951,482</b>
Associated Impacts of Conversion	\$542,000	-	-	<b>\$542,000</b>
Water and Sewer Relocation/Replacement	\$1,088,369	-	\$1,632,554	<b>\$2,720,923</b>
<b>Total</b>	<b>\$6,093,981</b>	<b>\$1,487,871</b>	<b>\$1,632,554</b>	<b>\$9,214,406</b>

As Table 3 shows, the cost of converting electric utilities has increased from \$4 million total (\$3 million to Blueprint) to just under \$6 million (\$4.5 million to Blueprint). Additional costs associated with the impacts of undergrounding of utilities have increased estimated total costs from \$4 million to over \$9.2 million, and total Blueprint costs for undergrounding utilities from \$3 million as estimated in 2018 to currently just under \$6.1 million.

## **Phase II and Phase III Status**

Design for Phase II (Pontiac Drive to Diamond Street) and Phase III (Diamond Street to Apalachee Parkway) is 90% complete. Right-of-way acquisition for Phase II is ongoing, and construction is currently scheduled to begin in Fall 2021. Blueprint staff will continue to work to finalize design plans, secure right-of-way, and take other scheduled steps necessary to stay on track for Phase II and Phase III (including public engagement). However, there are not enough funds in the project budget to complete Phase II and Phase III, as currently planned and designed. If directed by the IA Board, staff will bring the IA Board a more thorough agenda item at the September 17, 2020 IA Board meeting to consider options for completing Phase II and Phase III.

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# Thomasville Road North – 7<sup>th</sup> Avenue to Betton Road/Bradford Road

## Preferred Opportunity

Attachment 10  
1 of 1



### THOMASVILLE ROAD NORTH

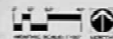
FOUR LANE CORRIDOR WITH ADDITIONAL SPACE DEDICATED TO BOTH THE EAST AND WEST SIDE OF THE CORRIDOR FOR SHARED-USE PATHS AND LANDSCAPED BUFFER

#### PROPOSED IMPROVEMENTS

- INCLUDES FOUR TRAVEL LANES, WITH TWO LANES IN EACH DIRECTION
- LANDSCAPED MEDIAN
- PROVIDES LEFT TURN LANES WHERE WARRANTED
- SHARED-USE PATH ON BOTH THE EAST AND WEST SIDES OF THE CORRIDOR ALLOWING FOR BI-DIRECTIONAL MOVEMENT BY PEDESTRIANS AND BICYCLISTS
- LANDSCAPED BUFFER ON BOTH THE EAST AND WEST SIDES OF THE CORRIDOR TO CREATE A LARGER BARRIER BETWEEN MOTORISTS AND PEDESTRIANS/BICYCLISTS

#### EXISTING TYPICAL SECTION

- SIX TRAVEL LANES, WITH THREE LANES IN EACH DIRECTION
  - 14' OUTSIDE LANES, 11' MIDDLE LANE NORTHBOUND, 12' LANE, 12' TURN LANE, 4' MEDIAN, TWO 12' LANES SOUTHBOUND
- 5' GRASS STRIP ON BOTH SIDES OF THE CORRIDOR
- 5' SIDEWALK ON BOTH SIDES OF THE CORRIDOR



### Planning Level Cost Estimate:

Phase	Low Estimate	High Estimate
Design and Permitting	\$406,000	\$609,000
Construction Phase	\$1,500,000	\$2,250,000
Undergrounding of Utilities	\$1,000,000	\$1,500,000
Landscaping/Placemaking	\$400,000	\$600,000
<b>Total</b>	<b>\$3,306,000</b>	<b>\$4,959,000</b>

*83% of participants voted for reducing the number of lanes from 6 to 4 along Thomasville Road from approximately Grape Street to Betton Road/Bradford Road, and dedicating additional space to shared-use paths and landscaped buffers on both sides of the corridor*

EXISTING VIEW



VIEW 1



EXISTING VIEW



VIEW 2





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Blueprint Infrastructure Accounting Summary as of 06/30/2020											
1 Project Description	Bonds	Loans	Advance Repayment	Joint Project Agreements, Grants & Donations	Sales Tax, Interest & Other Sources	Allocated to Date	Pre Encumbrance	Encumbrances	Expenses to Date	Balance	
<b>2 Blueprint 2000 Program Funds</b>											
3 Water Quality Project: City	10,135,592	-	-	-	14,864,408	25,000,000	-	-	11,929,752	13,070,248	
4 Water Quality Project: County	11,770,767	-	1,000,000	-	12,229,233	25,000,000	-	-	19,779,713	5,220,287	
5 Blueprint 2000 LIDAR					349,817	349,817	-	-	349,817		
6 Northwest Florida Water Management District Partnership	478,642	-	-	116,287	180,071	775,000	-	-	697,420	77,580	
7 Blueprint 2000 Building Renovations					48,180	48,180	-	-	48,180		
8 Headwaters of the St. Marks	1,395,000	-	-	1,581,435	5,943,786	8,920,221	-	-	8,920,221	0	
9 Ford's Arm Watershed	175	-	-	-	272,254	272,429	-	-	272,429		
10 Fred George Basin	1,682,226	-	-	-	1,087,774	2,770,000	-	-	2,770,000		
11 Sensitive Lands Project Management	373,041	-	-	-	21,658	394,699	-	-	394,699		
12 Lafayette Heritage Bridge					500,000	500,000	-	-	500,000		
13 Lake Lafayette Floodplain	-	-	-	-	2,800,000	2,800,000	-	2,000	1,496,948	1,301,052	
14 Blueprint 2000 Land Bank	722,881	-	-	-	1,177,153	1,900,034	-	-	1,320,263	579,771	
15 Booth Property Purchase					584,754	584,754	-	-	584,754		
16 Mayhan Drive	4,825,731	-	-	-	-	4,825,731	-	-	4,825,731		
17 Capital Circle Northwest (N-1)	45,287,879	22,605,003	-	1,337,280	1	69,230,163	-	-	69,230,163		
18 Capital Circle Northwest/Southwest (N-2)	12,276,121	-	-	70,419,183	44,307,982	127,003,286	-	308,588	124,182,271	2,512,427	
19 Capital Circle East (E-1)	3,624,329	26,692,338	-	-	8,312,108	38,628,775	-	-	38,628,775		
20 Capital Circle Southeast and Subprojects (E-2)	9,594,846	4,784,739	-	16,650,532	6,010,338	37,040,455	-	-	37,040,455	(0)	
21 Capital Circle Southeast Woodville/Crawfordville (E-3)	1,152,849	-	-	8,951,599	3,482,781	11,587,229	-	-	11,587,229		
22 Capital Circle Southwest (W-1)	2,070,191	-	-	-	2,484,704	4,554,895	-	-	4,291,716	263,179	
23 Capital Circle Southwest (W-1) ROW Acquisition	-	-	-	8,539,400	-	8,539,400	-	175,916	2,528,935	5,834,548	
24 Capital Circle Southwest (W-1) Stormwater	-	-	-	-	2,800,000	2,800,000	-	-	211,930	2,588,070	
25 Capital Cascades Trail Segment 1 (Franklin Boulevard)	4,529,484	-	-	5,166,082	9,553,044	19,248,610	-	-	19,035,973	212,637	
26 Capital Cascades Trail Segment 2 (Cascades Park & Subprojects)	16,729,357	-	-	6,110,368	28,093,564	50,933,289	7,488	16,946	50,307,851	601,004	
27 Capital Cascades Crossing (Connector Bridge & Subprojects)	17,790	-	2,777,229	1,552,000	4,179,051	8,526,070	-	-	8,506,584	19,486	
28 Capital Cascades Trail Segment 3 (FAMU Way & Subprojects)	3,231,331	-	3,000,000	5,213,378	56,331,908	67,776,617	-	6,367,934	52,168,017	9,240,666	
29 Capital Cascades Trail Segment 4	-	-	-	-	10,243,721	10,243,721	-	-	17,601	10,226,120	
30 LPA Group Engineering Services	3,378,320	-	-	-	6,078,154	9,456,474	-	-	8,527,288	929,186	
31 Magnolia Drive Trail and Subprojects	-	-	-	39,719	11,365,099	11,404,818	-	360,945	2,432,782	8,611,092	
<b>32 Advance Funding for Blueprint 2020 Projects from Blueprint 2000 Funds</b>											
33 Advance: Airport Gateway	-	-	-	-	1,000,000	1,000,000	-	-	-	1,000,000	
34 Advance: Orange Avenue Corridor Study	-	-	-	-	350,000	350,000	-	-	350,000	-	
35 Advance: Orange Avenue/Meridian Placemaking	-	-	-	-	1,000,000	1,000,000	-	38,518	410,642	550,841	
36 Advance: Market District Placemaking	-	-	-	-	1,000,000	1,000,000	-	685,531	5,221	309,248	
37 Advance: Northeast Gateway: Welaunee Boulevard	-	-	-	-	5,182,242	5,182,242	-	1,371,021	3,026,859	784,362	
38 Advance: Northeast Corridor Connector: Bannerman Road	-	-	-	750,000	-	750,000	-	510,684	229,915	9,401	
39 Advance: Comprehensive Wastewater Treatment Plan	-	-	-	-	500,000	500,000	-	-	-	500,000	
40 Advance: 2020 Sales Tax Extension: Bike Route and Greenways	-	-	-	-	900,000	900,000	-	207,332	67,598	625,070	
<b>42 Blueprint 2020 Program Funds</b>											
<b>43 Annual Allocations</b>											
44 Blueprint: Greenways Master Plan	-	-	-	-	592,500	592,500	-	408,430	4,337	179,733	
45 Blueprint: Bike Route System	-	-	-	-	562,500	562,500	-	9,000	13,500	540,000	
46 City of Tallahassee: StarMetro Enhancements	-	-	-	-	459,375	459,375	-	-	459,375	-	
47 City of Tallahassee: Water Quality and Stormwater Improvements	-	-	-	-	1,593,750	1,593,750	-	-	1,593,750	-	
48 City of Tallahassee: Sidewalks Improvements	-	-	-	-	937,500	937,500	-	-	937,500	-	
49 City of Tallahassee: Operating Costs of Blueprint Funded Parks	-	-	-	-	375,000	375,000	-	-	375,000	-	
50 Leon County: Water Quality and Stormwater Improvements	-	-	-	-	1,593,750	1,593,750	-	-	1,593,750	-	
51 Leon County: Sidewalks Improvements	-	-	-	-	937,500	937,500	-	-	937,500	-	
52 Leon County: Operating Costs of Blueprint Funded Parks	-	-	-	-	375,000	375,000	-	-	375,000	-	
<b>53 Regional Mobility and Gateway Projects</b>											
54 Southside Gateway: Woodville Highway	-	-	-	-	-	-	-	-	-	-	
55 Capital Circle Southwest Orange to Crawfordville	-	-	-	-	-	-	-	-	-	-	
56 Orange Avenue: Adams to Springhill	-	-	-	-	-	-	-	-	-	-	
57 Westside Student Gateway: Pensacola Street	-	-	-	-	-	-	-	-	-	-	
58 Airport Gateway	-	-	-	-	3,500,000	3,500,000	-	-	-	3,500,000	
59 Northwest Connector: Tharpe Street	-	-	-	-	-	-	-	-	-	-	
60 Northeast Corridor Connector: Bannerman Road	-	-	-	1,280,000	2,020,000	3,300,000	-	-	5,900	3,294,100	
61 Northeast Gateway: Welaunee Boulevard	-	-	-	-	2,400,000	2,400,000	-	-	824	2,399,176	
62 North Monroe Gateway	-	-	-	-	-	-	-	-	-	-	
<b>63 CCQ Projects</b>											
64 Orange Avenue/Meridian Placemaking	-	-	-	-	1,500,000	1,500,000	-	-	-	1,500,000	
65 Market District Placemaking	-	-	-	-	1,500,000	1,500,000	-	-	-	1,500,000	
66 Lake Lafayette and St. Marks Regional Park	-	-	-	-	-	-	-	-	-	-	
67 Monroe-Adams Corridor Placemaking	-	-	-	-	500,000	500,000	-	-	-	500,000	
68 Midtown Placemaking	-	-	-	-	-	-	-	-	-	-	
69 Fairgrounds Beautification and Improvement	-	-	-	-	-	-	-	-	-	-	
70 Northeast Park	-	-	-	-	-	-	-	-	-	-	
71 College Avenue Placemaking	-	-	-	-	-	-	-	-	-	-	
72 Florida A&M Entry Points	-	-	-	-	-	-	-	-	-	-	
73 Alternative Sewer Solutions	-	-	-	-	-	-	-	-	-	-	
74 Tallahassee-Leon County Animal Service Center	-	-	-	-	-	-	-	-	-	-	
75 DeSoto Winter Encampment	-	-	-	-	-	-	-	-	-	-	
<b>77 Grand Total</b>	<b>133,276,552</b>	<b>54,082,080</b>	<b>6,777,229</b>	<b>127,707,263</b>	<b>250,080,660</b>	<b>581,923,784</b>	<b>7,488</b>	<b>10,462,844</b>	<b>492,974,166</b>	<b>78,479,287</b>	

Office of Economic Vitality Accounting Summary as of 06/30/2020											
8 Capital Projects Allocations	Bonds	Loans	Advance Repayment	Joint Project Agreements, Grants & Donations	Sales Tax, Interest & Other Sources	Allocated to Date	Pre Encumbrance	Encumbrances	Expenses to Date	Balance	
9 Convention Center	-	-	-	-	450,000	450,000	-	-	-	450,000	
10 Tallahassee International Airport	-	-	-	-	528,750	528,750	-	-	528,750	-	
11 LCRDA Incubator: \$2.5 million Pledge	-	-	-	-	-	-	-	-	-	-	
<b>12 Incentives, Grants &amp; Programs</b>											
13 Business Recruitment and Incentive Fund (BRIF)	-	665,000	-	-	-	665,000	-	31,700	416,796	216,504	
14 Qualified Target Industry Tax Refund	-	-	-	-	14,000	14,000	-	-	-	14,000	
15 Target Business Program	-	-	-	-	194,705	194,705	-	-	21,896	172,809	
16 Urban Vitality Job Creating Pilot Program	-	-	-	-	-	-	-	-	-	-	
17 ARPC EDA Revolving Loan Fund for Small Businesses	-	-	-	-	225,000	225,000	-	-	-	225,000	
18 Magnetic Technologies Recruitment	-	-	-	-	121,000	121,000	-	74,750	40,367	5,883	
19 Business Development: Attraction/Expansion	-	-	-	-	48,000	48,000	-	1,546	6,183	40,271	
20 COVID-19 Economic Disaster Relief Program	-	-	-	-	1,142,500	1,142,500	-	-	1,142,500	-	
21 COVID-19 Nonprofit LEAN Program	-	-	-	1,000,000	-	1,000,000	-	-	585,000	415,000	
<b>22 Business2Business Engagement Actions</b>											
23 Americas Competitiveness Exchange	-	-	-	-	10,650	10,650	-	-	10,650	-	
24 Elevate Grant Fund	-	-	-	-	87,500	87,500	-	-	-	87,500	
25 Business and Workforce Engagement Events	-	-	-	-	40,000	40,000	-	-	-	40,000	
26 Industry Academies and B2B Outreach	-	-	-	-	10,000	10,000	-	-	1,550	8,450	
27 Strategic Marketing and Communication	-	160,000	-	-	-	160,000	-	55,643	84,153	20,204	
28 Economic Vitality Sponsorships	-	25,000	-	-	35,000	60,000	-	-	57,750	2,250	
<b>29 Economic Vitality Studies</b>											
30 MWSBE Disparity Study	-	-	-	550,000	-	550,000	-	2,069	486,417	61,514	
31 Target Industry Study	-	150,000	-	-	5,300	155,300	-	11,280	138,020	6,001	
32 Strategic Plan/Target Industries/Disparity Updates	-	-	-	-	-	-	-	-	-	-	
34 Future Opportunity Leveraging Fund	-	-	-	-	-	-	-	-	-	-	
<b>77 Grand Total</b>	<b>-</b>	<b>1,000,000</b>	<b>-</b>	<b>1,550,000</b>	<b>2,912,405</b>	<b>5,462,405</b>	<b>-</b>	<b>176,987</b>	<b>3,520,032</b>	<b>1,765,385</b>	

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1 Projects	Proposed FY 2021 Blueprint Infrastructure Estimated Project Expenditures		Proposed FY 2021 Allocation	Estimated FY 2021 Balance	Estimated Project Expenditures					FY 2021-2025 Estimated Expenditures	FY 2022-2025 Projected Additions	Ending FY 2025 Estimated Remaining Balance
	Amounts Allocated in Prior Years	Project Balance as of June 30, 2020			FY 2021	FY 2022	FY 2023	FY 2024	FY 2025			
2 Blueprint 2000 Program												
3 Water Quality Project: City	25,000,000	13,070,248	-	13,070,248	-	-	-	-	-	-	-	13,070,248
4 Water Quality Project: County	25,000,000	5,220,287	-	5,220,287	-	-	-	-	-	-	-	5,220,287
5 Blueprint 2000 LIDAR	349,817	-	-	-	-	-	-	-	-	-	-	-
6 Northwest Florida Water Management District Partnership	775,000	77,580	(77,580)	-	-	-	-	-	-	-	-	-
7 Blueprint 2000 Building Renovations	48,180	-	-	-	-	-	-	-	-	-	-	-
8 Headwaters of the St. Marks	8,920,221	-	-	-	-	-	-	-	-	-	-	-
9 Ford's Arm Watershed	272,429	-	-	-	-	-	-	-	-	-	-	-
10 Fred George Basin	2,770,000	-	-	-	-	-	-	-	-	-	-	-
11 Sensitive Lands Project Management	394,699	-	-	-	-	-	-	-	-	-	-	-
12 Lafayette Heritage Bridge	500,000	-	-	-	-	-	-	-	-	-	-	-
13 Lake Lafayette Floodplain	2,800,000	1,301,052	-	1,301,052	-	-	-	-	-	-	-	1,301,052
14 Blueprint 2000 Land Bank	1,900,034	579,771	(579,771)	-	-	-	-	-	-	-	-	-
15 Booth Property Purchase	584,754	-	-	-	-	-	-	-	-	-	-	-
16 Mayhan Drive	4,825,731	-	-	-	-	-	-	-	-	-	-	-
17 Capital Circle Northwest (N-1)	69,230,163	-	-	-	-	-	-	-	-	-	-	-
18 Capital Circle Northwest/Southwest (N-2)	127,003,286	2,512,427	-	2,512,427	-	-	-	-	-	-	-	2,512,427
19 Capital Circle East (E-1)	38,628,775	-	-	-	-	-	-	-	-	-	-	-
20 Capital Circle Southeast and Subprojects (E-2)	37,040,455	-	-	-	-	-	-	-	-	-	-	-
21 Capital Circle Southeast Woodville/Crawfordville (E-3)	11,587,229	-	-	-	-	-	-	-	-	-	-	-
22 Capital Circle Southwest (W-1)	4,554,895	263,179	-	263,179	-	-	-	-	-	-	-	263,179
23 Capital Circle Southwest (W-1) ROW Acquisition	8,539,400	5,834,548	-	5,834,548	-	-	-	-	-	-	-	5,834,548
24 Capital Circle Southwest (W-1) Stormwater	2,800,000	2,588,070	-	2,588,070	-	-	-	-	-	-	-	2,588,070
25 Capital Cascades Trail Segment 1 (Franklin Boulevard)	19,248,610	212,637	(212,637)	-	-	-	-	-	-	-	-	-
26 Capital Cascades Trail Segment 2 (Cascades Park & Subprojects)	50,933,289	601,004	-	601,004	-	-	-	-	-	-	-	601,004
27 Capital Cascades Crossing (Connector Bridge & Subprojects)	8,526,070	19,486	(19,486)	-	-	-	-	-	-	-	-	-
28 Capital Cascades Trail Segment 3 (FAMU Way & Subprojects)	67,776,617	9,240,666	-	9,240,666	-	-	-	-	-	-	-	9,240,666
29 Capital Cascades Trail Segment 4	10,243,721	10,226,120	-	10,226,120	-	-	-	-	-	9,756,279	-	19,982,399
30 LPA Group Engineering Services	9,456,474	929,186	(541,326)	387,860	-	-	-	-	-	-	-	387,860
31 Magnolia Drive Trail and Subprojects	11,404,818	8,611,092	1,585,344	10,196,436	-	-	-	-	-	-	-	10,196,436
32 Advance Funding for Blueprint 2020 Projects												
33 Advance: Airport Gateway	1,000,000	1,000,000	4,531,253	5,531,253	1,000,000	-	-	-	-	1,000,000	-	4,531,253
34 Advance: Orange Avenue Corridor Study	350,000	-	-	-	-	-	-	-	-	-	-	-
35 Advance: Orange Avenue/Meridian Placemaking	1,000,000	550,841	-	550,841	560,799	-	-	-	-	560,799	-	(9,958)
36 Advance: Market District Placemaking	1,000,000	309,248	-	309,248	314,469	-	-	-	-	314,469	-	(5,221)
37 Advance: Northeast Gateway: Welaunee Boulevard	5,182,242	784,362	-	784,362	1,312,654	-	-	-	-	1,312,654	-	(528,292)
38 Advance: Northeast Corridor Connector: Bannerman Road	750,000	9,401	-	9,401	27,294	-	-	-	-	27,294	-	(17,893)
39 Advance: Comprehensive Wastewater Treatment Plan	500,000	500,000	-	500,000	500,000	-	-	-	-	500,000	-	-
40 Advance: 2020 Sales Tax Extension: Bike Route and Greenways	900,000	625,070	-	625,070	-	-	-	-	-	-	-	625,070
41 Blueprint 2020 Program												
42 Annual Allocations												
43 Blueprint: Greenways Master Plan	592,500	179,733	750,000	929,733	750,000	750,000	750,000	750,000	750,000	3,750,000	3,000,000	179,733
44 Blueprint: Bike Route System	562,500	540,000	790,000	1,330,000	790,000	790,000	790,000	790,000	790,000	3,950,000	3,160,000	540,000
45 City of Tallahassee: StarMetro Enhancements	459,375	-	612,500	612,500	612,500	612,500	612,500	612,500	612,500	3,062,500	2,450,000	-
46 City of Tallahassee: Water Quality and Stormwater Improvements	1,593,750	-	2,125,000	2,125,000	2,125,000	2,125,000	2,125,000	2,125,000	2,125,000	10,625,000	8,500,000	-
47 City of Tallahassee: Sidewalks Improvements	937,500	-	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	6,250,000	5,000,000	-
48 City of Tallahassee: Operating Costs of Blueprint Funded Parks	375,000	-	500,000	500,000	500,000	500,000	500,000	500,000	500,000	2,500,000	2,000,000	-
49 Leon County: Water Quality and Stormwater Improvements	1,593,750	-	2,125,000	2,125,000	2,125,000	2,125,000	2,125,000	2,125,000	2,125,000	10,625,000	8,500,000	-
50 Leon County: Sidewalks Improvements	937,500	-	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	6,250,000	5,000,000	-
51 Leon County: Operating Costs of Blueprint Funded Parks	375,000	-	500,000	500,000	500,000	500,000	500,000	500,000	500,000	2,500,000	2,000,000	-
52 Regional Mobility and Gateway Projects												
53 Southside Gateway: Woodville Highway	-	-	-	-	-	-	-	-	-	-	-	-
54 Capital Circle Southwest Orange to Crawfordville	-	-	-	-	-	2,500,000	2,500,000	-	-	5,000,000	5,000,000	-
55 Orange Avenue: Adams to Springhill	-	-	-	-	-	-	-	-	-	-	-	-
56 Westside Student Gateway: Pensacola Street	-	-	-	-	-	-	-	-	-	-	-	-
57 Airport Gateway	3,500,000	233,263	935,484	1,168,747	2,500,000	13,500,000	25,000,000	1,700,000	12,500,000	55,200,000	61,532,193	7,500,940
58 Northwest Connector: Tharpe Street	-	-	-	-	-	-	-	486,000	1,750,000	2,236,000	1,000,000	(1,236,000)
59 Northeast Corridor Connector: Bannerman Road	3,300,000	3,294,100	2,500,000	5,794,100	4,972,706	5,000,000	15,000,000	14,900,000	39,872,706	32,466,258	-	(1,612,348)
60 Northeast Gateway: Welaunee Boulevard	2,400,000	2,399,176	4,231,889	6,631,065	3,327,346	5,840,000	10,000,000	20,000,000	10,000,000	49,167,346	46,997,475	4,461,194
61 North Monroe Gateway	-	-	-	-	-	-	-	-	-	-	-	-
62 CCQ Projects												
63 Orange Avenue/Meridian Placemaking	1,500,000	1,500,000	1,459,611	2,959,611	39,201	3,500,000	-	-	-	3,539,201	750,000	170,410
64 Market District Placemaking	1,500,000	1,500,000	2,126,846	3,626,846	935,531	3,500,000	2,500,000	2,500,000	-	9,435,531	6,386,752	578,067
65 Lake Lafayette and St. Marks Regional Park	-	-	500,000	500,000	-	-	-	-	500,000	500,000	3,819,526	3,819,526
66 Monroe-Adams Corridor Placemaking	500,000	500,000	1,500,000	2,000,000	1,000,000	1,000,000	1,500,000	4,032,961	-	7,532,961	6,532,961	1,000,000
67 Midtown Placemaking	-	-	1,000,000	1,000,000	-	-	750,000	200,000	1,750,000	2,700,000	5,500,000	3,800,000
68 Fairgrounds Beautification and Improvement	-	-	-	-	-	-	-	-	-	-	-	-
69 Northeast Park	-	-	-	-	-	-	-	-	-	-	-	-
70 College Avenue Placemaking	-	-	-	-	-	-	-	-	-	-	-	-
71 Florida A&M Entry Points	-	-	-	-	-	-	-	-	-	-	-	-
72 Alternative Sewer Solutions	-	-	-	-	-	-	-	-	-	-	-	-
73 Tallahassee-Leon County Animal Service Center	-	-	-	-	-	-	-	-	-	-	-	-
74 DeSoto Winter Encampment	-	-	500,000	500,000	500,000	-	-	-	-	500,000	-	-
75 Total Uses of Funds for Capital Infrastructure Projects	581,923,784	75,212,547	29,342,127	104,554,674	26,892,500	42,242,500	67,152,500	56,221,461	36,402,500	228,911,461	219,351,444	94,994,657

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1 Projects	Proposed FY 2021 Blueprint Infrastructure Estimated Project Expenditures		Proposed FY 2021 Allocation	Estimated FY 2021 Balance	Estimated Project Expenditures					FY 2021-2025 Estimated Expenditures	FY 2022-2025 Projected Additions	Ending FY 2025 Estimated Remaining Balance
	Amounts Allocated in Prior Years	Project Balance as of June 30, 2020			FY 2021	FY 2022	FY 2023	FY 2024	FY 2025			
2 Blueprint 2000 Program												
3 Water Quality Project: City	25,000,000	13,070,248	-	13,070,248	-	-	-	-	-	-	-	13,070,248
4 Water Quality Project: County	25,000,000	5,220,287	-	5,220,287	-	-	-	-	-	-	-	5,220,287
5 Blueprint 2000 LIDAR	349,817	-	-	-	-	-	-	-	-	-	-	-
6 Northwest Florida Water Management District Partnership	775,000	77,580	(77,580)	-	-	-	-	-	-	-	-	-
7 Blueprint 2000 Building Renovations	48,180	-	-	-	-	-	-	-	-	-	-	-
8 Headwaters of the St. Marks	8,920,221	-	-	-	-	-	-	-	-	-	-	-
9 Ford's Arm Watershed	272,429	-	-	-	-	-	-	-	-	-	-	-
10 Fred George Basin	2,770,000	-	-	-	-	-	-	-	-	-	-	-
11 Sensitive Lands Project Management	394,699	-	-	-	-	-	-	-	-	-	-	-
12 Lafayette Heritage Bridge	500,000	-	-	-	-	-	-	-	-	-	-	-
13 Lake Lafayette Floodplain	2,800,000	1,301,052	-	1,301,052	-	-	-	-	-	-	-	1,301,052
14 Blueprint 2000 Land Bank	1,900,034	579,771	(579,771)	-	-	-	-	-	-	-	-	-
15 Booth Property Purchase	584,754	-	-	-	-	-	-	-	-	-	-	-
16 Mayhan Drive	4,825,731	-	-	-	-	-	-	-	-	-	-	-
17 Capital Circle Northwest (N-1)	69,230,163	-	-	-	-	-	-	-	-	-	-	-
18 Capital Circle Northwest/Southwest (N-2)	127,003,286	2,512,427	-	2,512,427	-	-	-	-	-	-	-	2,512,427
19 Capital Circle East (E-1)	38,628,775	-	-	-	-	-	-	-	-	-	-	-
20 Capital Circle Southeast and Subprojects (E-2)	37,040,455	-	-	-	-	-	-	-	-	-	-	-
21 Capital Circle Southeast Woodville/Crawfordville (E-3)	11,587,229	-	-	-	-	-	-	-	-	-	-	-
22 Capital Circle Southwest (W-1)	4,554,895	263,179	-	263,179	-	-	-	-	-	-	-	263,179
23 Capital Circle Southwest (W-1) ROW Acquisition	8,539,400	5,834,548	-	5,834,548	-	-	-	-	-	-	-	5,834,548
24 Capital Circle Southwest (W-1) Stormwater	2,800,000	2,588,070	-	2,588,070	-	-	-	-	-	-	-	2,588,070
25 Capital Cascades Trail Segment 1 (Franklin Boulevard)	19,248,610	212,637	(212,637)	-	-	-	-	-	-	-	-	-
26 Capital Cascades Trail Segment 2 (Cascades Park & Subprojects)	50,933,289	601,004	-	601,004	-	-	-	-	-	-	-	601,004
27 Capital Cascades Crossing (Connector Bridge & Subprojects)	8,526,070	19,486	(19,486)	-	-	-	-	-	-	-	-	-
28 Capital Cascades Trail Segment 3 (FAMU Way & Subprojects)	67,776,617	9,240,666	-	9,240,666	-	-	-	-	-	-	-	9,240,666
29 Capital Cascades Trail Segment 4	10,243,721	10,226,120	-	10,226,120	-	-	-	-	-	9,756,279	-	19,982,399
30 LPA Group Engineering Services	9,456,474	929,186	(541,326)	387,860	-	-	-	-	-	-	-	387,860
31 Magnolia Drive Trail and Subprojects	11,404,818	8,611,092	1,585,344	10,196,436	-	-	-	-	-	-	-	10,196,436
32 Advance Funding for Blueprint 2020 Projects												
33 Advance: Airport Gateway	1,000,000	1,000,000	4,531,253	5,531,253	1,000,000	-	-	-	-	1,000,000	-	4,531,253
34 Advance: Orange Avenue Corridor Study	350,000	-	-	-	-	-	-	-	-	-	-	-
35 Advance: Orange Avenue/Meridian Placemaking	1,000,000	550,841	-	550,841	560,799	-	-	-	-	560,799	-	(9,958)
36 Advance: Market District Placemaking	1,000,000	309,248	-	309,248	314,469	-	-	-	-	314,469	-	(5,221)
37 Advance: Northeast Gateway: Welaunee Boulevard	5,182,242	784,362	-	784,362	1,312,654	-	-	-	-	1,312,654	-	(528,292)
38 Advance: Northeast Corridor Connector: Bannerman Road	750,000	9,401	-	9,401	27,294	-	-	-	-	27,294	-	(17,893)
39 Advance: Comprehensive Wastewater Treatment Plan	500,000	500,000	-	500,000	500,000	-	-	-	-	500,000	-	-
40 Advance: 2020 Sales Tax Extension: Bike Route and Greenways	900,000	625,070	-	625,070	-	-	-	-	-	-	-	625,070
41 Blueprint 2020 Program												
42 Annual Allocations												
43 Blueprint: Greenways Master Plan	592,500	179,733	750,000	929,733	750,000	750,000	750,000	750,000	750,000	3,750,000	3,000,000	179,733
44 Blueprint: Bike Route System	562,500	540,000	790,000	1,330,000	790,000	790,000	790,000	790,000	790,000	3,950,000	3,160,000	540,000
45 City of Tallahassee: StarMetro Enhancements	459,375	-	612,500	612,500	612,500	612,500	612,500	612,500	612,500	3,062,500	2,450,000	-
46 City of Tallahassee: Water Quality and Stormwater Improvements	1,593,750	-	2,125,000	2,125,000	2,125,000	2,125,000	2,125,000	2,125,000	2,125,000	10,625,000	8,500,000	-
47 City of Tallahassee: Sidewalks Improvements	937,500	-	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	6,250,000	5,000,000	-
48 City of Tallahassee: Operating Costs of Blueprint Funded Parks	375,000	-	500,000	500,000	500,000	500,000	500,000	500,000	500,000	2,500,000	2,000,000	-
49 Leon County: Water Quality and Stormwater Improvements	1,593,750	-	2,125,000	2,125,000	2,125,000	2,125,000	2,125,000	2,125,000	2,125,000	10,625,000	8,500,000	-
50 Leon County: Sidewalks Improvements	937,500	-	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	6,250,000	5,000,000	-
51 Leon County: Operating Costs of Blueprint Funded Parks	375,000	-	500,000	500,000	500,000	500,000	500,000	500,000	500,000	2,500,000	2,000,000	-
52 Regional Mobility and Gateway Projects												
53 Southside Gateway: Woodville Highway	-	-	-	-	-	-	-	-	-	-	-	-
54 Capital Circle Southwest Orange to Crawfordville	-	-	-	-	-	2,500,000	2,500,000	-	-	5,000,000	5,000,000	-
55 Orange Avenue: Adams to Springhill	-	-	-	-	-	-	-	-	-	-	-	-
56 Westside Student Gateway: Pensacola Street	-	-	-	-	-	-	-	-	-	-	-	-
57 Airport Gateway	3,500,000	233,263	935,484	1,168,747	2,500,000	13,500,000	25,000,000	1,700,000	12,500,000	55,200,000	61,532,193	7,500,940
58 Northwest Connector: Tharpe Street	-	-	-	-	-	-	-	486,000	1,750,000	2,236,000	1,000,000	(1,236,000)
59 Northeast Corridor Connector: Bannerman Road	3,300,000	3,294,100	2,500,000	5,794,100	4,972,706	5,000,000	15,000,000	14,900,000	39,872,706	32,466,258	-	(1,612,348)
60 Northeast Gateway: Welaunee Boulevard	2,400,000	2,399,176	4,231,889	6,631,065	3,327,346	5,840,000	10,000,000	20,000,000	10,000,000	49,167,346	46,997,475	4,461,194
61 North Monroe Gateway	-	-	-	-	-	-	-	-	-	-	-	-
62 CCQ Projects												
63 Orange Avenue/Meridian Placemaking	1,500,000	1,500,000	1,459,611	2,959,611	39,201	3,500,000	-	-	-	3,539,201	750,000	170,410
64 Market District Placemaking	1,500,000	1,500,000	2,126,846	3,626,846	935,531	3,500,000	2,500,000	2,500,000	-	9,435,531	6,386,752	578,067
65 Lake Lafayette and St. Marks Regional Park	-	-	500,000	500,000	-	-	-	-	500,000	500,000	3,819,526	3,819,526
66 Monroe-Adams Corridor Placemaking	500,000	500,000	1,500,000	2,000,000	1,000,000	1,000,000	1,500,000	4,032,961	-	7,532,961	6,532,961	1,000,000
67 Midtown Placemaking	-	-	1,000,000	1,000,000	-	-	750,000	200,000	1,750,000	2,700,000	5,500,000	3,800,000
68 Fairgrounds Beautification and Improvement	-	-	-	-	-	-	-	-	-	-	-	-
69 Northeast Park	-	-	-	-	-	-	-	-	-	-	-	-
70 College Avenue Placemaking	-	-	-	-	-	-	-	-	-	-	-	-
71 Florida A&M Entry Points	-	-	-	-	-	-	-	-	-	-	-	-
72 Alternative Sewer Solutions	-	-	-	-	-	-	-	-	-	-	-	-
73 Tallahassee-Leon County Animal Service Center	-	-	-	-	-	-	-	-	-	-	-	-
74 DeSoto Winter Encampment	-	-	500,000	500,000	500,000	-	-	-	-	500,000	-	-
75 Total Uses of Funds for Capital Infrastructure Projects	581,923,784	75,212,547	29,342,127	104,554,674	26,892,500	42,242,500	67,152,500	56,221,461	36,402,500	228,911,461	219,351,444	94,994,657



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June 30, 2020

Ben Pingree, PLACE Director,  
Office of Economic Vitality  
315 S. Calhoun Street, Suite 450  
Tallahassee, FL 32301

Dear Mr. Pingree:

Subject: BLUEPRINT 2020 ECONOMIC DEVELOPMENT PROGRAMS

As you are aware, a total of \$14.1 million has been identified for the Tallahassee International Airport Growth and Development Project (Parts 1 and 2), which will be utilized to upgrade existing hangar facilities, provide the necessary utility infrastructure to construct additional hangars and develop 1,000 acres of Airport property for lease. In addition, funding will be used to create an international passenger processing facility, support international user fee expenses and provide additional training support to Airport Staff in accordance with Tallahassee International Airport's 20-year Growth and Development Plan.

Based upon the funding strategy for these projects, the Airport is requesting that these funds continue to be dispersed on an annual basis to maximize leverage opportunities. As you know, \$528,750 was disbursed in Fiscal Year 2020, which represented nine months of revenue, with \$705,000 to be allocated for each of the remaining years.

We request that the annual allocation of \$705,000 be disbursed to the Airport in Fiscal Year 2021 as we continue to focus our efforts on Airport Growth and Development.

Please contact me at (850) 891-7815 if you would like to discuss this request in more detail.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Pollard", is written over a horizontal line.

David J. Pollard, C.M.  
Director of Aviation  
Tallahassee International Airport

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**Blueprint Intergovernmental Agency  
Fiscal Year 2020 Budget Amendment  
RESOLUTION NO. 2020-03**

WHEREAS, the Blueprint Intergovernmental Agency's Budget Policy 102.06.B.2, and section 189.016(3), Florida Statutes, requires the Board of Directors (Board) to adopt an annual budget and appropriate funding for the upcoming year by resolution; and

WHEREAS, the Board has acknowledged the receipt of bond proceeds, sales tax revenue, and other sources of revenue to fund expenses for the Fiscal Year beginning October 1, 2019, and ending September 30, 2020; and

WHEREAS, on September 5, 2019, the Board approved the budget for the Fiscal Year beginning October 1, 2019, and ending September 30, 2020; and

WHEREAS, the Board, pursuant to section 189.016, Florida Statutes, desires to amend the Budget.

NOW, THEREFORE, BE IT RESOLVED, that the Leon County – City of Tallahassee Blueprint Intergovernmental Agency Board hereby amends the budget as reflected on the Proposed FY 2020 Budget Amendment attached hereto and incorporated herein by this reference.

Adopted this 9th day of July, 2020.

Leon County – City of Tallahassee  
Blueprint Intergovernmental Agency

Attest:

By: \_\_\_\_\_  
Commissioner Elaine Bryant  
Chair, Board of Directors

By: \_\_\_\_\_  
James O. Cooke, Treasurer-Clerk  
City of Tallahassee

Approved as to Form:

By: \_\_\_\_\_  
Susan Dawson, Esq.  
Blueprint Attorney

BLUEPRINT INTERGOVERNMENTAL AGENCY					
Proposed FY 2020 Budget Amendment					
	FY 2020	Proposed	FY 2020	FY 2020	
	as Adopted	Amendment	as Amended	% Change	
Blueprint Infrastructure					
Sales Tax Revenue	\$ 31,534,266	\$ (3,695,857)	\$ 27,838,409	-11.72%	
Personnel Services	2,603,475	(411,620)	2,191,855	-15.81%	
Operating Expenses	812,791	(17,500)	795,291	-2.15%	
Capital Transfer: Airport Gateway	27,088,927	(3,266,737)	23,822,190	-12.06%	
Sum of Budget Amendments	\$ -				
Office of Economic Vitality					
Sales Tax Revenue	\$ 4,083,574	\$ (671,974)	\$ 3,411,600	-16.46%	
Grant Funding	510,000	(510,000)	-	-100.00%	
Operating Expenses	455,570	(50,000)	405,570	-10.98%	
Capital Transfer: Qualified Target Industry	14,000	(14,000)	-	-100.00%	
Capital Transfer: Urban Vitality	25,000	(6,500)	18,500	-26.00%	
Capital Transfer: ARPC EDA Revolving Loan	225,000	(25,000)	200,000	-11.11%	
Capital Transfer: Magnetic Technologies Recruit.	121,000	(5,000)	116,000	-4.13%	
Capital Transfer: Business Development	48,000	(25,200)	22,800	-52.50%	
Capital Transfer: FSU Partnership	10,000	(10,000)	-	-100.00%	
Capital Transfer: Elevate Fund	100,000	(25,000)	75,000	-25.00%	
Capital Transfer: Business/Workforce Engage.	40,000	(40,000)	-	-100.00%	
Capital Transfer: Industry Academies	10,000	(8,350)	1,650	-83.50%	
Capital Transfer: Economic Vitality Sponsorships	35,000	(2,250)	32,750	-6.43%	
Capital Transfer: Unallocated to Projects	550,000	(550,000)	-	-100.00%	
Capital Transfer: CEDR Grant Program	1,142,500	8,000	1,150,500	0.70%	
Capital Transfer: LEAN Grant Program	1,000,000	(200,000)	800,000	-20.00%	
Capital Transfer: Convention Center	450,000	(228,674)	221,326	-50.82%	
Sum of Budget Amendments	\$ -				



June 16, 2020

Cristina Paredes  
Leon County Office of Economic Vitality  
315 S Calhoun St #450  
Tallahassee, FL 32301

**VIA ELECTRONIC DELIVERY**

RE: Business Incubator Facility Lease Agreement (Amtrak Complex)  
**Broadband Internet Service**

Dear Cristina,

Since October 2015, Leon County has been contributing to Domi Education's cost for broadband internet access. On March 27, 2018, the Board of County Commissioners authorized an amount not to exceed \$12,000 through September 2019.

Our agreement indicates that the Office of Economic Vitality could evaluate utilizing the economic development portion of sales tax funds to support programming needs at Domi. Therefore, we would like to respectfully request funding for broadband internet access at the same level as FY2019 to support this critical infrastructure for our programming.

We believe that our services will be even more critical in the aftermath of the COVID-19 pandemic. We want to continue to add to the significant economic impact that Domi has created through our successful partnership with the Leon County Office of Economic Vitality.

Thank you very much for your consideration of this request.

Sincerely,

---

**Bill Lickson**, Executive Director  
Domi Education, Inc.



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# **Blueprint Intergovernmental Agency Board of Directors Agenda Item #10 September 5, 2019**

**Title:** Acceptance of the Report on the Office of Economic Vitality's Support of Local Business Growth and Formation, Authorize OEV to provide \$200,000 match and Submit a Grant Application for the Establishment of \$1 Million Small Business Loan Program in Partnership with the Apalachee Regional Planning Council, and Authorization to Contract with Buxton Company to Support Local Business Growth Outreach

**Category:** Consent

**Intergovernmental Management Committee** Vincent S. Long, Leon County Administrator  
Reese Goad, City of Tallahassee Manager

**Lead Staff/Project Team:** Benjamin H. Pingree, Director, Department of PLACE  
Cristina Paredes, Director, Office of Economic Vitality  
Drew Dietrich, Deputy Director, Engagement  
Richard Fetchick, Manager, Business Intelligence

## **STATEMENT OF ISSUE:**

This agenda item seeks Blueprint Intergovernmental Agency Board of Directors (IA Board) approval of the report on the Office of Economic Vitality's (OEV) role in local business formation and growth support as requested by the IA Board on June 27, 2019. This item also seeks approval to develop a United States Department of Commerce Economic Development Administration (EDA) Revolving Loan Fund (RLF) Grant Application for the establishment of \$1 million small business loan program in partnership with the Apalachee Regional Planning Council (Planning Council) by leveraging \$200,000 of OEV funds. Finally, it seeks approval to contract with Buxton Company to support local business growth and outreach.

## **FISCAL IMPACT:**

This item has fiscal impact. OEV seeks IA Board approval to work with the Planning Council to pursue an EDA Disaster Supplemental grant to recapitalize the Planning Council RLF. If awarded, OEV would contribute \$200,000 to leverage \$800,000 in EDA grant funds to establish a \$1 million small business loan program. OEV will also allocate \$25,000 to support the administration of the fund. If awarded the grant, the first year of implementation will have a \$225,000 fiscal impact and \$25,000 impact in subsequent years. OEV also seeks IA Board authorization to expand local business support services through a Buxton Company customer

## Blueprint Intergovernmental Agency Board of Directors Meeting

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analytics subscription, at a cost of \$30,000 per year. Funding is available in the FY 2020 capital budget in the EDA Revolving Loan Fund and Future Opportunity Leveraging Fund.

## STRATEGIC PLAN:

This agenda item addresses Strategy 1 (all tactics) – Business Formation

Formalize & give continuity to the way entrepreneurship is defined, partner with local financial institutions to develop a funding program, enhance MWSBE program, Leverage existing resources, and minimize differences in certification programs.

And Strategy 3, Tactic 1 – Business Retention and Expansion:

Develop and implement a comprehensive business retention and expansion outreach program that demonstrates interest and concern for the challenges existing industry is facing and mobilize resources to address those challenges resulting in an improved business climate.

## RECOMMENDED ACTION:

- Option 1. Accept the Status Report on Support of Local Business Formation and Growth in Tallahassee-Leon County.
- Option 2. Authorize OEV to provide a \$200,000 match and submit a United States Department of Commerce Economic Development Administration revolving loan grant application for the establishment of \$1 million small business loan program in partnership with the Apalachee Regional Planning Council.
- Option 3. Authorize staff to contract with Buxton Company to support local business growth and outreach in the amount of \$30,000.

## SUPPLEMENTAL INFORMATION:

The 2016 OEV Strategic Plan highlights business formation and business retention & expansion as two of six central pillars of its work and investment. To that end, OEV tailors outreach and assistance to local startups and established businesses. During the June 27, 2019 meeting, the IA Board requested a report describing OEV support of local business formation and growth.

The following sections describe OEV's contribution to local business formation and subsequent engagement, ecosystem outreach, analysis of current small business finance, and an opportunity to pursue grant funding to recapitalize the Planning Council revolving loan fund (RLF) and make

## Blueprint Intergovernmental Agency Board of Directors Meeting

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loans to Leon County startups and Minority, Women, and Small Business Enterprises (MWSBEs). This item also analyzes small business finance and a new opportunity for OEV in that space. Finally, this item addresses research into tools and best practices that enhance local business revenue and performance and seeks authorization to support OEV's provision of business intelligence and research to new, expanding businesses through Buxton software.

### **Business Formation and OEV Engagement**

OEV Business Vitality and Intelligence (Vitality) Division and Minority, Women, and Small Business Enterprise (MWSBE) Division staff continually engage businesses of all sectors and sizes, performing regular check-ins to determine satisfaction with the business climate and to assess business health.

Vitality staff has interacted with over 40 current and prospective businesses since June 2019 through both its recruitment and retention programs. Vitality staff assist commercial real estate brokers, investors, and businesses in finding and retaining clients and space. In FY 2020, the Vitality Division will launch a 90-second video series this fall featuring local businesses. The video series will provide high-visibility, high-quality promotional materials for local tech, MWSBE, food, manufacturing, and other businesses that positively depict business and workforce support available in our community. Vitality provides employment, sales, permitting, GIS, and other data services to requesting entities to assist with expansions and other strategic decisions. The Vitality Intelligence Lab has provided over 20 such instances of assistance during 2019. These data products assist businesses making investment and staffing decisions, help curate a positive image of the community for externally-facing collateral, and shed additional light on community assessments in priority areas such as poverty and competitiveness.

MWSBE staff guide businesses through the certification process to bid on City and County procurements. During FY 2019, the MWSBE Division certified 56 firms, provided 39 business consultations, and 27 referrals for assistance. As of this writing there were 157 MWSBE certified firms that had won \$4.1 Million in City and \$1.5 Million in County procurement contracts. Its Industry Academies, designed to speak to procurement needs on an industry-specific basis, have trained 80 individuals to date in FY 2019. All told, this is over 200 engagements. In an effort to ensure that MWSBEs have the capacity to respond to bid opportunities made possible by the City, County, and Blueprint, OEV encourages their engagement with the FAMU SBDC. The FAMU SBDC has a suite of services for businesses to build capacity, including bond financing and workshop instruction. In addition, businesses are strongly encouraged to provide proof of engagement with either the FAMU SBDC or Jim Moran Institute during re-certification.

### **Ecosystem Outreach**

Paired with referrals to ecosystem partners like the FAMU Small Business Development Center, CareerSource Capital Region, Jim Moran Business School, Jim Moran Institute, Florida State University, Florida A&M University, Tallahassee Community College, DOMI, Alliance of Entrepreneur Resource Organizations (AERO), and others, OEV provides constant connectivity

**Blueprint Intergovernmental Agency Board of Directors Meeting**

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between local businesses and the appropriate outlet that can best serve them. Staff continually refer businesses to ecosystem partners for capacity building, technical assistance, and networking. Through CareerSource roundtables and AERO meetings, OEV staff engage with partner organizations to track real-time developments in trained workforce and entrepreneurship needs. The MWSBE and Vitality Divisions also refer businesses to FAMU SBDC for business plan development, market studies, and other capacity-building activities.

**Marketing & Social Media**

OEV publishes business-facing content marketing the city-county as a whole and target-industry-specific materials. During FY 2019, OEV published a revamped Community Profile, Applied Science/Magnetic Industries Pamphlet, Monthly and Quarterly Data Publications, Economic Indicators Reports, information on MWSBE Academies and Training events, the Urban Job Pilot Program along with program information, on Opportunity Zones.

Social media efforts have been used throughout FY 2019 to inform and engage the community on economic vitality related topics. Top-performing campaigns included the Hurricane Michael campaign. Pre-storm, staff used OEV social media to help area businesses prepare for the storm. Post-storm, OEV used social media to push out information on the status of area business operations and on recovery resources from partner agencies, the City, and the County. OEV used social media to support local businesses by promoting, cross-promoting, and sharing pertinent posts and information. These efforts parlayed OEV's social media reach to raise the profile of local businesses. The most successful example of these efforts is the Shop Local, Shop Betton video series showcasing the businesses in Betton Place following the shooting incident there. OEV developed the campaign in cooperation with Betton Place merchants and launched in advance of Black Friday and Shop Local Saturday. The community widely viewed, shared, and liked the campaign, and local news outlets picked up the campaign as well, raising awareness in the community that Betton Place is open for business. As mentioned previously, OEV will launch a video series this fall featuring local businesses to build awareness and visibility for Tallahassee-Leon County businesses and other businesses that positively depict business and workforce support available in our community. These videos will be included in our social media marketing campaign and electronic newsletters.

On June 27, 2019, staff presented the Shop Local agenda item to the IA Board. OEV is dedicated to supporting a shop local marketing and social media campaign that aligns with best practices from around the nation. OEV incorporates this outreach in its communications plan. To develop this communications initiative, staff evaluated several programs across the country (Attachment #3). Staff evaluation revealed that Shop Local programs promote consumer and business spending at participating businesses. These programs embrace the idea of localism—authenticity, uniqueness, and tangible connection—as intrinsically better than a corporate or franchise alternative. Acknowledging this marketing need, OEV will market shop local initiatives in Tallahassee-Leon County by promoting the National Small Business Saturday in November and providing promotion in newsletters and social media outlets.

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### **Expanded Data Services to Local Businesses and Community Decision Makers**

In an effort to best serve small businesses, local retailers, and community development partners, OEV is exploring the potential to license a new data platform—Buxton—to perform comprehensive analytics on local consumer dynamics, customer behavior, and market conditions. By creating a more detailed, accurate, and current profile of Tallahassee-Leon County's retail and customer ecosystem, OEV can better leverage programs to support local businesses and partner organizations. Buxton would be a valuable tool to maintain a consistent tax base that can weather recession and enhance the growth of existing businesses and the recruitment of new businesses, leading to an increase in Tallahassee-Leon County taxable sales.

Buxton can assist OEV and local businesses in following ways:

- recruit successful and sustainable business operations to the community;
- retain local and small business as well as reduce turnover and improve occupancy in local business centers;
- assist staff in identifying economic conditions;
- provide data for local businesses to enhance 'Shop Local' initiatives; and
- identify customer segments necessary for successful market penetration.

Staff seeks IA Board approval to contract with Buxton Company to support OEV's function in providing business intelligence and research to new and expanding businesses, promote local business, and better align resources with growing the local tax base. The fiscal impact is \$30,000 per year. Funding is available in the FY 2020 budget in the future opportunity leveraging fund, should the IA Board wish to pursue this additional tool for business intelligence and research.

### **Small Business Finance**

At the September 20, 2018 Workshop, the IA Board directed OEV to evaluate partnerships with FAMU Federal Credit Union, SBDC, and ARPC to help minority and women-owned small businesses and entrepreneurs access microloans with guidance from the EVLC as part of the development of the 2020 budget. This recommendation stems from Intergovernmental Agreement, Section 7, Paragraph 4, which provides for the Agency to evaluate proposals. Proposal B describes a Minority & Women Business Investment Fund that would provide microloans to help MWSBE businesses and entrepreneurs. The Economic Vitality Leadership Council discussed this information at their August 22 meeting.

#### *The Current Landscape*

Finance for small businesses and startups includes venture capital, grants, and loan services. Access to capital depends on the industry (target or not), credit history of the borrower, and years of reportable cash flow (from creation to 3+ years in operation). Traditional and small business financing (lines of credit and SBA loans) and support exist through First Commerce, Capital City Bank, SunTrust, Regions Bank, BB&T, Bank of America, and Prime Meridian Bank. Eleven SBA loans have been made by five institutions totaling \$6.5 Million during FY19 in Leon County. Below is a brief outline of the financing options available to small businesses in



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Tallahassee-Leon County for venture capital and angel investing, pitch competitions and micro-grants, and small business loans.

Venture Capital and Angel Investing: Prescient Capital Ventures and JVP are venture funds active in Leon County interested in scalable startups with “measurable traction,” and can facilitate startup business capital-raising campaigns up to \$500,000. Several small, independent Angel Investors meet on a semi-regular basis to discuss ~\$25,000 investments in local startups. Beyond Tallahassee, the Florida Venture Forum provides a statewide network of venture capital and angel groups dedicated to facilitating connections between entrepreneurs and existing businesses, however, it is unclear to what extent the group is active in Tallahassee. The LCRDA Incubator Feasibility Report notes that “if an entrepreneur/venture was pursuing investment capital greater than \$500,000, they would need to go outside Tallahassee.”

Pitch Competitions and Grants: Innovation Park offers an annual Tech Grant of \$15,000 and \$10,000 to a first and second place pitch competitor. The Jim Moran Business School provides a micro-grant of up to \$5,000 to FSU student businesses on a rolling basis. FSU Research Office provides a Grant Assistance Program fund grant (up to \$250,000 per year for four years) for commercially promising faculty research. From 2015-2018, the Awesome Tallahassee Foundation made monthly \$1,000 grants to a startup businesses but is not currently active.

Minority and Women Small Business Loans: Due to longstanding interest in minority and women-owned businesses having access to capital, a number of programs target these businesses in the area. Prominent examples include the Black Business Loan Program at FAMU Federal Credit Union and the Northwest Florida Black Business Investment Corporation (NWFBIC)-Big Bend Minority Chamber (BBMC)-Small Business Development Center (SBDC) micro loan program. FAMU Credit Union operates a revolving loan fund capitalized by the DEO Black Business Loan Program on behalf of borrowers throughout the state of Florida. Loans are made to Florida-based Black-owned businesses experiencing difficulty obtaining commercial loans. Presently, the FAMU Credit Union has deployed close to \$800,000 in capital via 13 loans. Loans are made to startups or existing businesses, 51% or greater black-owned, who cannot otherwise obtain commercial funding for operating capital, equipment, or business building modifications. The latest MWSBE capital access program is an initiative spearheaded by the Northwest Florida Black Business Investment Corporation (NWFBIC), Big Bend Minority Chamber of Commerce (BBMC), and the SBDC at FAMU. The anticipated launch of the pilot program is October 2019. The NWFBIC will set aside \$100k as the initial loan fund and work with the BBMC and the FSBDC to market the availability of the funds. The maximum loan amount per small business will be capped at \$10,000 with a minimum of \$1,000. The NWFBIC will review the applications and approve or deny requests. The terms of the loan (i.e. rate and amortization period) will be set on a case-by-case basis. Credit scores will not be the sole determinant for credit decisions, but certainly a part of the factors considered. The targeted population for the program is small minority and women owned businesses in the Big Bend Region. If the program proves beneficial and is well received by the target market, the NWFBIC

## Blueprint Intergovernmental Agency Board of Directors Meeting

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may consider increasing the loan fund. A third fund, The Frenchtown Financial Opportunity Center (Envision, FSU Credit Union), is not currently active.

EDA Revolving Loan Fund (RLF) –The Apalachee Regional Planning Council Revolving Loan Fund is an EDA-enabled capital pool targeting credit-troubled businesses. The RLF makes loans for operating capital and equipment of \$5k-\$100k; it is currently 83% deployed to 13 businesses via approximately \$470,000 in loans. The RLF is a flexible loan-making vehicle that can adapt to entrepreneur and MWSBE needs depending upon demand. The EDA recently announced Disaster Supplemental funding that would allow for new capital to be added to the base Planning Council RLF pool. The Regional Planning Council has serviced loans for over 15 years and has a demonstrated structure in place to manage a new loan pool.

The Planning Council RLF was originally capitalized with \$1,335,000 in the 1980s to provide a source of capital for businesses in the Apalachee Region. Its funds are intended to fill capital gaps and promote job creation; thus, the loans target commercially un-bankable businesses. The RLF can serve businesses that fail to show sufficient income for the loan size requested, have too few years in business, or have troubled financial history of the owner. Planning Council staff service loans through a commitment to collateralized debt and close borrower relationships, including an in-person pitch to the RLF executive committee by the loan applicant. Loans are thus vetted and reviewed by ARPC accounting staff and an executive loan committee. Using this system over the past 15 years, the Planning Council RLF has been able to extend 55 loans, 30 of which have been fully repaid. Currently, the RLF includes 13 active loans totaling \$672,250. Attachment 1 provides an overview of Planning Council RLF performance as of March 31, 2019. The Planning Council RLF poses an opportunity for expansion and new impact.

### *Establishment of a \$1 Million Small Business Loan Program in Partnership with the Apalachee Regional Planning Council by Pursuing a United States Department of Commerce Economic Development Administration Grant*

The EDA released a Notice of Funds Opportunity (NOFO) on August 13, 2019, soliciting proposals to aid economic and disaster resilience in the Hurricane Michael (DR-4399) affected region. Based on recommendations from an EDA Florida Representative, OEV can apply for Disaster Supplemental grant funds to address the need for small business financing. Through the OEV-enabled extension, the Planning Council RLF would target Leon County Entrepreneurs and Minority and Women Small Businesses, a priority of both the OEV Strategic Plan (Strategy a.2 – *develop a secured funding program for entrepreneurs seeking capital*) and the Blueprint 2020 Interlocal Agreement (Section 7 b.4.A and Section 7 b.4.B – *Entrepreneurial Development Fund and Minority & Women Business Investment Fund*).

By partnering with the Planning Council to develop a grant application, OEV can leverage federal funds to maximize funding available to startups and MWSBE businesses. OEV's contribution of \$200,000 could leverage an additional \$800,000 by EDA, with a total of \$1 million of new capital that can then be deployed as real estate & equipment loans or lines of credit. New loan administration procedures will prioritize eligible MWSBE and entrepreneur borrowers in Leon County. ARPC has a structure in place to evaluate and service loans. Upon award, Planning

## Blueprint Intergovernmental Agency Board of Directors Meeting

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Council will administer the loan program, and OEV will allocate \$25,000 each fiscal year to support ARPC's administrative expenses. By so doing, OEV will save nearly \$65,000 each year by outsourcing loan administration and underwriting to the Planning Council. A \$1 million recapitalization of the Planning Council RLF, by present loan-making statistics (Attachment 1) would permit twenty loans averaging \$50,000 per loan to be made to eligible borrowers. Given the importance of micro-loans within this borrower space, the actual number of loans may be considerably higher, approaching thirty if small equipment and operating capital loans in the \$10,000-\$20,000 range are integrated. EDA RLF job creation loan criteria require one position created or retained per \$20,000 lent, which would amount to fifty seven (57) jobs created upon full deployment of the re-capitalized fund.

Therefore, staff recommends that the IA Board authorize staff to pursue a United States Department of Commerce Economic Development Administration revolving loan grant for the establishment of \$1-million small business loan program. This opportunity is both timely (given the 2019 Disaster Supplemental funding announcement) and supported by EVLC leadership, Blueprint 2020 Interlocal Agreement Section 7 b.4.A and 7 b.4.B – *Entrepreneurial Development Fund* and *Minority & Women Business Investment Fund* OEV Strategic Plan, Strategy a.2 – *Partner with local financial institutions to develop a secured funding program for entrepreneurs seeking capital*. The persistent issue of MWSBE and Entrepreneur capital access will be addressed by the above proposal. If the grant is awarded, the first year of implementation will have a \$200,000 fiscal impact and \$25,000 for grant administration in subsequent years. Funding is available in the FY 2020 capital budget in the ARPC EDA Revolving Loan Fund for Small Businesses Program.

Please note, should other opportunities arise to increase capital access to Tallahassee-Leon County small businesses, staff will evaluate and analyze these proposals, refer to the Economic Vitality Leadership Council (EVLC) for recommendation and ultimately to the IA Board for consideration.

## CONCLUSION:

OEV supports local businesses through engagement, ecosystem partner referrals, and marketing & communications. It devotes almost 40% of its capital budget to such endeavors and will continue to support sales across a variety of sectors, both target industry and other local strengths such as food service and accommodation, through its capital initiatives.

As a whole, the OEV connects, convenes, analyzes, deploys resources, and pursues opportunities to support business formation and growth on a continual basis. To advance its impact in the business capitalization space, OEV requests that the IA Board authorize staff to work with ARPC in pursuit of an EDA Disaster Supplemental grant to recapitalize the ARPC RLF. If awarded, this capitalization represents an important step forward for the City-County Economic Development Organization in meeting its goals to support small business formation and growth. Second, to enhance OEV's data-driven technical assistance, staff requests authorization to purchase a

## Blueprint Intergovernmental Agency Board of Directors Meeting

Item Title: Acceptance of the Report on the Office of Economic Vitality's Support of Local Business Growth and Formation, Authorize OEV to provide \$200,000 match and Submit a Grant Application for the Establishment of \$1 Million Small Business Loan Program in Partnership with the Apalachee Regional Planning Council, and Authorization to Contract with Buxton Company to Support Local Business Growth Outreach.

Page 9 of 9

\$30,000 license to utilize Buxton's customer psychographic data platform on behalf of local business research and expansion.

**Action by the EVLC and CAC:** This item was presented to the Blueprint Citizen Advisory Committee (CAC) and Economic Vitality Leadership Council (EVLC) during their August 2019 meetings. Both committees affirmed the staff recommendation to provide a \$200,000 match and submit a United States Department of Commerce Economic Development Administration revolving loan grant application for the establishment of \$1 million small business loan program in partnership with the Apalachee Regional Planning Council; and to contract with Buxton Company as a supplier of customer analytic information to support local business growth and outreach in the amount of \$30,000.

## OPTIONS:

- Option 1: Accept the Status Report on Support of Local Business Formation and Growth in Tallahassee-Leon County.
- Option 2: Authorize OEV to provide a \$200,000 match and submit a United States Department of Commerce Economic Development Administration revolving loan grant application for the establishment of \$1 million small business loan program in partnership with the Apalachee Regional Planning Council.
- Option 3: Authorize staff to contract with Buxton Company to support local business growth and outreach in the amount of \$30,000.
- Option 4: IA Board Direction.

### Attachments:

1. Apalachee Regional Planning County Revolving Loan Fund Performance
2. Shop Local Program Information and Community Survey Table

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Economic Development Administration  
Revolving Loan Fund Financial Report  
ED-209 for Semiannual or Annual Reporting

Attachment 6  
Page 16 of 22

**Part I: Grantee Data**

Grantee Name: <b>Apalachee Regional Planning Council</b>	Contact Person: <b>Janice Watson</b>
Address Line 1: <b>2507 Callaway Road Suite 200</b>	Contact Phone: <b>(850) 488-6211</b>
Address Line 2:	Contact Email: <b>JWatson@theaprc.com</b>
City: <b>Tallahassee</b>	EIN: <b>59-1772505</b>
State: <b>FL</b>	DUNS: <b>62-713-3788</b>
Zip Code: <b>32303</b>	EDA Award Number(s): <b>041903362</b>
Reporting Period End Date (MM/DD/YYYY): <b>03/31/2019</b>	
Report Type: <input checked="" type="radio"/> Semiannual <input type="radio"/> Annual <input type="radio"/> Other	Reporting Unit Number: <b>41285APA</b>

**Part II: Portfolio Financial Status**

**A. RLF Funding Sources**

Federal Grant Rate

1. EDA Funding:	<b>70.00%</b>	<b>\$ 1,000,000.00</b>
2. Local Match:		<b>\$ 335,000.00</b>
3. Total RLF Funding:		<b>\$ 1,335,000.00</b>

**B. Cumulative RLF Income Earned**

1. Interest Earned on Loans:	<b>\$ 1,384,258.36</b>
2. Interest Earned on Deposit Accounts:	<b>\$ 106,656.76</b>
3. Fees Earned on Closed Loans:	<b>\$ 3,570.00</b>
4. RLF Income from Application Fees:	<b>\$ 0.00</b>
5. Other RLF Income:	<b>\$ 0.00</b>
6. Total RLF Income:	<b>\$ 1,494,485.12</b>
7. Portion of RLF Income Used for Administrative Expenses:	<b>\$ 1,112,601.90</b>
8. RLF Income Added to Capital Base for Lending:	<b>\$ 381,883.22</b>
9. Explanation of Other Income:	

**C. Status of RLF Capital**

1. Total RLF Funding:	<b>\$ 1,335,000.00</b>
2. RLF Income Added to Capital Base for Lending:	<b>\$ 381,883.22</b>
3. Voluntarily Contributed Capital:	<b>\$ 0.00</b>
4. Loan Losses:	<b>\$ 1,151,127.97</b>
5. Disallowance:	<b>\$ 0.00</b>
6. RLF Capital Base:	<b>\$ 565,755.25</b>

**D. Current Balance Available for New Loans**

1. RLF Principal Outstanding on Loans:	<b>\$ 469,094.96</b>
2. RLF Cash Available for Lending:	<b>\$ 96,660.29</b>
3. RLF \$ Committed but Not Disbursed:	<b>\$ 0.00</b>
4. RLF Cash Available for Lending, Net of Committed RLF \$:	<b>\$ 96,660.29</b>
5. RLF Cash Available for Lending, % of Capital Base:	<b>17.09%</b>





Economic Development Administration  
Revolving Loan Fund Financial Report  
ED-209 for Semiannual or Annual Reporting

Attachment 6  
Page 26 of 26

**Part III: Loan Portfolio Summary**

<b>A. Portfolio Status</b>	<b>Number</b>	<b>RLF \$ Loaned</b>	<b>RLF Principal Outstanding</b>	<b>Loan Losses</b>
1. Current Loans:	13	\$ 672,249.54	\$ 469,094.96	
2. Delinquent Loans:	0	\$ 0.00	\$ 0.00	
3. Loans in Default:	0	\$ 0.00	\$ 0.00	
4. Total Active Loans:	13	\$ 672,249.54	\$ 469,094.96	
5. Written Off Loans:	12	\$ 1,117,767.00		\$ 1,151,127.97
6. Fully Repaid Loans:	30	\$ 2,900,498.00		
7. Total Loans	55	\$ 4,690,514.54	\$ 469,094.96	\$ 1,151,127.97
8. Number of Applications Received during reporting period:			2	
9. Number of Loans Closed during reporting period:			2	

**B. Portfolio Loan List**

Report the following information for each RLF Loan made, whether Active, Written Off, or Fully Repaid.

Recipient	ID:	Name:	Location:		
Loan Purpose and Description	Purpose:		Description:		NAICS:
Source of Financing	Borrower:	Private:	Other Public:		RLF:
Loan Terms	Date Closed:	Term: months	Interest Rate:		Payment
Loan Status	Modified Loan	Date:	Payment:		Schedule:
Repayment	Principal Repaid:	Interest Paid:	Fees Paid:		Balance:
Job Impact	Pre-Loan jobs:	Jobs Created:	Jobs Saved:		

**Part IV: Risk Scoring Measures**

**A. Capital**

1. Capital Base Index: 0.42

**B. Assets**

1. Default Rate: 0.00%  
 2. Default Rate over Time: 0 months  
 3. Loan Write-Off Ratio: 28.57%  
 4. Dollars Written-Off: 27.27%

**C. Earnings**

1. Net RLF Income: 74.45%  
 2. Administrative Expenses % of Income, Fiscal Year: 49.98%  
 3. RLF Income used for Admin. Expenses, Fiscal Year: \$ 5,250.00  
 4. RLF Income earned during Fiscal Year: \$ 10,505.25

**D. Liquidity**

1. Allowable Cash Percentage: 30.30%  
 2. Cash Percentage: 17.09%  
 3. Cash Percentage over Time: 0 months

**E. Strategic Results**

	<b>RLF Plan Target</b>	<b>Active Loans</b>	<b>Total Loans</b>
1. Total \$ Leveraged:		\$ 1,282,000.00	\$ 8,227,217.00
2. Loan Leverage Ratio:	2.00 : 1	1.91 : 1	1.75 : 1
3. Jobs Created:		25.00	207.00
4. Jobs Saved:		32.00	387.00
5. Total Jobs:		57.00	594.00
6. Cost per Job:	\$ 20,000.00	\$ 11,793.85	\$ 7,896.49

## Attachment 2 – Shop Local Summary Table

### *Shop Local*

Shop Local marketing promotes consumer and business spending at participating businesses. These programs embrace the idea of localism – authenticity, uniqueness, and tangible connection – as intrinsically better than a corporate/franchise alternative. Staff surveyed several communities throughout the country regarding their shop local programs. These shop local programs led by numerous different entities, from private for-profit & non-profit entities to chambers of commerce and economic development entities. This is primarily due to the specific interests of the organizing entity and the niche they are filling. The majority of these program listed below are implemented through events and marketing which are intended to supplement sales at affiliated entities. From surveyed communities, findings indicate that shop local programs:

- Arise because an opportunity exists to promote a group of local businesses not served by other promotions;
- Mainly consist of advertising, stories, and event-organizing on behalf of these business.
- If assisted by local governments, ranged from in-kind services to \$25,000/yr.
- Do not utilize a dedicated application to enlarge program impacts.

*Table of example programs*

Geography	Program	Activities	Funding	Impact
Nationwide	Groupon: Discover Your City	Provides Zip Code and City-based deal filters	Groupon broker fee	To Businesses: depends on business type, performs better for product-based than service or food-based <sup>1</sup> .
Miami / Statewide	Support Local FL	Curated Florida local business website and occasional activities	“Passion Project” cross-subsidized by Prism Group, a Miami marketing firm	350 businesses registered on website; membership is free to accepted registrants
St. Petersburg	Keep St. Pete Local	Community website for and by businesses with space for articles, job postings, and events calendar. Main event “Localtopia” in February which	Run by non-profit “Keep St. Petersburg Local”	Business membership ranges from \$25-\$100/year to be listed on website and access to promotional opportunities; no

<sup>1</sup> “Groupon Isn’t a Good Deal for Businesses”, CNBC: <https://www.cnbc.com/id/49092709>  
 “Groupon Is Good for Businesses”, CNBC: <https://www.cnbc.com/id/49092710>

		costs \$80,000 privately raised.		numeric ROI recorded.
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Geography	Program	Activities	Funding	Impact
Titusville, FL	Shop Local	A once-per year shop local Saturday event	Managed by Titusville Chamber of Commerce, which contributes \$2,000/year toward marketing and event execution.	Target of 1,000 attendees; 700 actual. No per person spending data.
Madison, Wisconsin	Dane Buy Local	Marketing and B2B connections for participating small-mid size businesses.	DBL is a 501c6 that raises \$150,000/year from member organizations. The City is a “large employer” member, paying \$770/yr. in membership dues.	Unquantified benefits from “Exposure” and B2B advertising offered by tier of membership.

## Tallahassee-Leon County

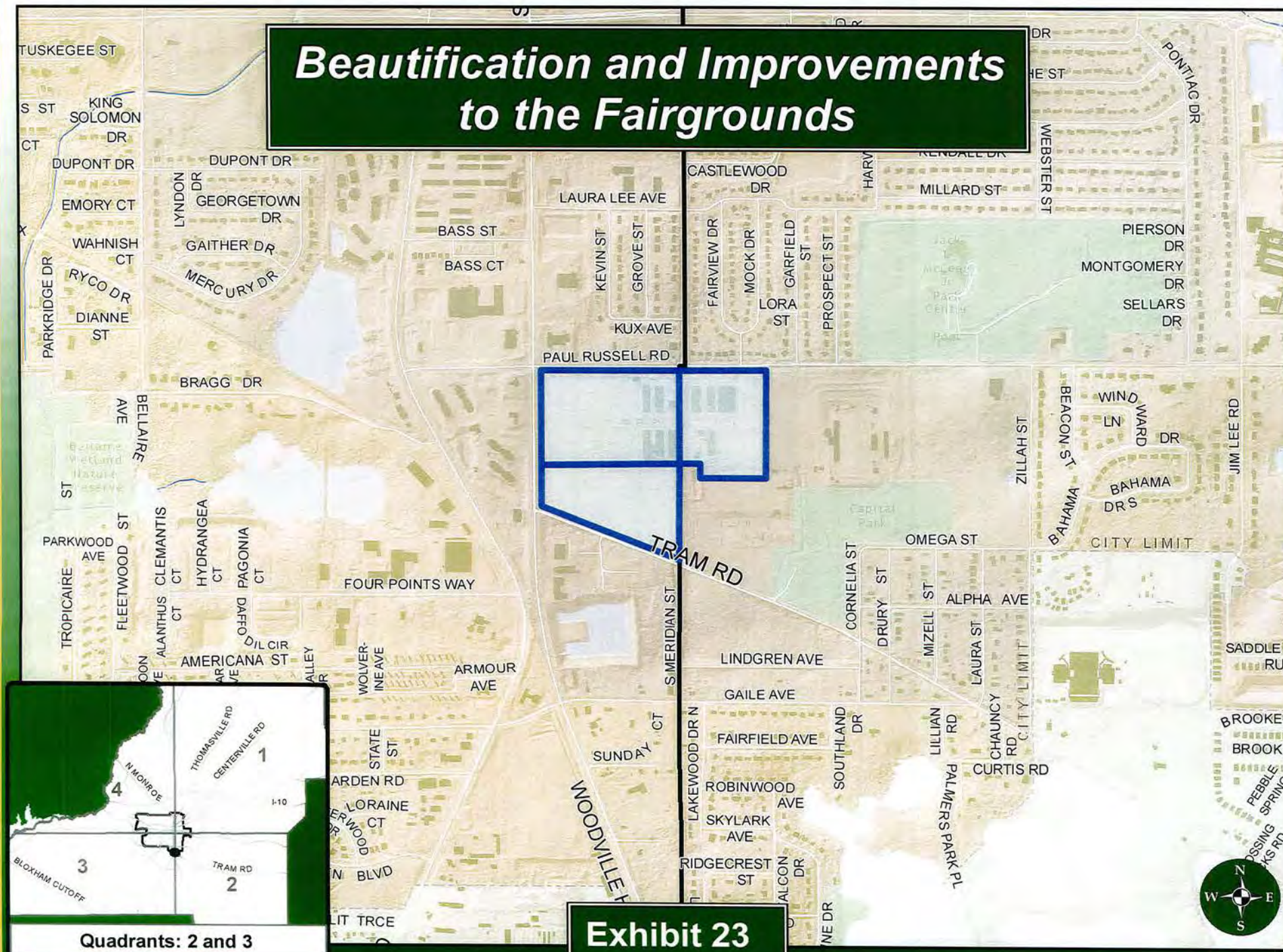
BEST – Bike Eat Shop Tallahassee	Bicyclist-facing SWAG and rewards-based program available to local food service and retailers.	Organized and implemented by BEST through business contributions.	Unknown
Shop Local 850	Website promoting local business through public awareness campaigns	\$24/yr. membership paid by businesses.	Unknown
Shop Tally powered by Swellcoin	Web App with transaction processing software that provides a loyalty rewards pipeline between participating businesses and consumers	Organized and implemented by SwellCoin.	~35 businesses, 400 customers; no data provided on customer in-app spending.

SECOND AMENDED AND RESTATED  
INTERLOCAL AGREEMENT  
between  
LEON COUNTY, FLORIDA  
and  
CITY OF TALLAHASSEE, FLORIDA  
DATED as of December 9, 2015

Project 23. Beautification and Improvements to the Fairgrounds: Funding to construct improvements to the fairgrounds (Exhibit 23).



# Beautification and Improvements to the Fairgrounds



Quadrants: 2 and 3

Exhibit 23





## **Market and Financial Feasibility Study Report of the North Florida Fairgrounds**

Prepared for Leon County, Florida  
April 27, 2015

Submitted by:



**MARKIN CONSULTING ■ MAPLE GROVE, MINNESOTA**

---

April 27, 2015

Mr. Brian Wiebler  
Principal Planner  
Tallahassee – Leon County Planning  
300 South Adams Street  
Tallahassee, Florida 32301

Dear Mr. Wiebler:

Markin Consulting is pleased to submit our ***Market and Financial Feasibility Study Report of the North Florida Fairgrounds (the Fairgrounds)***, dated April 27, 2015. Our report details the approach, methodologies, research, analyses and results of (1) assessing the community needs and market demand potential for new/expanded event facilities at Fairgrounds and (2) analyzing the financial and economic impacts associated with operating recommended facilities.

The findings and assumptions contained in this report reflect analyses of secondary sources of information and data, including data obtained from the State of Florida, City of Tallahassee and Leon County, as well as management of the North Florida Fair Association. We used sources that we deemed to be reliable but cannot guarantee their accuracy. We have no obligation, unless subsequently engaged, to update our report or revise the information contained therein to reflect events and transactions occurring after the date of this report.

The accompanying report is restricted to internal planning use by Leon County and may not be relied upon or referred to by any third party for any purpose including financing. Our analysis does not constitute an examination, compilation or agreed upon procedures in accordance with the standards established by the American Institute of Certified Public Accountants.

We have appreciated working with Leon County and the North Florida Fair Association on this important analysis.

Sincerely

A handwritten signature in black ink, appearing to read "Rod Markin". The signature is fluid and cursive, with a large initial "R" and "M".

Rod Markin, President

**NORTH FLORIDA FAIRGROUNDS STUDY**

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Exhibits

Exhibit A – Retail Opportunity Gap Analysis

## PROJECT DESCRIPTION

### Background and Objectives

This report was prepared for Leon County by Markin Consulting. It details the results of our assessment to determine potential market support and analyses of financial and economic impacts of improving event facilities at the North Florida Fairgrounds (the Fairgrounds).

The objectives of the market study were to:

- Determine the level of potential market demand (niches and target markets) for the Fairgrounds' facilities, on the basis of potential market position, competition, needs of the annual North Florida Fair (the Fair), any unsatisfied demand segments, community needs, support services, site location, appropriate mix and sizing of facilities, and other factors
- Recommend the facilities needed to successfully attract and retain the target markets and meet Fair needs, on the basis of the potential market support, community needs, support services, and competition, for event facilities (the Recommended Facilities)
- Assess and quantify the financial and economic impacts of the Recommended Facilities

### Approach

Markin Consulting, in conducting the market demand and financial and economic impact analyses, performed the following work steps:

- Toured the Fairgrounds site, facilities and surrounding areas to assess location factors and their impacts on potential events, activities and facility needs
- Researched and analyzed the impact of demographic and economic trends of the Fairground's market area on potential demand for facilities at the Fairgrounds
- Researched and assessed the quality and quantity of community resources (lodging, restaurants, attractions, etc.) in proximity to the Fairgrounds that would appeal to, and support, potential users of Fairground facilities
- Identified, researched and assessed facilities that would be considered competition for events and activities at the Fairgrounds
- Conducted research, analyses, interviews and surveys of key stakeholders, current renters and potential users of the facilities at the Fairgrounds to identify level of interest in hosting their event at the Fairgrounds, event size and duration, time of year and facility/service needs
- Evaluated and analyzed private development opportunities for parcels at the Fairgrounds site
- Developed estimates of potential uses of facilities at the Fairgrounds and recommended specific facility components necessary to successfully attract and retain the identified target markets (the Recommended Facilities)
- Prepared analyses of the financial and economic impacts of building and operating the Recommended Facilities

### Conditions of the Study

This report is to be used for facility planning at the North Florida Fairgrounds only. It is not to be used for any other purpose. This report may not be referred to or included in any prospectus, or as a part of any offering or representation made in connection with the sale of securities to the public.

Although we believe that the information and assumptions set forth in this report constitute a reasonable basis for the estimates of usage, the achievement of any estimate may be affected by fluctuating economic conditions and the occurrence of other future events that cannot be anticipated. Therefore, the actual results achieved will vary from the estimates and such variations may be material.

The terms of our engagement are that we have no responsibility to update this report or to revise the estimates because of event and transactions occurring subsequent to the date of this report.

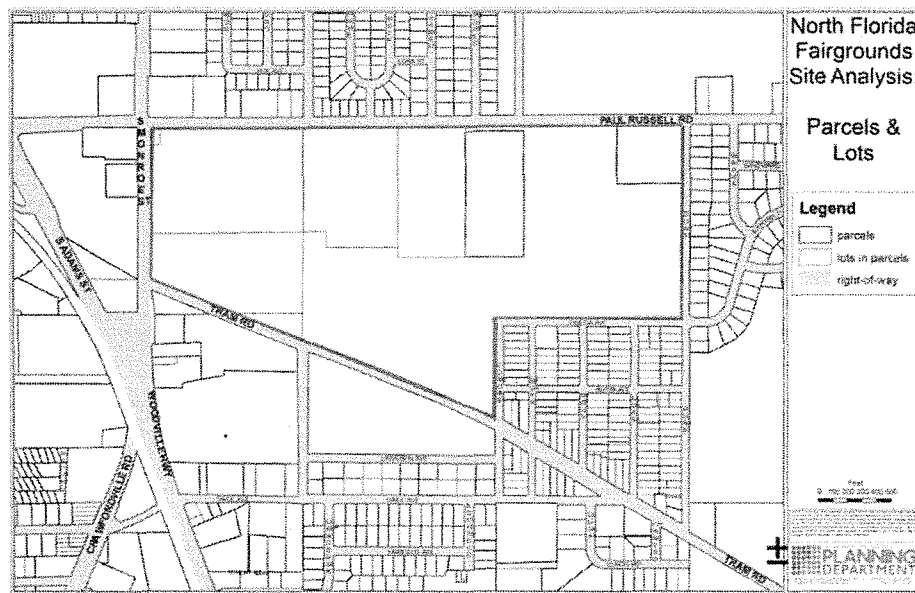


### Overview of Current Fairgrounds and Related Properties

This section presents an overview of key ownership, leases, buildings/structures and recent usage trends at the North Florida Fairgrounds.

### Fairgrounds Parcels, Lots and Leases

Our study involved a review and assessment of not only the property, buildings and structures known as the North Florida Fairgrounds, but also parcels and lots adjacent to the Fairgrounds property. The layout below shows the entire property owned by Leon County and leased to various organizations and entities that is the subject of this study.

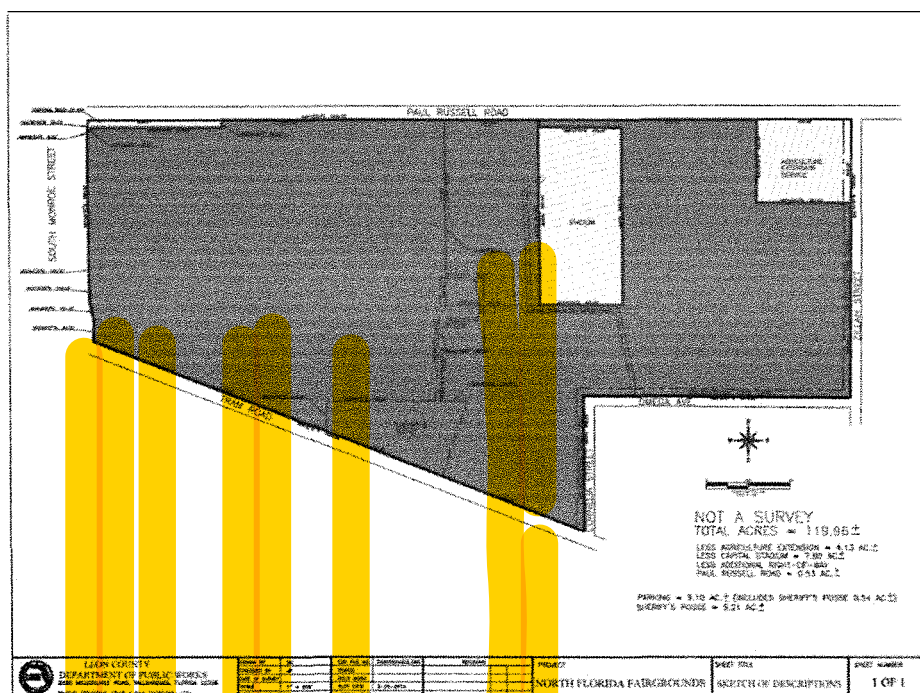


The above highlighted property includes the parcel that was originally leased to the North Florida Fair Association (the Fair Association) in 1959 and comprises approximately 107.5 acres.

## NORTH FLORIDA FAIRGROUNDS STUDY

## CURRENT FAIRGROUNDS AND RELATED PROPERTIES

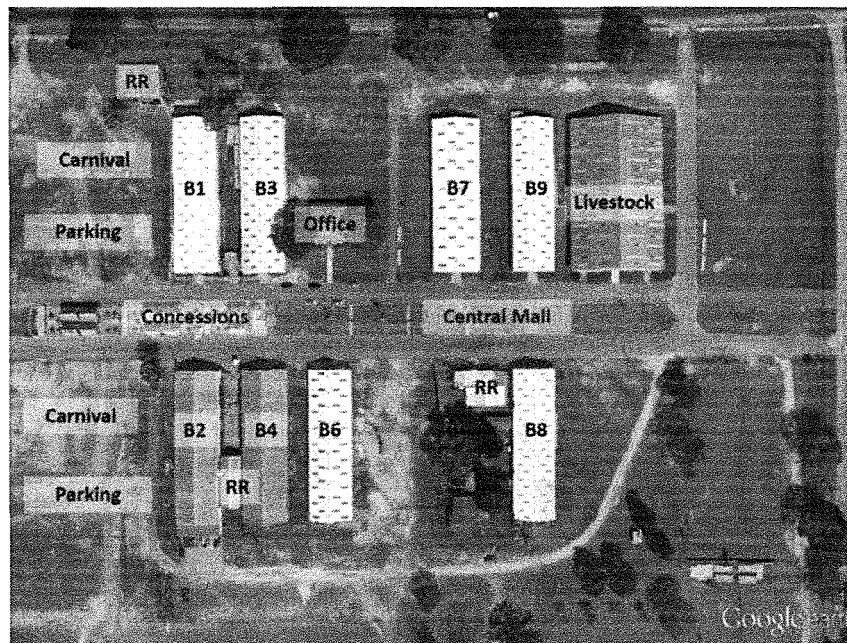
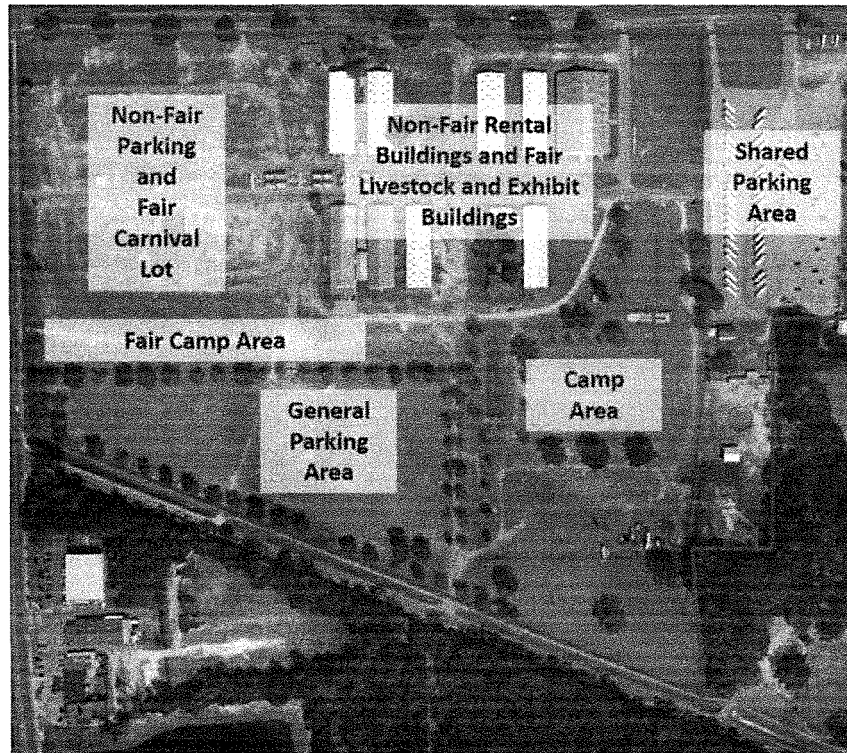
The dark area of the layout below shows the property that was leased to the Fair Association. The areas labeled "Stadium" and "Agriculture Extension Service" were excluded from the original leased property and are controlled by Leon County Schools and Leon County Cooperative Extension Service, respectively. The Stadium parcel is the site of Cox Stadium, a football complex. The Agriculture Extension Service parcel is the site of the offices of Leon County Cooperative Extension.



The Fair Association's lease of the Fairgrounds Property, most recently amended in 1995, extends to December 31, 2067 and provides for the Fair Association to maintain the grounds and improvements, subject to four additional ongoing uses not associated with the Fair Association's activities:

- The 9.1-acre parking lot abutting Cox Stadium is used by the Leon County School Board for parking in conjunction with its use of Cox Stadium pursuant to an August 1989 Joint Use Agreement with the Fair Association
- A 5.2-acre portion of the leased property abutting Tram Road is used for the sheriff's Mounted Patrol Facility and for the County's livestock impoundment area pursuant to a September 1999 Joint Use Agreement with the Fair Association
- An approximate 20.1-acre portion of the leased property abutting Tram Road is maintained by the City of Tallahassee for its Capital Park facility pursuant to the May 2005 Parks and Recreation Agreement, as amended in February 2008, between the City of Tallahassee and the County; and
- A 2.6-acre recreational trail is maintained by the city of Tallahassee along the easternmost boundary of the Fairgrounds property, 2.28-acres of which lies within the leased premises, pursuant to the Recreational Trail Easement conveyed by the County in June 2008 pursuant to Board Resolution 08-19

The portion of the leased property by the Fair Association in its operations consists principally of the parcels, buildings and structures shown in the aerials below.



## Fairground Facilities

Following is an overview of principal spaces, buildings and structures shown on the previous page.

### Carnival/Parking Lot

The western side of the Fairgrounds consists of a large open grass space (with paved access road) that is used as the location of the midway, games and carnival food concessions during the annual North Florida Fair (the Fair) and for event parking and outdoor exhibits during the remainder of the year.





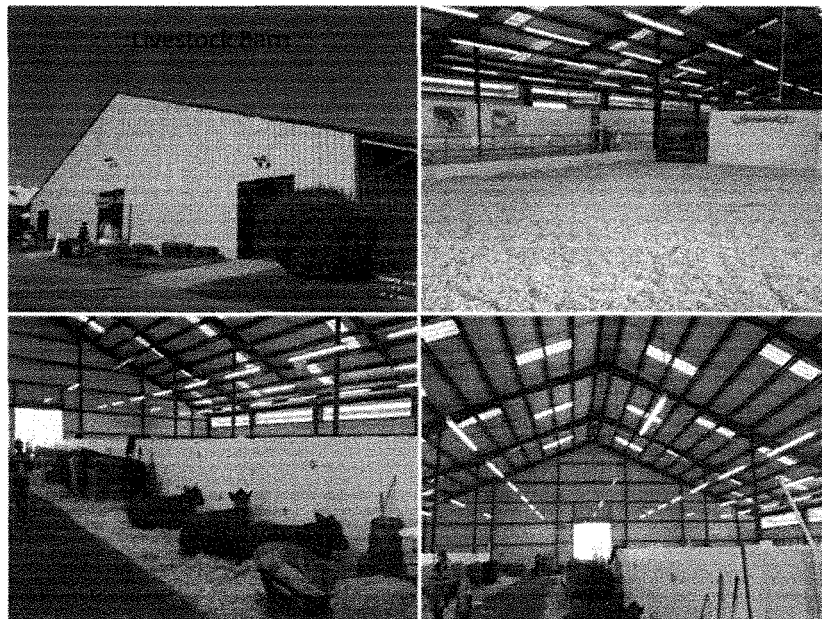
### Buildings 1, 3, 7 and 9

Located on the north side of an east-west central mall, Buildings 1, 3, 7 and 9 are metal-skin steel structures with no climate controls. These buildings are used for the floral exhibits, agricultural displays, poultry and petting zoo and goats and other small animals during the Fair.



### Livestock Barn

Sited on the north east side of the Fairgrounds, the Livestock Barn is a large metal building, with multiple roll-up and man door access points. It is used for housing beef and dairy cattle during the annual Fair and is available to rent the remainder of the year.





### Buildings 2 and 4

Located across the central mall area from Buildings 1 and 3, Buildings 2 and 4 are the only heated and air-conditioned buildings with finished interiors. Advertised at about 12,000 square feet per building, their interiors are slightly smaller than 12,000 sq. ft. after considering their interior finishes, including a kitchen area in Building 2. During the Fair, Building 2 is used for Home and Fine Arts exhibits. Building 4 houses commercial exhibitors during the Fair.



These two buildings are the most rented of all buildings for events and activities throughout the remainder of the year, as detailed on page 13.

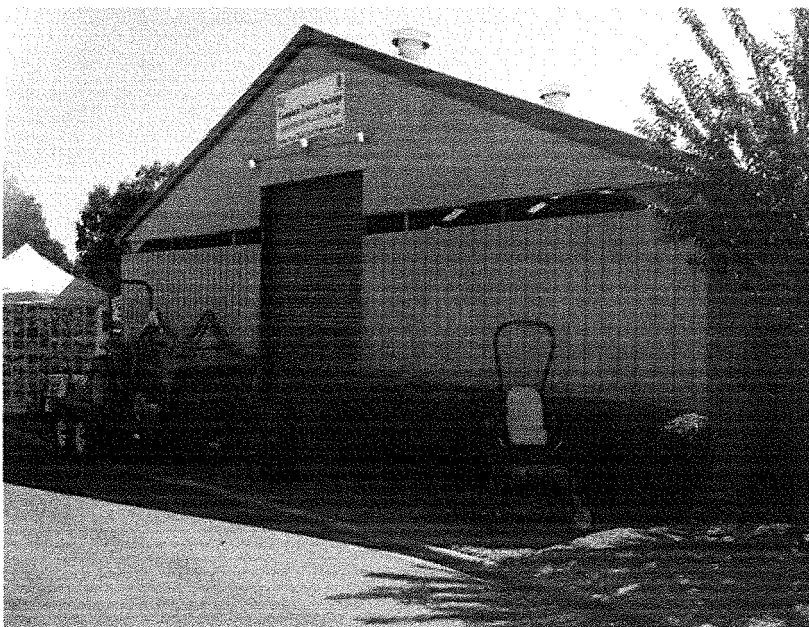
### Building 6

Neighboring Building 4, this metal building is similar in design and size as Building 1 and 3. During the Fair, Building 6 is home to 4-H exhibits and activities.



### Building 8

This structure is a storage building and is not used for programming during the Fair nor is it rented for any non-Fair events or activities.



### Information and Concession Structures

On the western end of the central mall corridor are large concrete structures that are used for disseminating information to Fair patrons and for non-profit organizations to sell food concessions. These spaces are available for rent the remaining of the year.



### Restrooms

The Fairgrounds has 3 permanent restroom buildings on the grounds. One is located between Buildings 2 and 4 (accessed from the outside only), one is sited just northwest of Building 1 and one is located adjacent to Building 8 fronting the central mall corridor.

### Camping Area

Areas marked on the map (page 5) as camp area consist of electric and water hook-ups. According to management of the Fair Association, the Fairgrounds has about 500 identified camp sites.



## NORTH FLORIDA FAIRGROUNDS STUDY

## CURRENT FAIRGROUNDS AND RELATED PROPERTIES

Ingress/Egress

The Fairgrounds has a number of access points that are used by patrons either for the Fair or for non-Fair events. During the Fair, the shared paved lot between the Fairgrounds and Cox Stadium experiences the highest volume of traffic (off Paul Russell Road), followed by the general parking areas accessed off Tram Road. During non-Fair events, parking is generally sited in the west carnival/parking lot and is accessed off South Monroe Street. The shared paved parking lot is available for only a few non-Fair events.

**Recent Usage Trends of Fairground Facilities**

To assess the recent historical use of buildings, structures and spaces at the fairgrounds, we used event and building use reports for the calendar years 2012 to 2014, provided by the Fair Association. This assessment relates to non-Fair activities only.

According to Fair Association records, in 2012, 55 non-Fair events were staged at the Fairgrounds; accounting for 92 event days and 179 use days.<sup>1</sup> For 2013, 58 non-Fair events were held at the Fairgrounds; accounting for 100 event days and 209 use days. For 2014, 56 non-Fair events accounted for 91 event days and 178 use days. The following tables present the number and percentage of events, event days and use days for those events, by event type.

**North Florida Fairgrounds****Number of Events by Type, 2012 - 2014**

Event Type	2012	2013	2014
Animal Show	3	3	2
Community Event	4	6	4
Consumer/Trade Show	11	11	11
Dog Show	3	3	3
Dog Training	8	10	12
Festival	2	2	2
Fundraiser	3	3	3
Other	1	2	3
Private Party/Banquet	9	7	10
RV Rally	1	0	0
Sale/Auction	4	6	4
School Use	1	1	1
Spectator Event	5	4	1
<b>Total</b>	<b>55</b>	<b>58</b>	<b>56</b>

Source: North Florida Fair Association

**North Florida Fairgrounds****Number of Event Days by Type, 2012 - 2014**

Event Type	2012	2013	2014
Animal Show	7	8	3
Community Event	5	7	5
Consumer/Trade Show	20	21	20
Dog Show	7	7	9
Dog Training	8	13	12
Festival	2	2	3
Fundraiser	5	5	4
Other	1	4	5
Private Party/Banquet	9	7	10
RV Rally	10	0	0
Sale/Auction	12	20	18
School Use	1	1	1
Spectator Event	5	5	1
<b>Total</b>	<b>92</b>	<b>100</b>	<b>91</b>

Source: North Florida Fair Association

**North Florida Fairgrounds****Number of Use Days by Type, 2012 - 2014**

Event Type	2012	2013	2014
Animal Show	18	20	7
Community Event	12	17	13
Consumer/Trade Show	46	46	38
Dog Show	11	13	14
Dog Training	8	21	17
Festival	6	6	8
Fundraiser	10	10	8
Other	2	10	13
Private Party/Banquet	19	17	21
RV Rally	12	0	0
Sale/Auction	19	35	34
School Use	2	2	2
Spectator Event	14	12	3
<b>Total</b>	<b>179</b>	<b>209</b>	<b>178</b>

Source: North Florida Fair Association

**North Florida Fairgrounds****Number of Events by Type, 2012-2014**

	2012	2013	2014
Animal Show	5.5%	5.2%	3.6%
Community Event	7.3%	10.3%	7.1%
Consumer/Trade Show	20.0%	19.0%	19.6%
Dog Show	5.5%	5.2%	5.4%
Dog Training	14.5%	17.2%	21.4%
Festival	3.6%	3.4%	3.6%
Fundraiser	5.5%	5.2%	5.4%
Other	1.8%	3.4%	5.4%
Private Party/Banquet	16.4%	12.1%	17.9%
RV Rally	1.8%	0.0%	0.0%
Sale/Auction	7.3%	10.3%	7.1%
School Use	1.8%	1.7%	1.8%
Spectator Event	9.1%	6.9%	1.8%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

Source: North Florida Fair Association

**North Florida Fairgrounds****Number of Event Days by Type, 2012 - 2014**

	2012	2013	2014
Animal Show	7.6%	8.0%	3.3%
Community Event	5.4%	7.0%	5.5%
Consumer/Trade Show	21.7%	21.0%	22.0%
Dog Show	7.6%	7.0%	9.9%
Dog Training	8.7%	13.0%	13.2%
Festival	2.2%	2.0%	3.3%
Fundraiser	5.4%	5.0%	4.4%
Other	1.1%	4.0%	5.5%
Private Party/Banquet	9.8%	7.0%	11.0%
RV Rally	10.9%	0.0%	0.0%
Sale/Auction	13.0%	20.0%	19.8%
School Use	1.1%	1.0%	1.1%
Spectator Event	5.4%	5.0%	1.1%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

Source: North Florida Fair Association

**North Florida Fairgrounds****Number of Use Days by Type, 2012 - 2014**

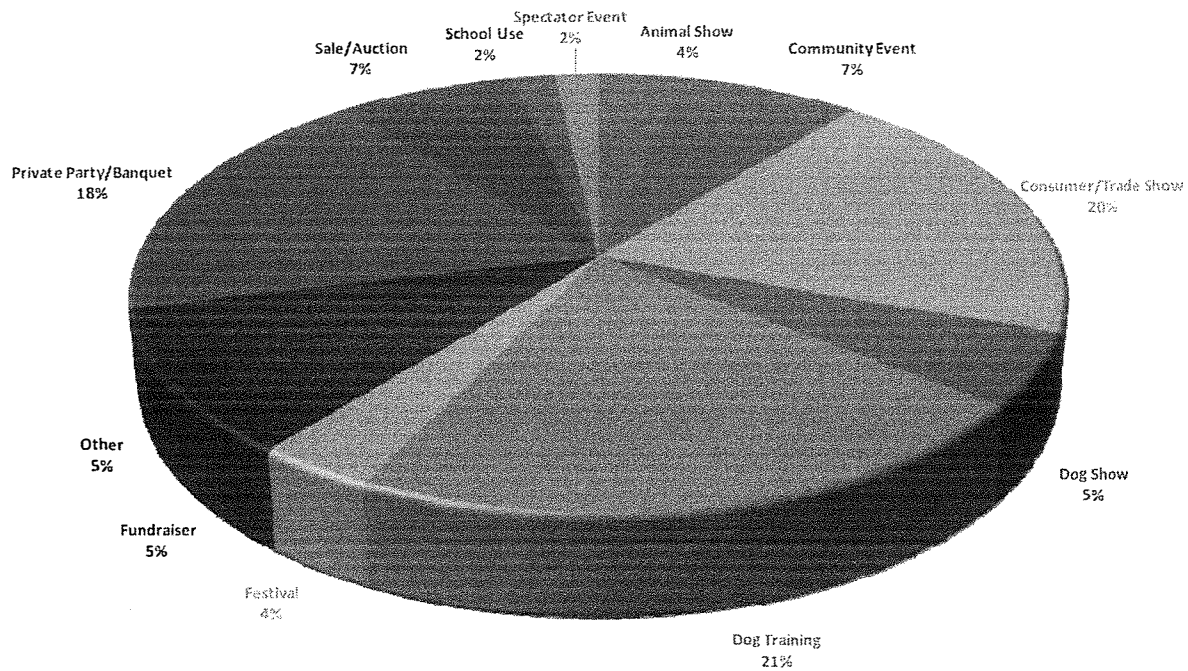
	2012	2013	2014
Animal Show	10.1%	9.6%	3.9%
Community Event	6.7%	8.1%	7.3%
Consumer/Trade Show	25.7%	22.0%	21.3%
Dog Show	6.1%	6.2%	7.9%
Dog Training	4.5%	10.0%	9.6%
Festival	3.4%	2.9%	4.5%
Fundraiser	5.6%	4.8%	4.5%
Other	1.1%	4.8%	7.3%
Private Party/Banquet	10.6%	8.1%	11.8%
RV Rally	6.7%	0.0%	0.0%
Sale/Auction	10.6%	16.7%	19.1%
School Use	1.1%	1.0%	1.1%
Spectator Event	7.8%	5.7%	1.7%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

Source: North Florida Fair Association

<sup>1</sup> Use days include move-in/move-out days and actual event days, as reported by the North Florida Fair Association.

The chart below presents the percentage breakdown of non-Fair events, by type, that rented facilities, structures and outdoor spaces at the Fairgrounds in 2014.

**NORTH FLORIDA FAIRGROUNDS - 2014 EVENT DISTRIBUTION BY TYPE**



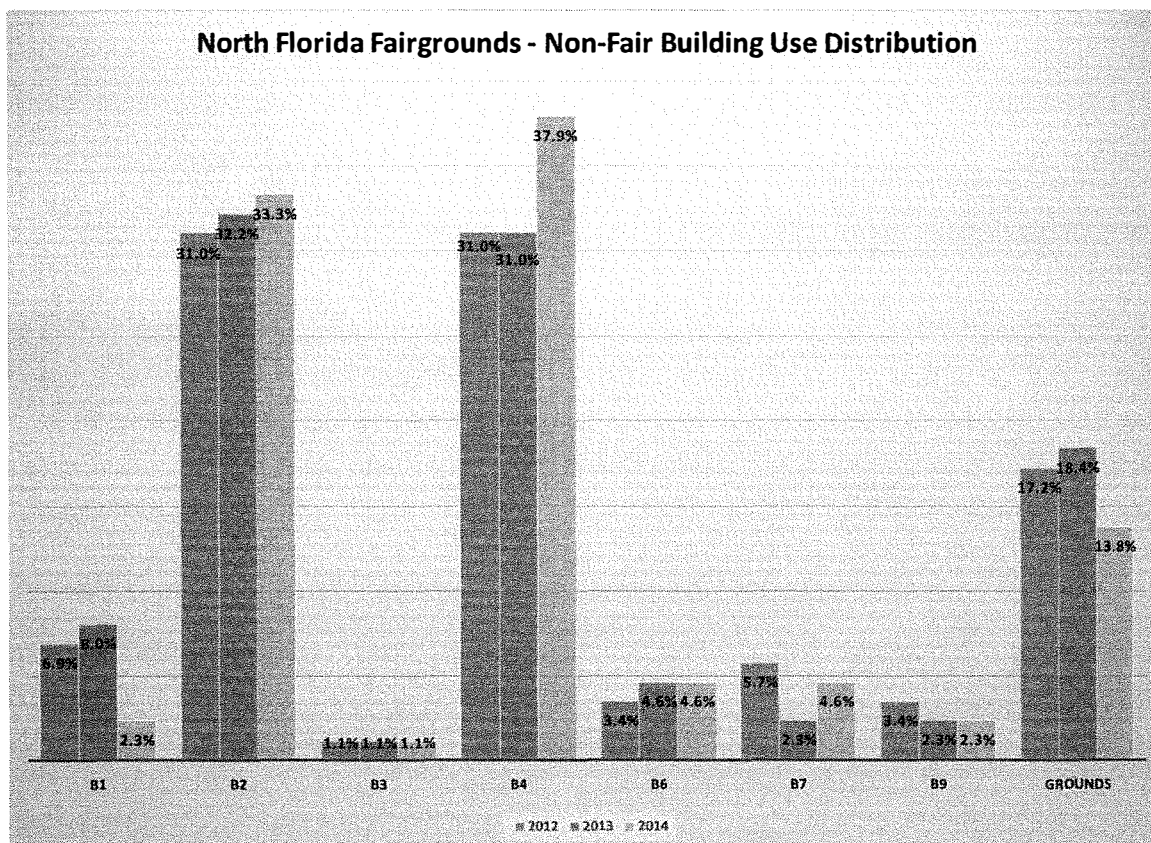
Though dog training activities represented 21 percent of the total number of events in 2014, those activities represented only 9.6 percent of total event days. Consumer/trade shows and sales/auctions were the two event types that accounted for the most actual event and use days, as well as the percentage of total event days and use days.



## NORTH FLORIDA FAIRGROUNDS STUDY

## CURRENT FAIRGROUNDS AND RELATED PROPERTIES

An analysis of non-Fair use by building, structure and outdoor spaces for 2012 to 2014 revealed that Buildings 2 and 4 were the most used buildings at the Fairgrounds, followed by Building 1 (in 2012 and 2013) and Buildings 6 and 7 (in 2014). Multiple events used outside spaces (in addition to parking areas). The chart below presents the percentage breakout of use by building/space for 2012 to 2014 non-Fair events.



Non-Fair events held at the North Florida Fairgrounds during the years 2012 to 2014 included:

- |  |                                 |
|--|---------------------------------|
| Antique Bottle Show                      | Maranatha Health Fair           |
| Big Bend Bird Club                       | Market Days                     |
| Bully Bash                               | Ochlochonee River Kennel Club   |
| Dale Earnhardt Jr. Auto Sale             | Pig Fest                        |
| Family Campers and RV'ers                | Private Parties and Fundraisers |
| FAMU                                     | Reading Rally                   |
| FSU and FAMU Sororities and Fraternities | Repticon                        |
| Gun & Knife Show                         | Tallahassee Boat Show           |
| Kids Fest                                | Tallahassee Dog Obedience Club  |
| Leo County Schools                       | Tallahassee Rollergirls         |
| Liquidation Sale                         |                                 |

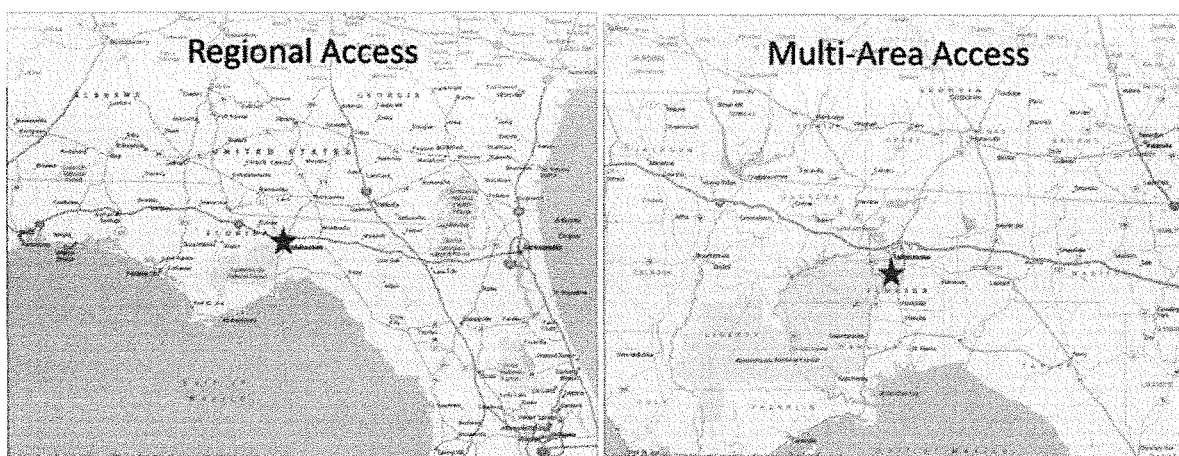
The above list is not the complete list of non-Fair events, but is representative of the principal events held at the Fairgrounds.

**FACTORS AFFECTING DEMAND FOR FACILITIES**

The demand for event facilities is dependent on a number of factors – location, community resources, facilities, demographic and economic trends and competitive and comparable facilities. This section presents an overview of these factors in relation to the Fairgrounds.

**Site Location Assessment**

Located in Tallahassee, the Fairgrounds is in the eastern side of the Florida panhandle, with regional and multi-area access via Interstate 10 from the east and west, US Highway 27 from the northwest and US Highway 319 from the north and south.



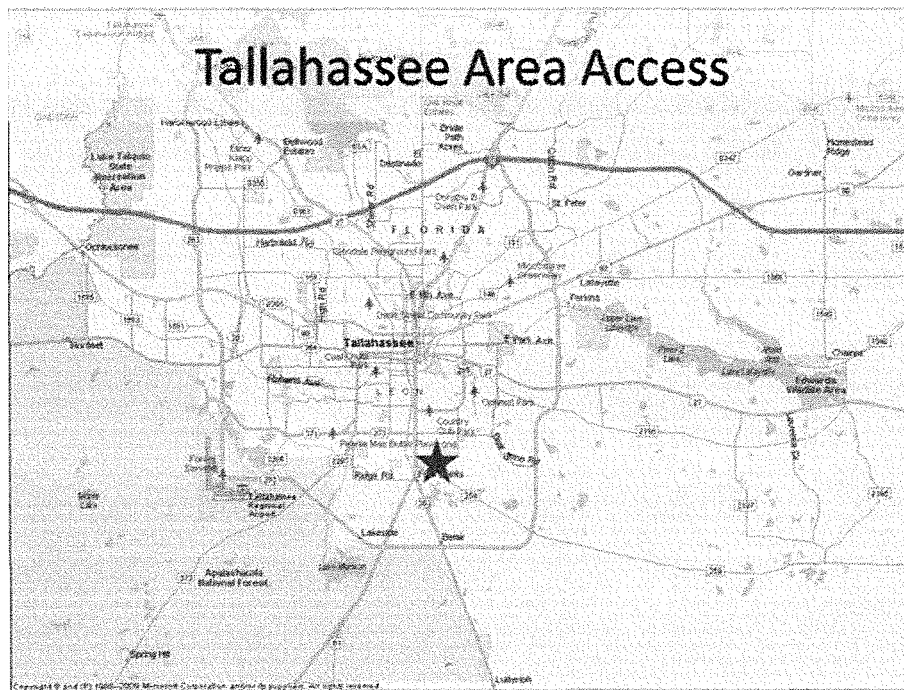
The table below shows the corresponding mileage and drive times to and from Tallahassee.

**North Florida Fairgrounds****Distance and Drivetime Distances from Tallahassee**

Location	Distance	Drive Time
Monticello, FL	32 miles	40 minutes
Thomasville, GA	37 miles	55 minutes
Bainbridge, GA	43 miles	63 minutes
Tifton, GA	94 miles	122 minutes
Dothan, AL	97 miles	113 minutes
Panama City, FL	100 miles	119 minutes
Gainesville, FL	157 miles	146 minutes
Fort Walton Beach, FL	166 miles	163 minutes
Jacksonville, FL	167 miles	157 minutes
Pensacola, FL	199 miles	177 minutes

Source: Google Maps

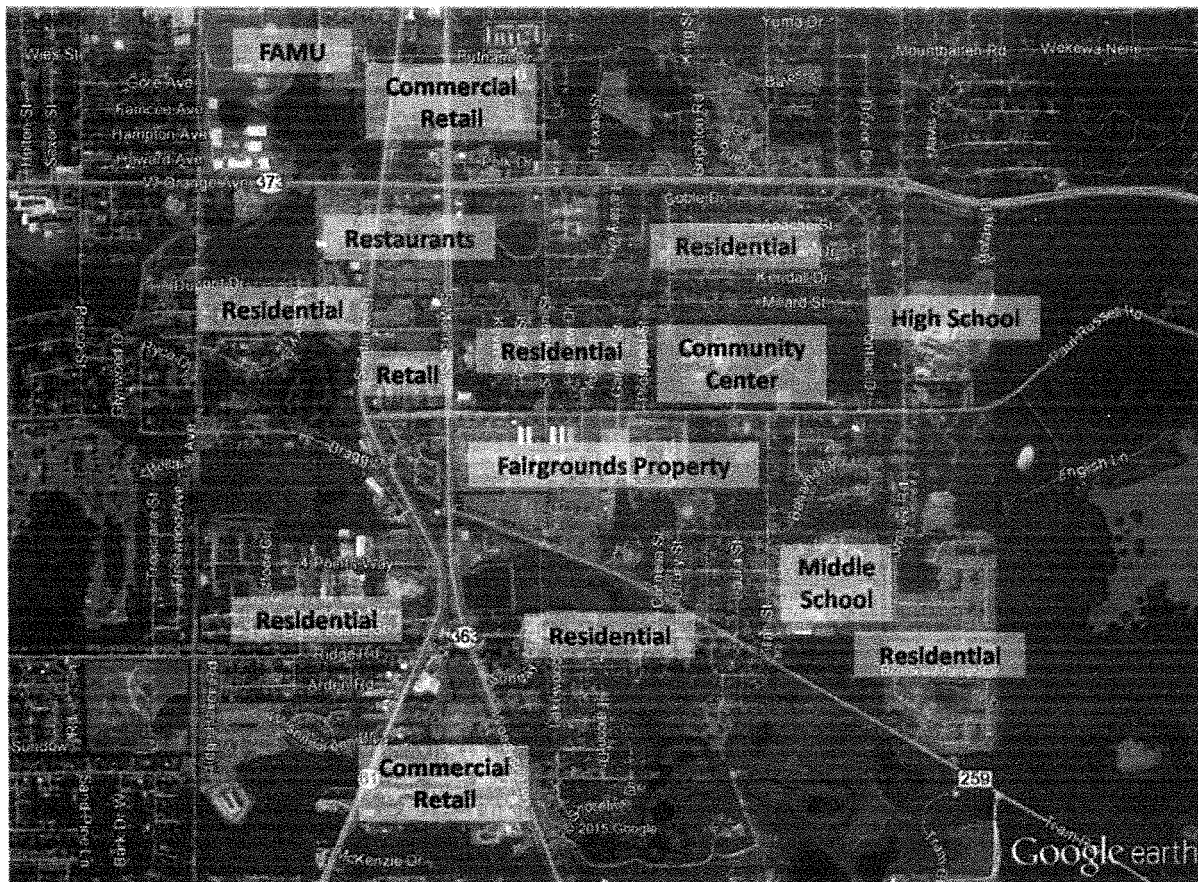
The Fairgrounds site is located in the southern area of Tallahassee and south central Leon County.



Local access to the Fairground site is via S. Monroe Street from the north, Paul Russell Road from the east and west and Crawford Road and Woodville Highway from the south.



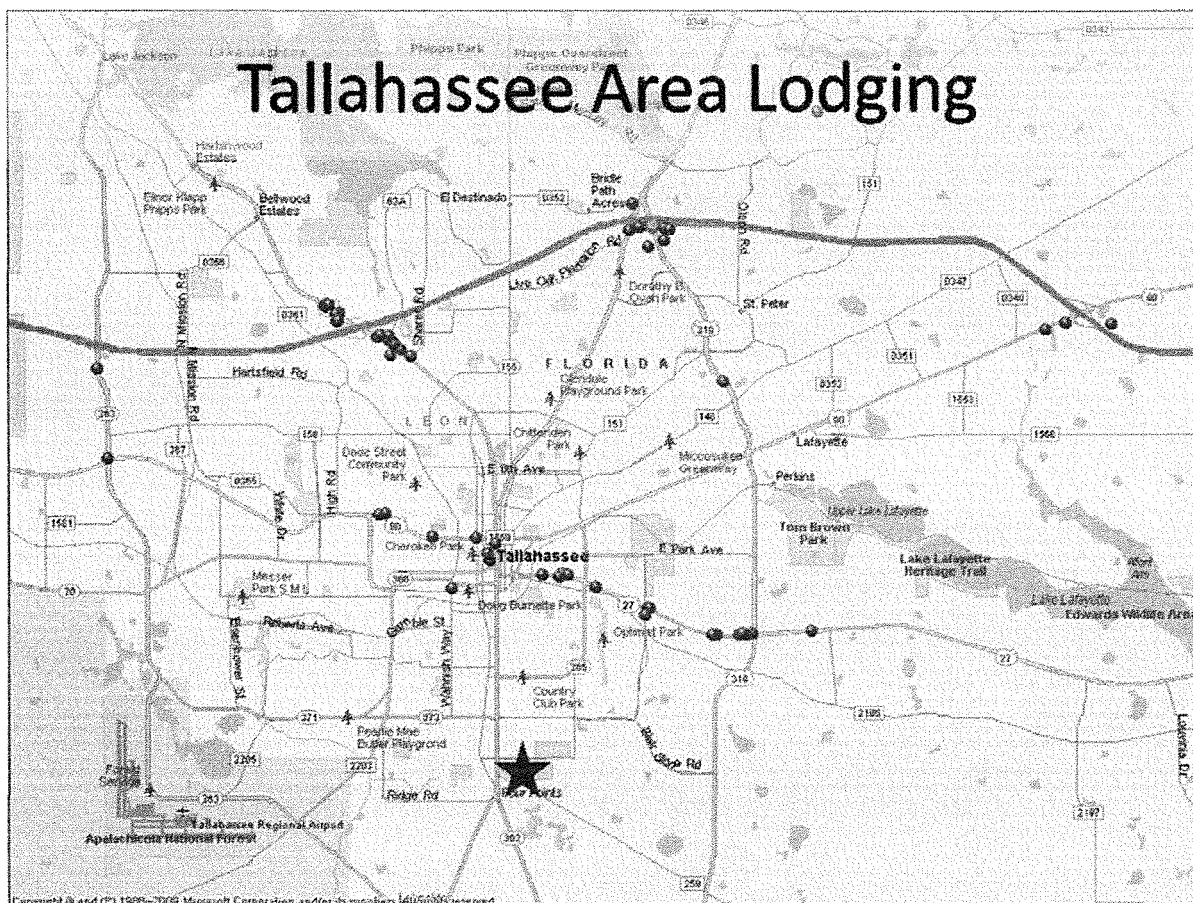
The aerial view below shows the variety of land uses with areas in closest proximity to the Fairgrounds.



The Fairgrounds is bordered by Paul Russell Road along the north, south Monroe Street along the west and Tram Road along its southern edge. Below are recent daily traffic counts provided by KSS Fuels Traffic Metrix:

Street Location	Most Recent Year	Average Daily Traffic Count
Paul Russell, east of S. Monroe St.	2005	11,000
Paul Russell, east of S. Adams St.	2012	8,732
S. Monroe St., south of Paul Russell Rd.	2012	13,292
S. Monroe St., north of Paul Russell Rd.	2011	17,600
Tram Road, near south entrance to F.G.	2012	3,106
Woodville Highway, south of Tram Rd.	2011	15,400

Source: KSS Fuels Traffic Metrix





# Lodging within 10 Minute Drive

**NORTH FLORIDA FAIRGROUNDS STUDY****FACTORS AFFECTING DEMAND FOR FACILITIES**

The table below presents the preferred lodging facilities for meetings and conventions, per Leon County Division of Tourism Development, in the metro area.

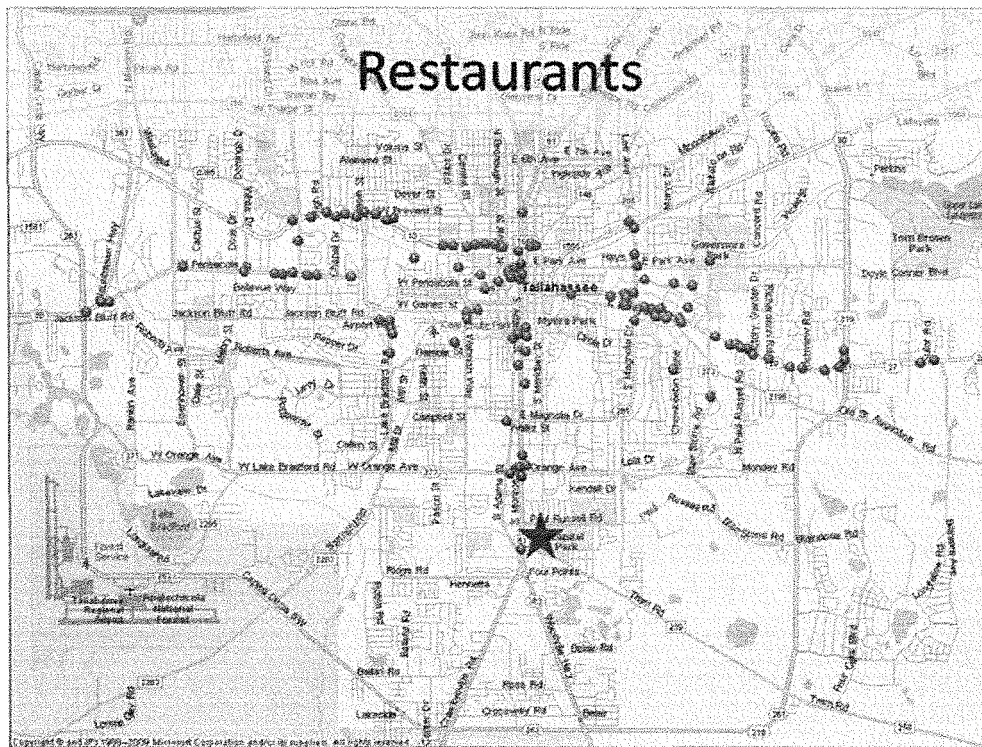
**North Florida Fairgrounds****Hotels in Market Area**

<b>Name</b>	<b>Number of Rooms</b>	<b>Name</b>	<b>Number of Rooms</b>
Aloft Tallahassee Downtown	162	Holiday Inn Express East	135
Baymond Inn & Suites Central	134	Holiday Inn Tallahassee Conference Center	132
Baymond Inn and Suites Tallahassee	93	Homewood Suites Tallahassee	94
Best Western Plus Tallahassee North Hotel	96	Hotel Duval	135
Best Western Pride Inn & Suites	78	Howard Johnson Express Inn	51
Best Western Seminole Inn	60	Inn at Killearn Country Club	30
Candlewood Suites Tallahassee	114	La Quinta Inn Tallahassee North	154
Capital Circle Inn & Suites	100	Microtel Inn & Suites	91
Capital Inn Motel	18	Motel 6 Downtown	7
Comfort Suites	90	Motel 6 North	13
Country Inn & Suites East	60	Motel 6 Tallahassee West	101
Country Inn & Suites Tallahassee	65	Quality Inn	73
Courtyard by Marriott Tallahassee Capital	154	Quality Inn & Suites-Capital District	90
Courtyard by Marriott Tallahassee North	93	Ramada Plaza Capitol	151
Days Inn Government Center	80	Red Roof Inn	108
Days Inn Tallahassee University Center	47	Residence Inn Tallahassee North	78
Double Tree Hotel Tallahassee	243	Residence Inn Tallahassee Universities	64
Econo Lode North	82	Rodeway Inn	60
Econo Lodge Tallahassee	40	Sleep Inn	78
Extended Stay America	59	Spring Hills Suites Tallahassee Central	88
Fairfield Inn by Marriott	79	Staybridge Suites Tallahassee I-10 North	104
Fairfield Inn & Suites Tallahassee Central	97	Super 8 Motel	112
Four Points by Sheraton Tallahassee Downtown	164	Towneplace Suites	95
Governors Inn	41	Travelodge Tallahassee	188
Guest House Inn Tallahassee	160	University Inn & Suites Tallahassee	56
Hampton Inn & Suites I-10	122	Value Place Tallahassee East	121
Hampton Inn Tallahassee Central	78	Value Place Tallahassee West	121
Hilton Garden Inn Tallahassee	99	Wingate by Wyndham	116
Hilton Garden Inn Tallahassee Central	85	<b>Total Number of Rooms</b>	<b>2,793</b>

Source: Leon County Division of Tourism Development

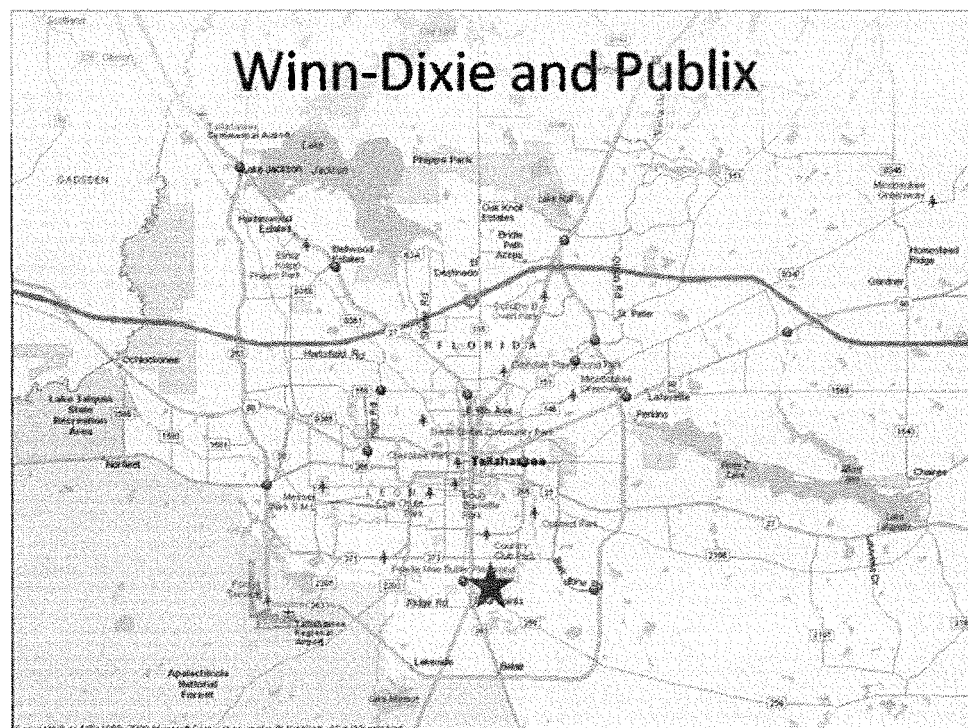
## Restaurants

The Fairgrounds is in close proximity to a variety of eating establishments located along South Monroe Street, as well as along Apalachee Parkway and Tennessee Street, as illustrated in the below map. These restaurants include fast food, national chain restaurants, locally-owned diners, hotel restaurants, coffee shops and similar eating establishments.



## Retail

In addition to the commercial and retail areas in close proximity to the Fairgrounds (shown in the aerial on page 16), Tallahassee has a number of significant retail corridors and locations, including Governors Square, Tallahassee Mall, Walmart, Target and grocery chain locations, shown in the following maps.



### Area Attractions and Events

There are a variety of attractions in the Tallahassee area, including:

- Florida State Capitol
- Tallahassee Museum
- LeMagne Chain of Parks Arts Festival
- Cascades Park
- Florida State University
- Florida A&M University
- Challenger Learning Center
- Florida Caverns State Park
- Springtime Tallahassee Festival
- Florida Historic Capitol Museum
- Tallahassee Automobile Museum
- Wakulla Springs State Park

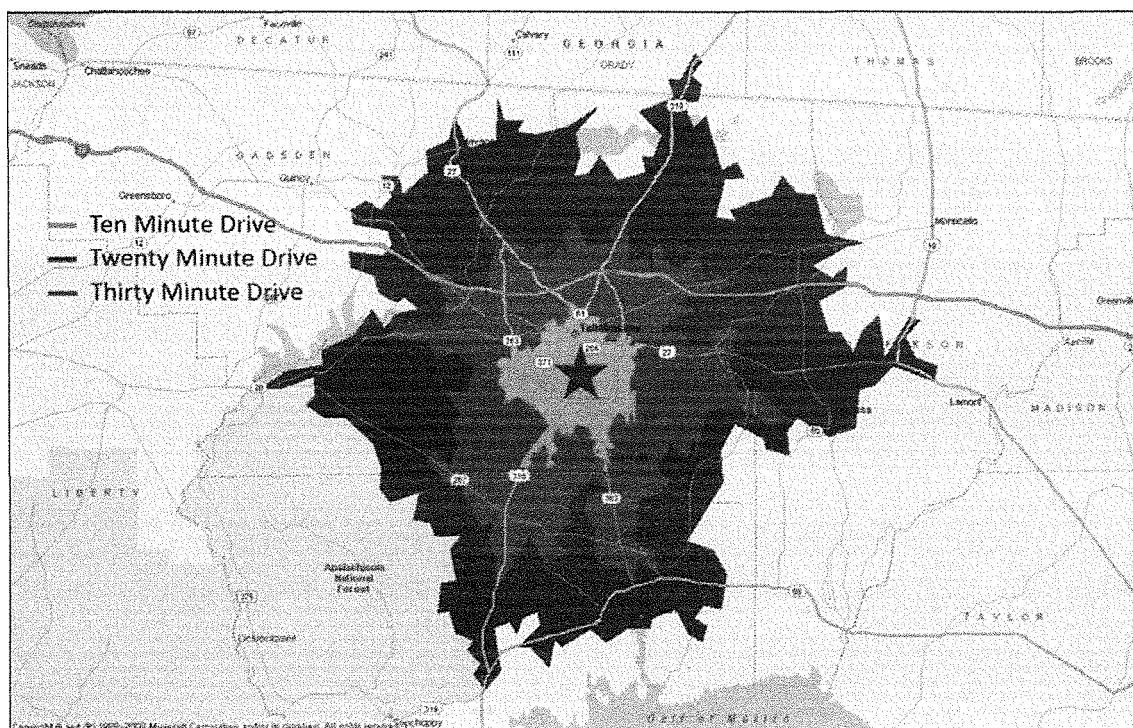
In addition, Tallahassee/Leon County residents and visitors have a variety of annual events and activities to choose from, including:

Downtown Marketplace	Southern Shakespeare Fest
FSU and FAMU Arts	Springtime Tallahassee
FSU and FAMU Athletics	Summer Concert Series
Jazz & Blues Festival	Tallahassee Film Festival
Outdoor Activities	Winter Festival



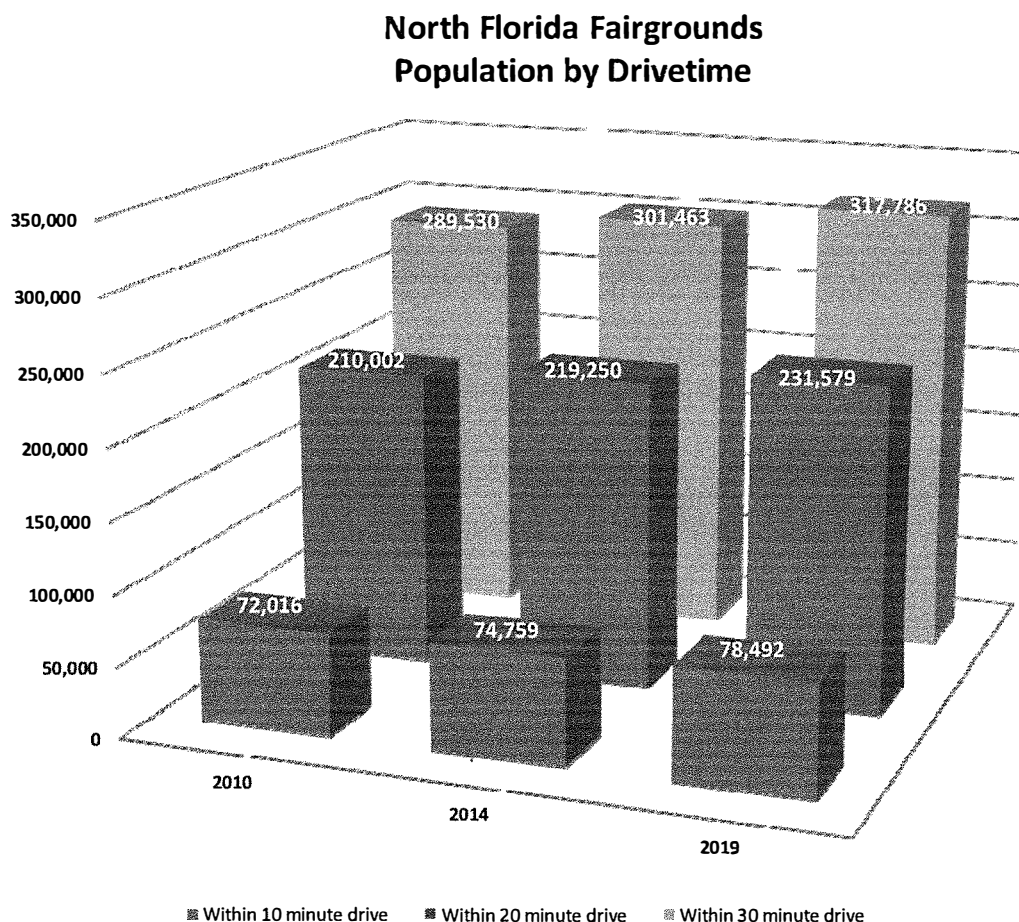
## DEMOGRAPHIC AND ECONOMIC TRENDS

For purposes of the market assessment, based on the location of the Fairgrounds site, access to the site and estimated drive times and other transportation access, the primary market area for non-Fair events and activities at the Fairgrounds that appeal to local residents is expected to be within a 20-minute drive time. For purposes of this assessment, we have analyzed key market characteristics of the population within a 10-minute, 20-minute and 30-minute drive time of the grounds, as shown in the map below.



### Population Trends

The chart below shows the 2010 Census, 2014 estimated and 2019 projected population living within 10-minutes, 20-minutes and 30-minutes of the Fairgrounds.



### Households

The table below presents the number of households, by drive time, for the Fairgrounds market. Based on the number of households and population with the various drive times, the average household size is about 2.4 persons for the households within 20 minutes of the Fairgrounds.

**North Florida Fairgrounds  
Household Trends, 2010 - 2019**

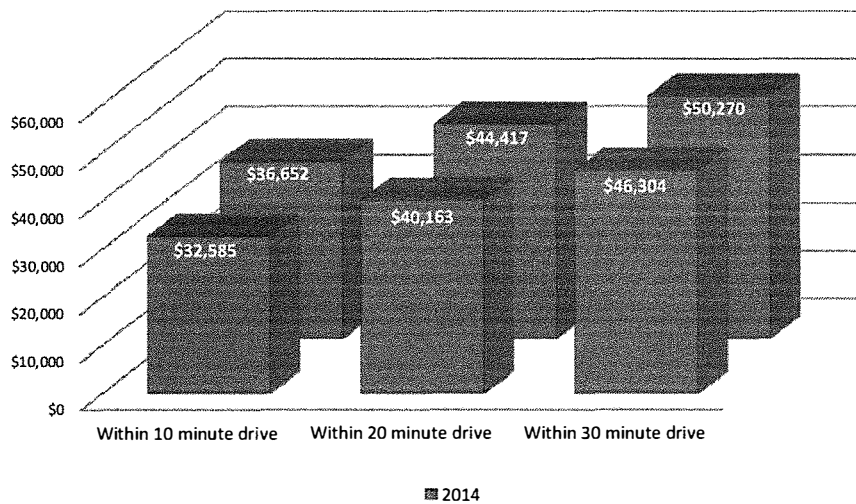
Market Area	2010	2014	2019
Within 10 minute drive	<u>28,272</u>	<u>29,486</u>	<u>31,124</u>
Within 20 minute drive	<u>86,454</u>	<u>90,445</u>	<u>95,816</u>
Within 30 minute drive	<u>115,233</u>	<u>120,195</u>	<u>127,067</u>

Source: The Nielsen Company, 2014

### Income Trends

The charts below present the estimated 2014 and projected 2019 median household incomes and average household incomes, by drive times, for the Fairgrounds.

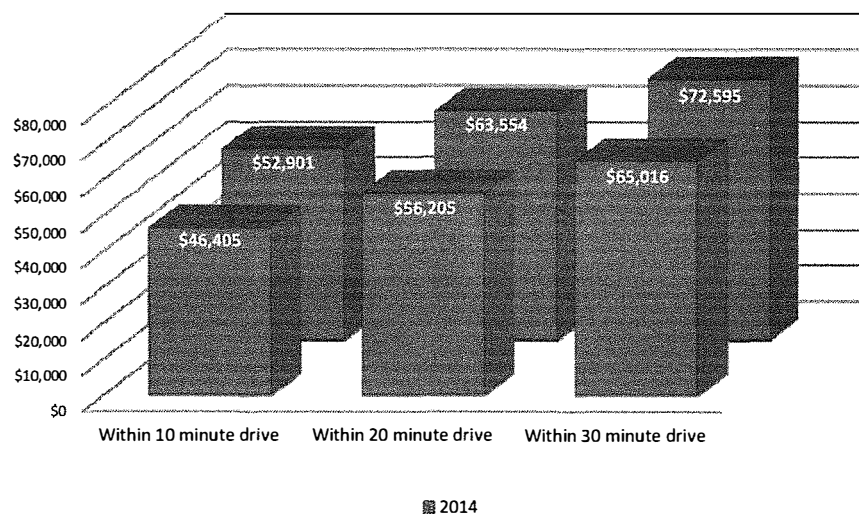
**North Florida Fairgrounds  
Median Household Income by Drivetime**



The median and average incomes of households within 20 minutes of the Fairgrounds, \$40,163 and \$56,205, respectively, are substantially lower than those of both the US and State of Florida. The 2014 US median household income was \$51,939 and the 2013 median household income in Florida was \$46,036, according to the U.S. Census Bureau.

The low median and average household incomes shown in the above tables, reflects the presence of the large student population of both FSU and FAMU.

**North Florida Fairgrounds  
Average Household Income by Drivetime**



**Age Trends**

The median age of the population within 20 minutes of the Proposed Site is estimated at just under 29 years, as shown in the table below. Again, the student populations of FSU and FAMU significantly affect these statistics.

**North Florida Fairgrounds  
Median Age**

Market Area	2010	2014	2019
Within 10 minute drive	<u>25.0</u>	<u>25.9</u>	<u>27.9</u>
Within 20 minute drive	<u>28.1</u>	<u>28.7</u>	<u>30.7</u>
Within 30 minute drive	<u>30.8</u>	<u>31.2</u>	<u>32.9</u>

Source: The Nielsen Company, 2014

The table below presents the age segments for the population within 10-minutes, 20-minutes and 30-minutes of the Fairgrounds for the years 2010, 2014 and 2019.

**North Florida Fairgrounds  
Population Distribution Percentages**

Market Area	Ages						
	0 - 14	15 - 24	25 - 34	35 - 44	45 - 54	55 - 64	65+
<b>2010</b>							
Within 10 minute drive	<u>13.8%</u>	<u>35.6%</u>	<u>16.3%</u>	<u>9.0%</u>	<u>9.2%</u>	<u>7.8%</u>	<u>8.3%</u>
Within 20 minute drive	<u>14.0%</u>	<u>34.5%</u>	<u>16.8%</u>	<u>10.0%</u>	<u>8.5%</u>	<u>8.2%</u>	<u>8.0%</u>
Within 30 minute drive	<u>14.4%</u>	<u>30.9%</u>	<u>16.5%</u>	<u>12.5%</u>	<u>8.3%</u>	<u>7.9%</u>	<u>9.5%</u>
<b>2014</b>							
Within 10 minute drive	<u>13.0%</u>	<u>26.4%</u>	<u>16.6%</u>	<u>13.1%</u>	<u>9.4%</u>	<u>9.4%</u>	<u>12.1%</u>
Within 20 minute drive	<u>14.8%</u>	<u>29.2%</u>	<u>16.3%</u>	<u>10.5%</u>	<u>9.6%</u>	<u>9.5%</u>	<u>10.0%</u>
Within 30 minute drive	<u>15.1%</u>	<u>25.7%</u>	<u>16.2%</u>	<u>12.8%</u>	<u>9.1%</u>	<u>9.2%</u>	<u>11.8%</u>
<b>2019</b>							
Within 10 minute drive	<u>16.3%</u>	<u>25.0%</u>	<u>14.7%</u>	<u>11.3%</u>	<u>12.4%</u>	<u>10.8%</u>	<u>9.4%</u>
Within 20 minute drive	<u>15.7%</u>	<u>25.1%</u>	<u>14.7%</u>	<u>11.1%</u>	<u>11.3%</u>	<u>11.0%</u>	<u>11.0%</u>
Within 30 minute drive	<u>15.5%</u>	<u>22.6%</u>	<u>15.0%</u>	<u>12.3%</u>	<u>10.5%</u>	<u>10.9%</u>	<u>13.2%</u>

Source: The Nielsen Company, 2014

As noted above, the student population of FSU and FAMU significantly affect the distribution of the population's ages, with over 25 percent of the population in the 15 to 24 age range.

## NORTH FLORIDA FAIRGROUNDS STUDY

## FACTORS AFFECTING DEMAND FOR FACILITIES

**Race/Ethnicity**

The table below shows the 2010, 2014 and 2019 estimated percentage breakdown of the population, by race/ethnicity, within 10-minutes, 20-minutes and 30-minutes of the Fairgrounds.

**North Florida Fairgrounds**  
**Race/Ethnicity Trends by Drive Time**

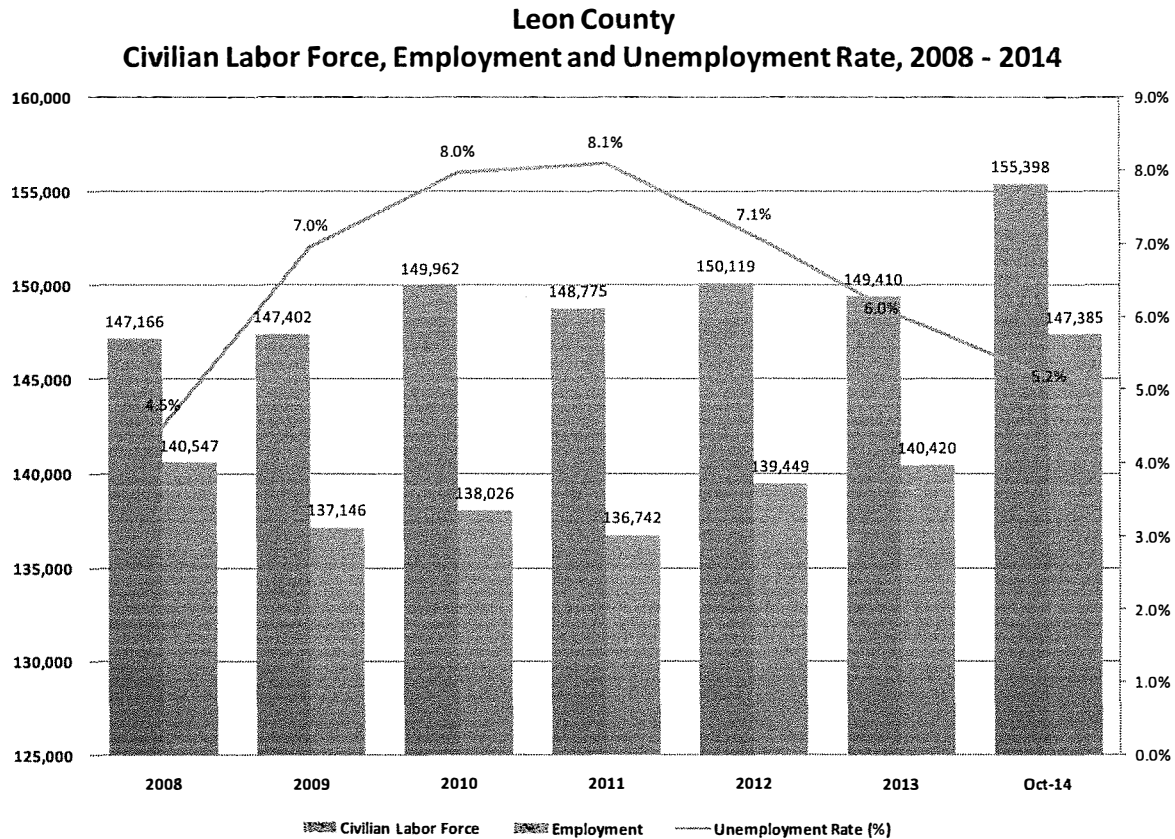
Market Area	Ethnicity							
	White	Black	American Indian	Asian	Pacific Islander	Other Race	Two or More Races	Hispanic
<b>2010</b>								
Within 10 minute drive	<u>46.7%</u>	<u>46.8%</u>	<u>0.3%</u>	<u>2.9%</u>	<u>0.1%</u>	<u>1.0%</u>	<u>2.1%</u>	<u>5.2%</u>
Within 20 minute drive	<u>46.2%</u>	<u>46.8%</u>	<u>0.3%</u>	<u>3.0%</u>	<u>0.1%</u>	<u>1.2%</u>	<u>2.4%</u>	<u>6.3%</u>
Within 30 minute drive	<u>45.3%</u>	<u>47.1%</u>	<u>0.3%</u>	<u>3.1%</u>	<u>0.1%</u>	<u>1.3%</u>	<u>2.8%</u>	<u>7.7%</u>
<b>2014</b>								
Within 10 minute drive	<u>57.6%</u>	<u>35.4%</u>	<u>0.3%</u>	<u>2.9%</u>	<u>0.1%</u>	<u>1.3%</u>	<u>2.4%</u>	<u>6.0%</u>
Within 20 minute drive	<u>56.1%</u>	<u>36.2%</u>	<u>0.3%</u>	<u>3.0%</u>	<u>0.1%</u>	<u>1.6%</u>	<u>2.7%</u>	<u>7.4%</u>
Within 30 minute drive	<u>54.2%</u>	<u>37.2%</u>	<u>0.3%</u>	<u>3.1%</u>	<u>0.1%</u>	<u>1.9%</u>	<u>3.2%</u>	<u>9.3%</u>
<b>2019</b>								
Within 10 minute drive	<u>62.9%</u>	<u>30.5%</u>	<u>0.3%</u>	<u>2.8%</u>	<u>0.1%</u>	<u>1.2%</u>	<u>2.2%</u>	<u>5.5%</u>
Within 20 minute drive	<u>61.5%</u>	<u>31.2%</u>	<u>0.3%</u>	<u>2.9%</u>	<u>0.1%</u>	<u>1.5%</u>	<u>2.6%</u>	<u>6.8%</u>
Within 30 minute drive	<u>59.7%</u>	<u>32.1%</u>	<u>0.3%</u>	<u>3.0%</u>	<u>0.1%</u>	<u>1.8%</u>	<u>3.0%</u>	<u>8.6%</u>

Source: The Nielsen Company, 2014



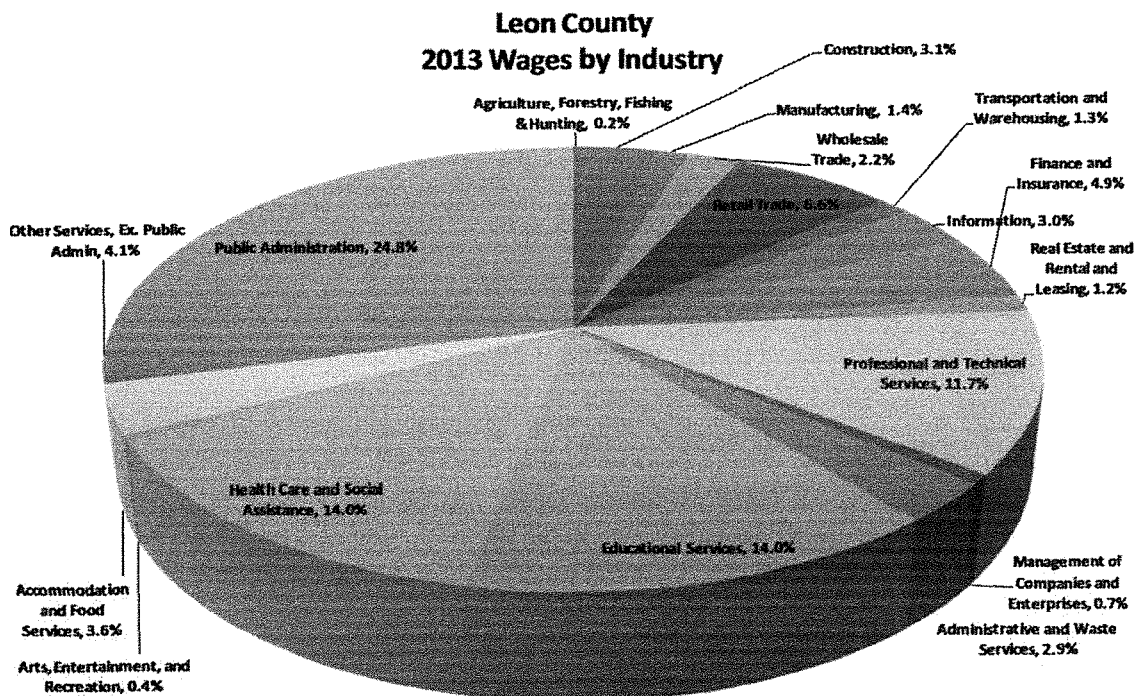
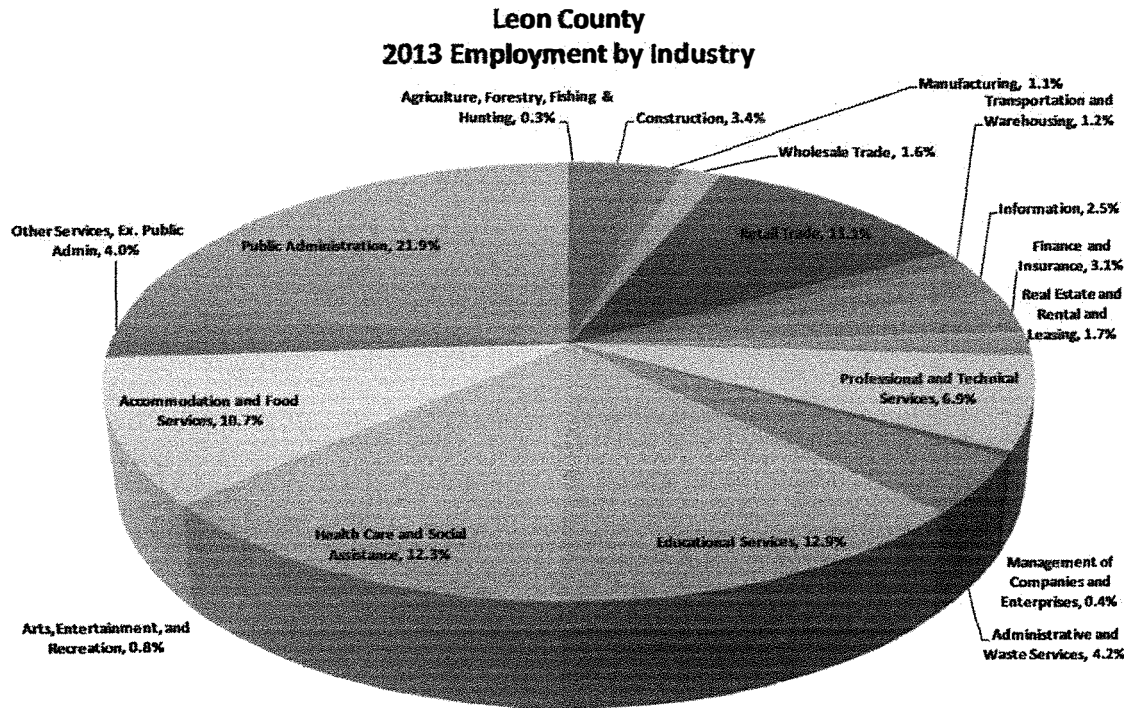
### Labor Force Trends

The Leon County labor force trends, including the size of the labor force number employed and unemployment rates, from 2008 to October 2014 (most recent available data) is presented in the chart below.

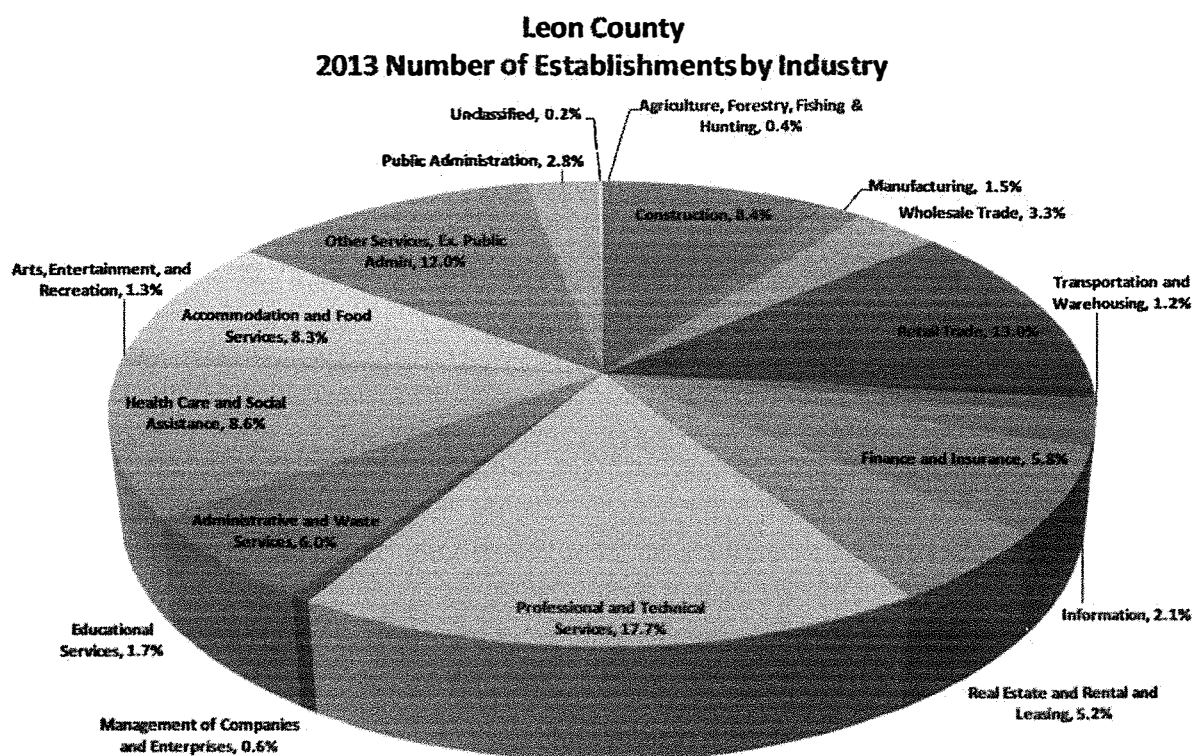


The chart above reflects the effects of the national recession that occurred between 2008 and 2011.

Major employers in the Tallahassee/Leon County area include government, education services and health care, in terms of both the number of employees and wages paid, as illustrated in the chart below.



In contrast to the distributions on the previous page, the chart below shows the distribution of employers, by industry, for Leon County, with professional and technical services having the most employers, followed by retail and other services. Public administration (government) and educational services only make up 4.5 percent of all employers, but account for almost 35 percent of the employees and wages paid in the County – reflecting the State Capitol, FSU, FAMU and Tallahassee Community College.



### Socio-Economic Analysis

In addition to analyzing population and business trends within the Fairgrounds' market area, a look at the socio-economic make-up of households reveals much about the general propensity of those households with regard to spending habits, media, activities and interests. This data can help identify possible events and activities at the Fairgrounds that may appeal to the local households.

To assess the socio-economic trends of households related to the Fairgrounds, we obtained ESRI's Tapestry Segmentation data for households within 10-minutes, 20-minutes and 30-minutes of the Fairgrounds. Below is the top ten Tapestry Segments for households within 10-minutes, 20-minutes and 30-minutes of the Fairgrounds – organized in descending order for the 20-minute drive time.

North Florida Fairgrounds ESRI Tapestry Top 10 Segments			
Segment	Within 10 Minutes	Within 20 Minutes	Within 30 Minutes
Dorms to Diplomas	16.5%	14.5%	11.2%
Young and Restless	15.4%	13.1%	10.1%
College Towns	10.2%	11.5%	8.9%
Down the Road	9.5%	6.2%	5.0%
Exurbanites	0.0%	5.5%	5.0%
Emerald City	11.5%	5.2%	4.0%
Bright Young Professional	0.0%	5.0%	3.9%
Southern Satellites	0.9%	4.6%	7.1%
Old and Newcomers	3.1%	4.5%	3.8%
Savvy Suburbanites	0.0%	4.0%	6.6%
	<u>67.1%</u>	<u>74.1%</u>	<u>65.6%</u>

Source: ESRI, 2015

Following are summary descriptions of the top 6 of the above Tapestry segments for households within 20-minutes of the Fairgrounds, per the ESRI website.

On their own for the first time, ***Dorms to Diplomas*** residents are just learning about finance and cooking. Frozen dinners and fast food are common options. Shopping trips are sporadic, and preferences for products are still being established. Many carry a balance on their credit card so they can buy what they want now. Although school and part-time work take up many hours of the day, the remainder is usually filled with socializing and having fun with friends. They are looking to learn life lessons inside and outside of the classroom. This is the first online generation, having had lifelong use of computers, the Internet, cell phones, and MP3 players. Median household income - \$17,000.

#### Socio-Economic Traits:

- They're the youngest market with half of the population aged 20–24.
- They're impulse buyers who experiment with different brands. They buy trendy clothes on a budget.
- Vehicles are just a means of transportation—economy and environmental impact are factors in purchases; used, imported subcompact cars are a popular choice.
- They value socializing, having fun, and learning new things.
- They're always connected; their cell phone is never out of reach.

Gen Y comes of age: Well-educated young workers, some of whom are still completing their education, are employed in professional/technical occupations, as well as sales and office/administrative support roles. These residents are not established yet, but striving to get ahead and improve themselves. This market ranks in the top 5 for renters, movers, college enrollment, and labor force participation rate. Almost 1 in 5 residents move each year. Close to half of all householders are under the age of 35, the majority living alone or in shared nonfamily dwellings. Median household income is still below the US. Smart phones are a way of life, and they use the Internet extensively. **Young and Restless** consumers are diverse, favoring densely populated neighborhoods in large metropolitan areas; over 50% are located in the South (almost a fifth in Texas), with the rest chiefly in the West and Midwest. Median household income - \$36,000.

Socio-Economic Traits:

- Education completed: 2 out of 3 have some college, an associate's degree, or a bachelor's degree or higher. Education in progress: almost 15% are still enrolled in college (Index 185).
- Labor force participation rate is exceptionally high at 75.4%; unemployment is low at 7.8%.
- These are careful shoppers, aware of prices, and demonstrate little brand loyalty.
- They like to be the first to try new products, but prefer to do research before buying the latest electronics.
- Most of their information comes from the Internet and TV, rather than traditional media.
- Carry their cell phone everywhere they go.

About half the residents of **College Towns** are enrolled in college, while the rest work for a college or the services that support it. Students have busy schedules, but make time between studying and part-time jobs for socializing and sports. Students that are new to managing their own finances tend to make impulse buys and splurge on the latest fashions. This digitally engaged group uses computers and cell phones for all aspects of life including shopping, school work, news, social media, and entertainment. **College Towns** are all about new experiences, and residents seek out variety and adventure in their lives. Median household income - \$28,000.

Socio-Economic Traits:

- Their limited incomes result in thrifty purchases.
- They do not eat the healthiest foods, nor do they see a doctor regularly.
- They dress to impress with the latest fashions of the season.
- They prefer environmentally friendly products and vehicles that get good gas mileage.
- They're heavily influenced by celebrity endorsements and trends in magazines.
- They feel anything that can be done online is easier than in person.
- They have liberal political views.

**Down the Road** is a mix of low-density, semirural neighborhoods in large metropolitan areas; half are located in the South, with the rest chiefly in the West and Midwest. Almost half of householders live in mobile homes; approximately two-fifths live in single-family homes. These are younger, diverse communities, with the highest proportion of American Indians of any segment. These family-oriented consumers value their traditions. Workers are in service, retail trade, manufacturing, and construction industries, with higher proportions in agriculture and mining, compared to the US. This market has higher unemployment, much lower median household income and home value, and a fifth of households with income below poverty level. Median household income - \$36,000.

Socio-Economic Traits:

- Education completed: 37% with a high school diploma only, 38% with some college education or a degree.
- Unemployment rate is 11.6%, higher than the US rate.
- Labor force participation rate is 59.6%, slightly lower than the US.
- Family-oriented, outgoing consumers; they place importance on preserving time-honored customs.
- They put a premium on convenience rather than health and nutrition.

Ten years later, **Exurbanites** residents are now approaching retirement but showing few signs of slowing down. They are active in their communities, generous in their donations, and seasoned travelers. They take advantage of their proximity to large metropolitan centers to support the arts, but prefer a more expansive home style in less crowded neighborhoods. They have cultivated a lifestyle that is both affluent and urbane. Median household income - \$98,000.

Socio-Economic Traits:

- Residents are college educated; more than half have a bachelor's degree or higher; almost 80 have some college education.
- This labor force is beginning to retire. 1 in 3 households currently receive Social Security or retirement income. Labor force participation has declined to less than 60% (Index 94).
- Unemployment remains low at 5.5% (Index 64); more of the residents prefer self-employment (Index 184) or working from home (Index 181).
- Consumers are more interested in quality than cost. They take pride in their homes and foster a sense of personal style.
- Exurbanites residents are well connected, using the Internet for everything from shopping to managing their finances.
- Sociable and hardworking, they still find time to stay physically fit.



***Emerald City's*** denizens live in lower-density neighborhoods of urban areas throughout the country. Young and mobile, they are more likely to rent. Well educated and well employed, half have a college degree and a professional occupation. Incomes close to the US median come primarily from wages and self-employment. This group is highly connected, using the Internet for entertainment and making environmentally friendly purchases. Long hours on the Internet are balanced with time at the gym. Many embrace the "foodie" culture and enjoy cooking adventurous meals using local and organic foods. Music and art are major sources of enjoyment. They travel frequently, both personally and for business. Median household income - \$52,000.

Socio-Economic Traits:

- Well educated, these consumers research products carefully before making purchases.
- They buy natural, green, and environmentally friendly products.
- Very conscious of nutrition, they regularly buy and eat organic foods.
- Cell phones and text messaging are a huge part of everyday life.
- They place importance on learning new things to keep life fresh and variable.
- They are interested in the fine arts and especially enjoy listening to music.

## Competitive and Comparable Facilities

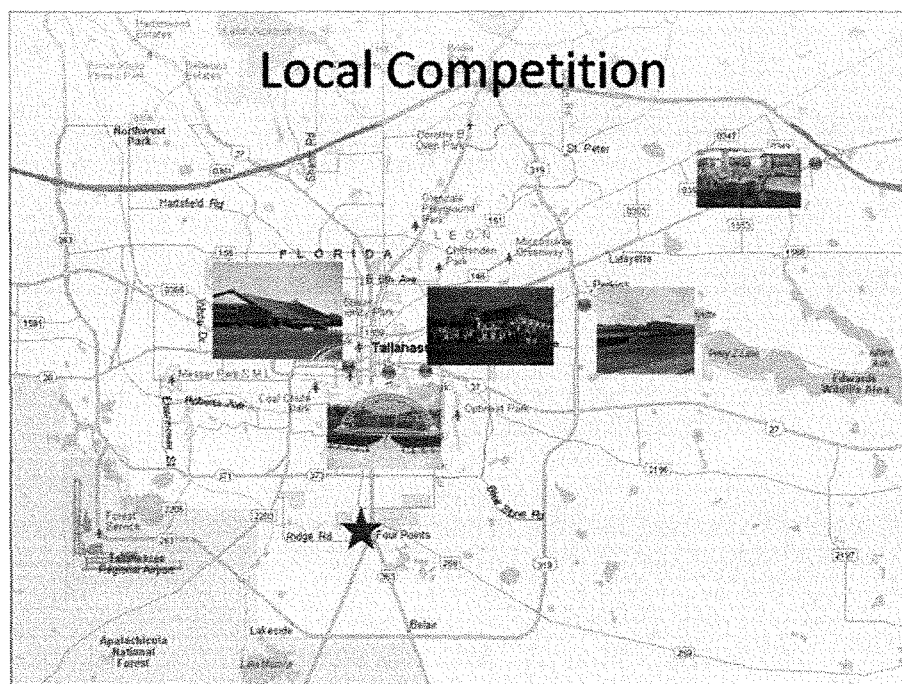
To further assess the demand potential for event facilities at the Fairgrounds site, it is necessary to understand the nature and operation of competitive event facilities (existing and planned) and their potential impact on new/expanded facilities at Fairgrounds.

This section presents an overview of event facilities that are considered competitive with both existing facilities and potential new/expanded facilities at the Fairgrounds site. During the course of our study, we identified a number of facility types as potential competition with new/expanded facilities at the Fairgrounds:

- **Local Competition** – These are event facilities that management of the Fair Association identified as direct competition.
- **Lodging Facilities** – These are facilities that are host meetings, tradeshow, consumer shows, swap meets and similar events in area lodging facilities.
- **Stand-Alone Meeting Spaces** – These are facilities that are smaller, stand-alone meeting venues.
- **Sports Attractions** – These are local sports related facilities that host indoor and outdoor sporting events.
- **Planned Facilities** – These are significant planned event facilities in the Tallahassee area.

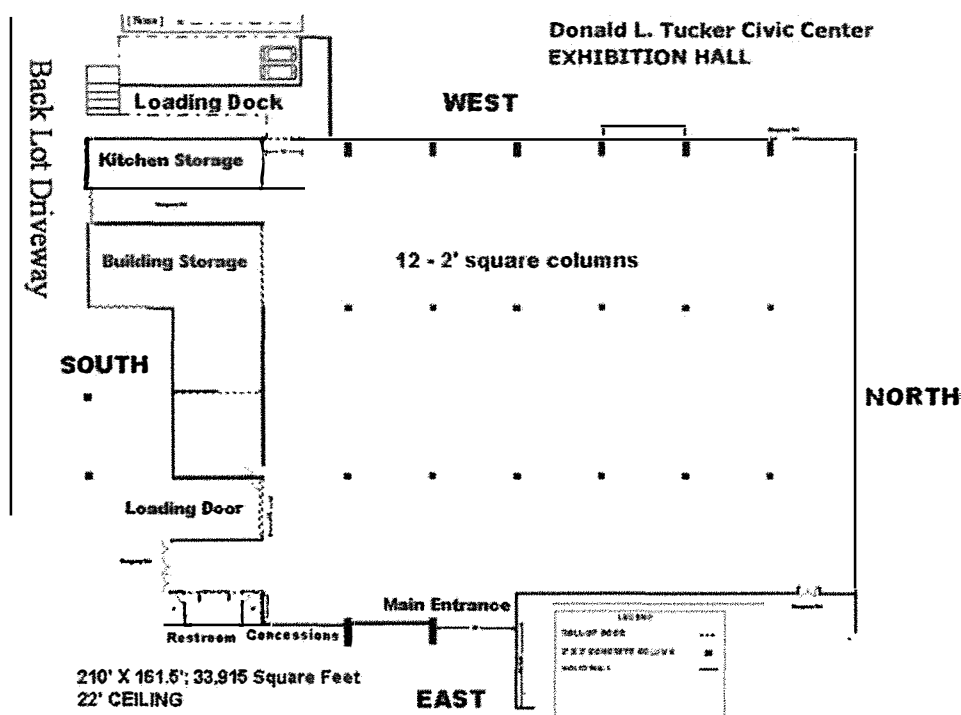
### Local Competition

Management of the Fair Association identified four local event venues as being competition for non-Fair events and activities – Donald L. Tucker Civic Center, Tallahassee Automobile Museum, The Moon nightclub and the National Guard Armory. We also added the Capitol City Amphitheater to this category. The location of these event facilities, in relation to the Fairgrounds, is shown in the map below.



### Donald L. Tucker Civic Center

Formerly the Tallahassee-Leon County Civic Center, the Donald L. Tucker Civic Center (the Civic Center) is owned by Florida State University and operated by Global Spectrum. The Civic Center is a multi-purpose complex comprised of a 12,500-seat arena (home to the FSU Seminoles), a 34,000-square foot exhibit hall and almost 15,000 square feet of dividable meeting space. The exhibit hall portion of the Civic Center is the venue that the Fair Association considers its competition. A review of the 2014 events calendar for the Civic Center, provided by Global Spectrum, showed that the Civic Center Exhibit Hall is principally used for FSU related events. Non-FSU uses of the Exhibit Hall in 2014 included Fitness Festival, Pro Style Volleyball, Home Show NCEES Exams, Golden Gala, Lincoln Senior Convocation, The One Week Boutique and various local fundraisers and banquets.



### Tallahassee Automobile Museum

Located near the intersection of Interstate 10 and U.S. Highway 90 (Mahan Drive), the Tallahassee Automobile Museum is a privately-owned car museum featuring over 140 rare vehicles, as well as boat motors, Native American artifacts and more. A part of the museum property includes over 46,000 square feet of lower-ceiling banquet and meeting space in six different spaces. The largest spaces, the Duesenberg Banquet Hall and the Cord Banquet Hall, each have 15,000 square feet of space. In addition to weddings and private parties, events held at this facility include Bridal Shows, Brewfest, regional trade association banquets and similar activities.

### The Moon

The Moon is a local nightclub and music venue that produces and rents its facilities for ticketed events. In addition, this venue is available for private rental receptions and banquets, with capacity of 1,500 in its 14,400 square foot Main Room and 200 in its 3,000 square foot Silver Moon Room.

### National Guard Armory

The Florida National Guard Armory has a 6,300 square foot space available to rent for a variety of events and activities – with a 400 person capacity.

### Capital City Amphitheater

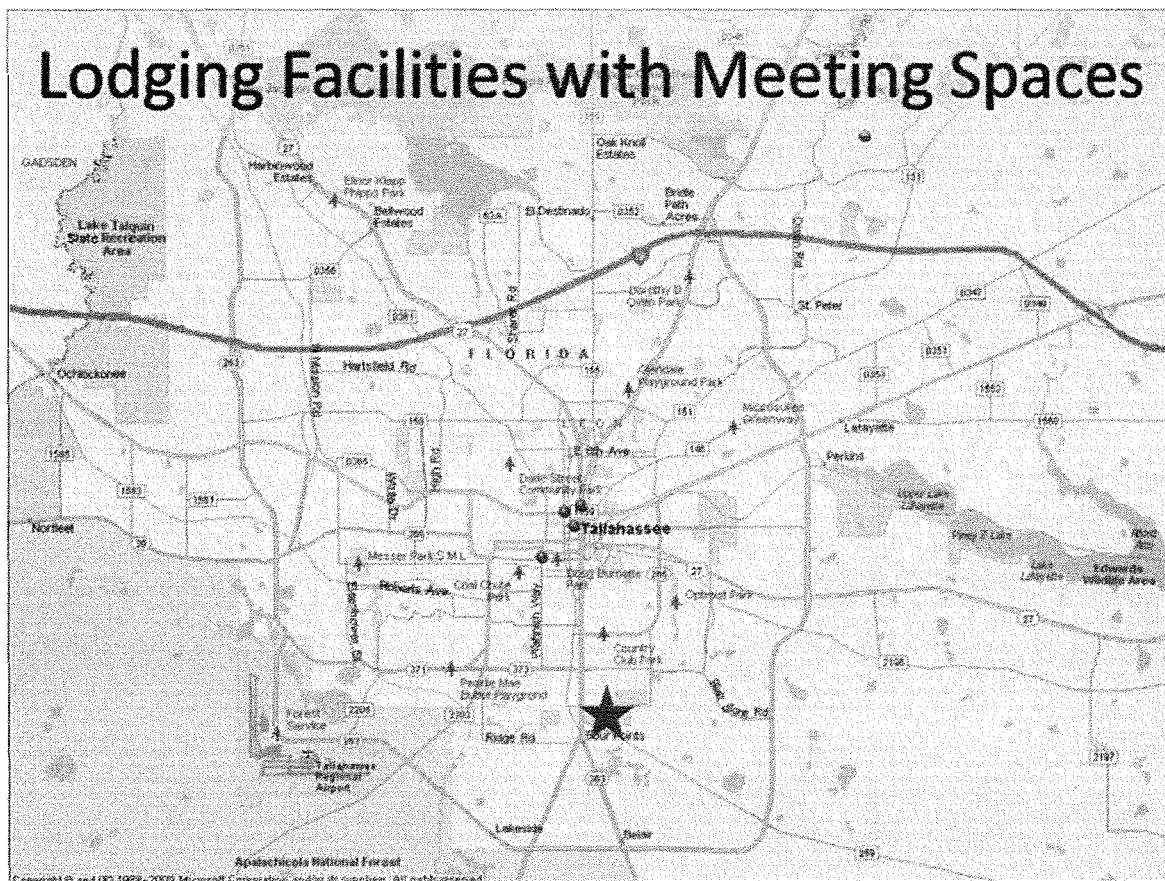
Located in Cascades Park, the Capital City Amphitheater opened in 2014. This outdoor venue has 1,500 fixed seats and can accommodate another 1,500 people on grass. Operated by the City of Tallahassee, this venue is used by Leon County Division of Tourism Development to stage concerts. Events planned for 2014 for this venue include:

Passion Play  
North Florida Veg Fest  
The Avett Brothers  
World of South Festival  
Sublime with Rome

Tallahassee Symphony Orchestra  
Shakespeare Festival  
Health Communities Festival  
Wilco  
The Beach Boys

### **Lodging Facilities with Meeting Spaces**

Five lodging facilities in the Tallahassee area have meeting spaces over 2,500 square feet: Residence Inn, Double Tree, Four Points by Sheraton, Hotel Duval and Killearn County Club.



Facility	# of Meeting Spaces	Largest Total Meeting Space	Square Footage
Double tree	6	2,520	6,000
Four Points by Sheraton	8	2,520	7,000
Hotel Duval	7	2,700	6,350
Killearn Country Club	3	2,100	5,484
Residence Inn University	5	3,400	7,520

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Included in these facilities are venues that accommodate indoor sports activities, including local and regional tournaments:

- Tully Gymnasium at FSU – This facility has four indoor multi-sports courts and one championship volleyball court. The main court has a capacity of about 1,160 people. In addition to FSU sports activities and practices, Tully Gymnasium is rented for basketball and volleyball tournaments.
- Al Lawson Jr. Multipurpose Center at Florida A & M University – this facility, located less than 3 miles from the Fairgrounds, has 4 basketball/volleyball courts that can be rented for sports tournaments, practices and non-sports activities.
- Tallahassee Community College – The Lifetime Sports Complex at this Community college has three indoor multi-sport courts that can be used for basketball, volleyball, cheerleading and martial arts.

#### **Planned Facilities**

Two planned facilities were identified during the course of this study that may impact the demand for facilities at the Fairgrounds – a downtown convention/conference center and a proposed amphitheater at the Tallahassee Mall.

**Convention Center** – Local city and county public officials, FSU representatives, Leon County Division of Tourism Development and other community/business leaders have been meeting and planning the possible addition of a convention/conference center in the area adjacent to the Donald L Tucker Civic Center. Though not solidified as of the date of this report, features of this center that have been discussed include a minimum 85,000 square foot, Class A convention/meeting space, an adjacent 200-300 room headquarters hotel and other convention features. This type of facility is not considered to be competitive with facilities at the Fairgrounds; appealing to state, regional and national associations for meeting and trade show space that can accommodate several thousand people with possible auditorium, conference rooms and lecture halls, as well as adjacent lodging that serves as headquarters hotel for conventions. This type of space is also inconsistent with the needs of the North Florida Fair and year-round uses and use potential at the Fairgrounds.

**Tallahassee Mall Amphitheater** – Another planned facility is an amphitheater of some sort that would be part of the Tallahassee Mall renovation. It is unknown at this time if the planned amphitheater component will actually be built.



### Summary of Factors Affecting Demand for Fairground Facilities

Based on the review of the various factors that affect demand for facilities at the Fairgrounds (site location, market area characteristics, support services and competitive factors, we noted the following:

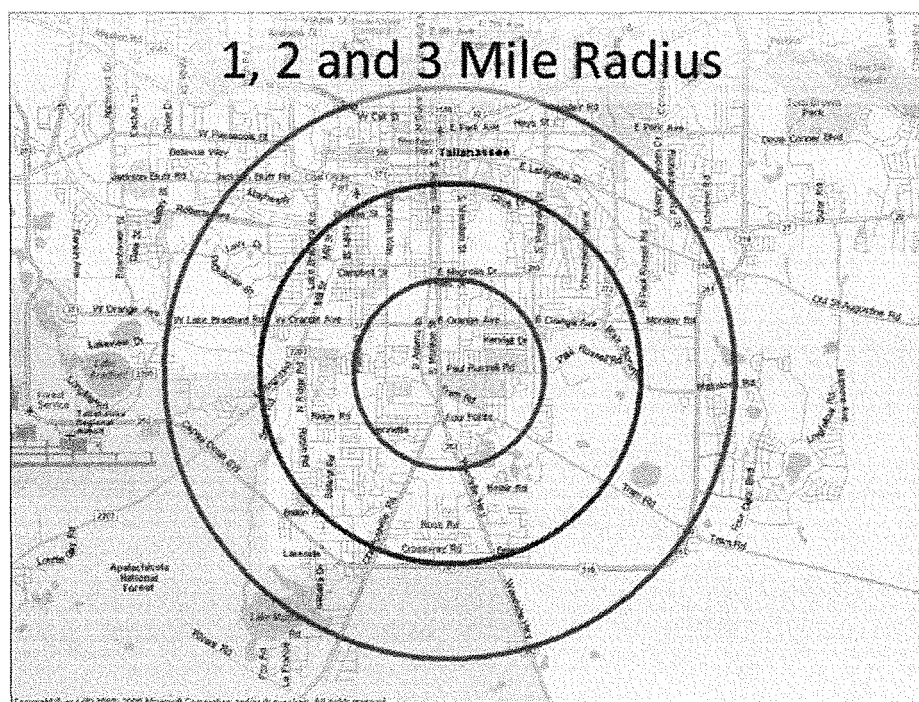
- The Fairgrounds is located in a highly visible and easily accessible location within the Tallahassee/Leon County area
- The Fairground's market area within a 20-minute drive has about 200,000 residents – with another 100,000 between 20 minutes and 30 minutes
- The Socio-Economic makeup of the local market, with low median and average household incomes (reflecting both university student population and a lower-class resident population in close proximity of the Fairgrounds), may preclude many more locally-focused consumer shows
- The Civic Center offers superior size and quality of exhibition and meeting spaces, making it the most competitive event facility for the Fairgrounds
- The Tallahassee/Leon County market area has sufficient entertainment facilities and events
- Planned new facilities in the Tallahassee area will not impact current or future Fairground events/uses
- The Fairground's indoor/outdoor space totals (square footage) and parking availability exceed other venues in the market area

## PRIVATE DEVELOPMENT OPPORTUNITIES

In addition to assessing the opportunities for expanded and/or new event facilities at the Fairgrounds that would increase usage of the grounds and contribute to the economic vitality of the area, we were tasked with assessing opportunities for private development of parts of the Fairgrounds property. It was surmised that Fairgrounds' parcels along South Monroe Street might be well suited for sale or lease for retail or similar commercial development.

***A key consideration of this assessment is that any private development on Fairground's property would need to be compatible with and supportive of year-round activities and the annual North Florida Fair.***

To assess the opportunities for such private development, we reviewed the amount and nature of retail and commercial development within a 1, 2 and 3 mile radius of the Fairgrounds property, including retail, restaurants, lodging and similar businesses.



The discussion and maps presented on pages 17 to 21 show those types of businesses in proximity to the Fairgrounds.

In addition, we obtained retail purchasing and retail sales data, by type of store, within a 1, 2 and 3 mile radius of the Fairgrounds from The Nielson Company – Retail Opportunity Gap<sup>2</sup>. The Retail Opportunity Gap analysis provides a comparison of the estimated expenditures (purchases) made by residents within the various radii of the Fairgrounds, by store type, with the estimated sales reported by the stores within the various radii. If the expenditures of residents within the various radii exceed the reported sales of retailers and businesses, then an opportunity exists for more outlets. If the reported sales of retailers/businesses within the various radii exceed the expenditures made by the residents within the same radii, that indicates an oversupply of businesses (excess sales come from residents living outside of the various radii).

The following table presents a summary of the Retail Gap Opportunity analysis prepared by The Nielson Company for the areas within a 1, 2 and 3 mile radius of the Fairgrounds.

**North Florida Fairgrounds Study**  
**RMP Opportunity Gap Summary, 2014**

General Category	Amount of Opportunity Gap or (Surplus)		
	1 Mile Radius	2 Mile Radius	3 Mile Radius
Clothing and Clothing Accessories	\$833,341	\$2,709,332	(\$73,681,599)
Electronics and Appliance Stores	\$1,631,318	\$5,334,404	\$1,591,518
Food and Beverage Stores	(\$48,146,362)	(\$31,267,486)	(\$84,871,204)
Food Service and Dining Places	(\$1,651,350)	(\$2,450,699)	(\$99,173,423)
Furniture and Home Furnishings	\$1,506,138	\$3,056,290	(\$6,775,925)
Gasoline Stations	\$1,559,379	\$9,128,421	\$11,470,095
General Merchandise	\$248,285	\$14,914,670	(\$93,790,426)
Health and Personal Care Stores	(\$20,712,322)	(\$15,872,631)	(\$43,570,303)
Sporting Goods, Hobby, Book and Music Stores	\$658,957	\$4,565,930	(\$3,189,364)
Building Materials and Garden Equipment	\$6,949,767	\$13,959	\$12,769,992

Source: The Nielson Company, 2014

Using the Retail Opportunity Gap analysis summary, shown above, the greatest absolute dollar opportunities appear to exist for Building Materials and Garden Equipment Stores, Gasoline Stations and Electronic and Appliance Stores. Using the Opportunity Gap dollar amounts and general per square foot sales by store type, those three top ranked opportunities would support stores that would be substantially smaller than typically be built. In addition – and even more important to the study – these types of retail/commercial developments are incompatible with the annual North Florida Fair and with events and activities held at the Fairgrounds, as well as with actual land uses.

Based on the presence of significant numbers of lodging facilities, retail outlets and restaurants already operating within close proximity of the Fairgrounds and the lack of demand for compatible retail/commercial developments, any type of private development on parcels of the Fairgrounds is not considered feasible at this time.

Exhibit A contains the detailed Retail Opportunity Gap analyses for the Fairgrounds.

<sup>2</sup> The Nielson Company uses the Consumer Expenditure Survey by Bureau of Labor and Census of the Retail Trade by US Census Bureau.

## ASSESSMENT OF POTENTIAL USES

To develop estimates of market demand for event facilities at the North Florida Fairgrounds, in addition to the implications of the demographic and economic trends and competitive facilities, the following work tasks were conducted:

- Discussed event potential and felt community needs with the following stakeholders:
 

Big Bend Bird Club	Market Days
Bully Bash	North Florida Fair Association
Dale Earnhardt Jr. Auto Sales	Ochlochonee River Kennel Club
Family Campers & RV'ers	Pigfest
Leon County Administration	Repticon
Leon County Division of Tourism Development	Southern Classic Gun & Knife Show
Leon County Extension	Tallahassee Boat Show
Leon County Office of Resource Stewardship	Tallahassee Parks and Recreation
Leon County Schools	Tallahassee Sports Council
Maranatha Health Fair	Tallahassee-Leon County Planning
- Reviewed last 3 years of events and activities held at the Fairgrounds and conducted phone interviews with major uses of the Fairgrounds to ascertain need for new, larger/expanded facilities.
- Reviewed recent calendar of events held at competitive event facilities and conducted interviews with select event promoters and organizers to discuss interest in staging an event(s) at the Fairgrounds site and facilities needed; as well as overall assessment of the market area for events and activities. Key interviews of potential users included volleyball and basketball tournament organizers, RV clubs and consumer show promoters.
- Evaluated the overall market potential for the Fairground's market area in comparison to events held in similar size markets with similar market characteristics.

## Market Niches

On the basis of factors affecting demand for facilities at the Fairgrounds (i.e., location, area economics and demographics, competitive factors, usage trends and the like) and interviews/surveys of stakeholders and current and potential users of Fairground facilities, our review of facility needs for the annual North Florida Fair and our assessment of the optimal market opportunities for the future of Fairgrounds, the following expanded and new market opportunities exist for facilities at the North Florida Fairgrounds:

- Regional consumer and public shows, as well as local specialty sales events
- Indoor sports tournaments, such as volleyball, cheerleading and dance
- Festivals (music, ethnic, community, etc.)
- Spectator events such as martial arts and wrestling
- Small animal shows, such as dog, cat, bird and rabbit
- Banquets, receptions, fundraisers and similar events
- State and regional RV rallies
- Community events and users

### Market Opportunities and Operating Focus

Generally, the facilities at Fairgrounds have limited use due to current conditions, ages and sizes, as well as competition from larger event facilities in the Tallahassee area. In spite of the limitations of existing facilities, there are opportunities to increase the number of events held at the Fairgrounds throughout the year by attracting new markets/events with new facilities. In addition, there are a number of events held at the Fairgrounds that would benefit greatly from new and larger facilities; enabling those events to grow in both participation and attendance.

With expanded/new event facilities, the Fairgrounds could successfully attract and stage events associated with both new markets and build on existing markets, as well as better participation in the annual North Florida through additional growth in attendance, participation and net revenues.

Existing markets that could be expanded with new event facilities include consumer and public shows, trade and industry shows, regional RV rallies, indoor sports tournaments, mid-sized banquets/receptions, small animal shows and sales and auctions. All of these types of events have been limited in size at Fairgrounds; constrained by its relatively small exhibition spaces.

### Event Potential

Based on medium to strong market potential, below are estimates of the existing and new events and activities that could be successfully staged at the Fairgrounds with new event facilities. We have presented a low scenario and high scenario, in terms of the number of events and activities.

**North Florida Fairgrounds Exhibition Building  
Potential Range of Events by Type**

Event Types	Range of Number of Events	
Existing Shows and Events	21 to	21
New Consumer Shows	10 to	11
Trade and Industry Shows	2 to	3
Sporting Events	6 to	9
Animal Shows	1 to	2
Banquets and Receptions	12 to	18
Conferences/Meetings	36 to	48
Regional RV Rallies	1 to	2
Fundraisers	3 to	5
Religious Gatherings	2 to	3
Spectator Events	2 to	3
Festivals	2 to	2
Community Uses	4 to	6
	<u>102</u>	<u>133</u>

NORTH FLORIDA FAIRGROUNDS

ASSESSMENT OF POTENTIAL USES

The tables below present a low and high scenario for potential events, number of events, move-in/out days, estimated average space needs per event, total square footage rented per event type and total amount of move-in/move-out space rented – by event type.

Low Scenario

Potential Events, Low Scenario -- Stabilized Year								
Event Type	Number of Events	Average Event Days	Move-In and Move-Out Days	Total Use Days	Event Days	Square Footage	Total SF Event Days	Total SF MIMO
<b>Existing Shows/Events</b>								
Gun & Knife Show	5	2	1.00	15.00	10.00	25,000	250,000	125,000
Take Me Home	1	1	1.00	2.00	1.00	20,000	20,000	20,000
ORKE Dog Show	1	6	2.00	8.00	6.00	40,000	240,000	80,000
LC Schools	1	1	1.00	2.00	1.00	30,000	30,000	30,000
Smart Club Liquidation Sale	2	4	2.00	12.00	8.00	35,000	280,000	140,000
Pigfest	1	1	1.00	2.00	1.00	15,000	15,000	15,000
Maranatha Health Fair	1	1	1.00	2.00	1.00	30,000	30,000	30,000
Kidsfest	1	1	1.00	2.00	1.00	25,000	25,000	25,000
Dale Earnhardt Jr. Sale	2	5	2.00	14.00	10.00	25,000	250,000	100,000
Repticon	1	1	1.00	2.00	1.00	15,000	15,000	15,000
Market Days	1	2	6.00	8.00	2.00	40,000	80,000	240,000
FAMU Kickoff	1	1	2.00	3.00	1.00	25,000	25,000	50,000
City Back to School	1	2	1.00	3.00	2.00	35,000	70,000	35,000
BBMRA Train Show	1	2	1.00	3.00	2.00	15,000	30,000	15,000
Boat Show	<u>1</u>	<u>5</u>	1.00	<u>6.00</u>	<u>5.00</u>	30,000	<u>150,000</u>	<u>30,000</u>
	<u>21</u>			<u>84.00</u>	<u>52.00</u>		<u>1,510,000</u>	<u>950,000</u>
<b>New Consumer Shows</b>								
Sportsman Show	1	3.0	2.00	5.00	3.00	40,000	120,000	80,000
Energy Home Show	1	3.0	2.00	5.00	3.00	40,000	120,000	80,000
Bridal Fair	1	1.0	0.50	1.50	1.00	25,000	25,000	12,500
Electronics Show	1	2.0	0.50	2.50	2.00	20,000	40,000	10,000
Specialty Sale	1	2.0	0.50	2.50	2.00	15,000	30,000	7,500
One Week Boutique	2	4.0	1.00	10.00	8.00	40,000	320,000	80,000
Pet Expo	1	2.0	0.50	2.50	2.00	30,000	60,000	15,000
Seasonal Shows	<u>2</u>	<u>2.0</u>	<u>0.50</u>	<u>5.00</u>	<u>4.00</u>	<u>15,000</u>	<u>60,000</u>	<u>15,000</u>
	<u>10</u>			<u>34.00</u>	<u>25.00</u>		<u>775,000</u>	<u>300,000</u>
<b>New Trade and Industry Shows</b>								
	<u>2</u>	<u>3.0</u>	<u>1.00</u>	<u>8.00</u>	<u>6.00</u>	<u>30,000</u>	<u>180,000</u>	<u>60,000</u>
<b>New Sporting Events</b>								
	<u>6</u>	<u>2.0</u>	<u>1.00</u>	<u>18.00</u>	<u>12.00</u>	<u>40,000</u>	<u>480,000</u>	<u>240,000</u>
<b>New Animal Shows</b>								
New Animal Shows	<u>1</u>	<u>3.0</u>	<u>1.00</u>	<u>4.00</u>	<u>3.00</u>	<u>30,000</u>	<u>90,000</u>	<u>30,000</u>
	<u>1</u>			<u>4.00</u>	<u>3.00</u>		<u>90,000</u>	<u>30,000</u>
<b>New Banquets/Receptions</b>								
Small-Mid Sized	9	1.0	0.00	9.00	9.00	5,000	45,000	0
Mid-Large Sized	<u>3</u>	<u>1.0</u>	<u>0.00</u>	<u>3.00</u>	<u>3.00</u>	<u>10,000</u>	<u>30,000</u>	<u>0</u>
	<u>12</u>			<u>12.00</u>	<u>12.00</u>		<u>75,000</u>	<u>0</u>
<b>New Conferences/Meetings/Seminars</b>								
Other	<u>36</u>	<u>1.0</u>	<u>0.00</u>	<u>36.00</u>	<u>36.00</u>	<u>2,000</u>	<u>72,000</u>	<u>0</u>
	<u>36</u>			<u>36.00</u>	<u>36.00</u>		<u>72,000</u>	<u>0</u>
<b>Other New Uses</b>								
RV Rallies	1	5.0	0.00	5.00	5.00	25,000	125,000	0
Fundraisers	3	1.0	0.50	4.50	3.00	12,500	37,500	18,750
Religious Gatherings/Events	2	1.5	0.00	3.00	3.00	30,000	90,000	0
Spectator Events	2	1.0	0.00	2.00	2.00	40,000	80,000	0
Festivals	2	2.0	1.00	6.00	4.00	25,000	100,000	50,000
Community Uses	<u>4</u>	<u>2.0</u>	<u>1.00</u>	<u>12.00</u>	<u>8.00</u>	<u>20,000</u>	<u>160,000</u>	<u>80,000</u>
	<u>14</u>			<u>32.50</u>	<u>25.00</u>		<u>592,500</u>	<u>148,750</u>
<b>Total Exhibit Building Uses</b>								
	<u>102</u>			<u>228.5</u>	<u>171.0</u>		<u>3,774,500</u>	<u>1,728,750</u>



NORTH FLORIDA FAIRGROUNDS

ASSESSMENT OF POTENTIAL USES

High Scenario

Potential Events, High Scenario -- Stabilized Year								
Event Type	Number of Events	Average Event Days	Move-In and Move-Out Days	Total Use Days	Event Days	Square Footage	Total SF Event Days	Total SF MIMO
<b>Existing Shows/Events</b>								
Gun & Knife Show	5	2	1.00	15.00	10.00	25,000	250,000	125,000
Take Me Home	1	1	1.00	2.00	1.00	20,000	20,000	20,000
ORKC Dog Show	1	6	2.00	8.00	6.00	40,000	240,000	80,000
LC Schools	1	1	1.00	2.00	1.00	30,000	30,000	30,000
Smart Club Liquidation Sale	2	4	2.00	12.00	8.00	35,000	280,000	140,000
Pigfest	1	1	1.00	2.00	1.00	15,000	15,000	15,000
Maranatha Health Fair	1	1	1.00	2.00	1.00	30,000	30,000	30,000
Kidsfest	1	1	1.00	2.00	1.00	25,000	25,000	25,000
Dale Earnhardt Jr. Sale	2	5	2.00	14.00	10.00	25,000	250,000	100,000
Repticon	1	1	1.00	2.00	1.00	15,000	15,000	15,000
Market Days	1	2	6.00	8.00	2.00	40,000	80,000	240,000
FAMU Kickoff	1	1	2.00	3.00	1.00	25,000	25,000	50,000
City Back to School	1	2	1.00	3.00	2.00	35,000	70,000	35,000
BBMRA Train Show	1	2	1.00	3.00	2.00	15,000	30,000	15,000
Boat Show	1	5	1.00	6.00	5.00	30,000	150,000	30,000
	<u>21</u>			<u>84.00</u>	<u>52.00</u>		<u>1,510,000</u>	<u>950,000</u>
<b>New Consumer Shows</b>								
Sportsman Show	1	3.0	2.00	5.00	3.00	40,000	120,000	80,000
Energy Home Show	1	3.0	2.00	5.00	3.00	40,000	120,000	80,000
Bridal Fair	1	1.0	0.50	1.50	1.00	25,000	25,000	12,500
Electronics Show	1	2.0	0.50	2.50	2.00	20,000	40,000	10,000
Specialty Sale	2	2.0	0.50	5.00	4.00	15,000	60,000	15,000
One Week Boutique	2	4.0	1.00	10.00	8.00	40,000	320,000	80,000
Pet Expo	1	2.0	0.50	2.50	2.00	30,000	60,000	15,000
Seasonal Shows	2	2.0	0.50	5.00	4.00	15,000	60,000	15,000
	<u>11</u>			<u>36.50</u>	<u>27.00</u>		<u>805,000</u>	<u>307,500</u>
<b>New Trade and Industry Shows</b>								
	<u>3</u>	3.0	1.00	<u>12.00</u>	<u>9.00</u>	30,000	<u>270,000</u>	<u>90,000</u>
<b>New Sporting Events</b>								
	<u>9</u>	2.0	1.00	<u>27.00</u>	<u>18.00</u>	40,000	<u>720,000</u>	<u>360,000</u>
<b>New Animal Shows</b>								
New Animal Shows	<u>2</u>	3.0	1.00	<u>8.00</u>	<u>6.00</u>	30,000	<u>180,000</u>	<u>60,000</u>
	<u>2</u>			<u>8.00</u>	<u>6.00</u>		<u>180,000</u>	<u>60,000</u>
<b>New Banquets/Receptions</b>								
Small-Mid Sized	12	1.0	0.00	12.00	12.00	5,000	60,000	0
Mid-Large Sized	<u>6</u>	<u>1.0</u>	<u>0.00</u>	<u>6.00</u>	<u>6.00</u>	10,000	<u>60,000</u>	<u>0</u>
	<u>18</u>			<u>18.00</u>	<u>18.00</u>		<u>120,000</u>	<u>0</u>
<b>New Conferences/Meetings/Seminars</b>								
Other	<u>48</u>	1.0	0.00	<u>48.00</u>	<u>48.00</u>	2,000	<u>96,000</u>	<u>0</u>
	<u>48</u>			<u>48.00</u>	<u>48.00</u>		<u>96,000</u>	<u>0</u>
<b>Other New Uses</b>								
RV Rallies	2	5.5	0.00	11.00	11.00	25,000	275,000	0
Fundraisers	5	1.0	0.50	7.50	5.00	12,500	62,500	31,250
Religious Gatherings/Events	3	1.5	0.00	4.50	4.50	30,000	135,000	0
Spectator Events	3	1.0	0.00	3.00	3.00	40,000	120,000	0
Festivals	2	2.0	1.00	6.00	4.00	25,000	100,000	50,000
Community Uses	<u>6</u>	<u>2.0</u>	<u>1.00</u>	<u>18.00</u>	<u>12.00</u>	20,000	<u>240,000</u>	<u>120,000</u>
	<u>21</u>			<u>50.00</u>	<u>39.50</u>		<u>932,500</u>	<u>201,250</u>
<b>Total Exhibit Building Uses</b>								
	<u>133</u>			<u>283.5</u>	<u>217.5</u>		<u>4,633,500</u>	<u>1,968,750</u>

## **FACILITY RECOMMENDATIONS**

Based on the projected market demand, we have determined that there exists current and potential future market demand/support for new event facilities at the North Florida Fairgrounds, consisting of the following (the Recommended Facilities):

### **Exhibition Building**

- 35,000 to 40,000 square feet of rentable exhibition space, including clear-span, high-ceiling flat floor multi-purpose space, dividable into 2 separate spaces
- 2,000 square feet of dividable into 3 to 4 smaller meeting space areas
- Catering kitchen that is expandable to a full commercial kitchen as needed
- Restrooms to serve separate function areas
- Foyer area for pre-function space
- Multiple concession areas servicing the large exhibition space
- Show office, technology amenities
- Close proximity/adjacent to paved parking

### **Upgrades and Beautification**

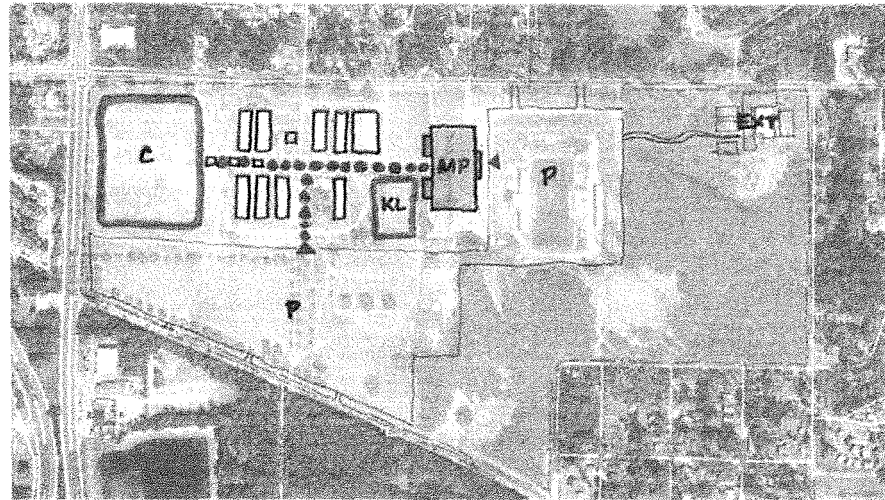
- New fencing and gate entries
- Electrical infrastructure upgrades
- On-grounds landscaping and beautification

### **Possible Locations of Exhibition Building**

In December 2014, as part of this study's process, a representative of Populous conducted an assessment of optional locations on the Fairgrounds for a multi-purpose event facility and other features (though not defined in size or configuration).

Three different possible layouts, including an undefined multi-purpose building, were prepared and presented by Populous at a gathering of stakeholders as a part of this process. The layouts are presented on the following pages.

**Option A** – This option locates a multi-purpose building in the shared parking lot with the stadium – with the stadium being relocated to another site and that current stadium area turned into parking. During the course of this study, it was determined that the stadium relocation was not a foreseeable option.

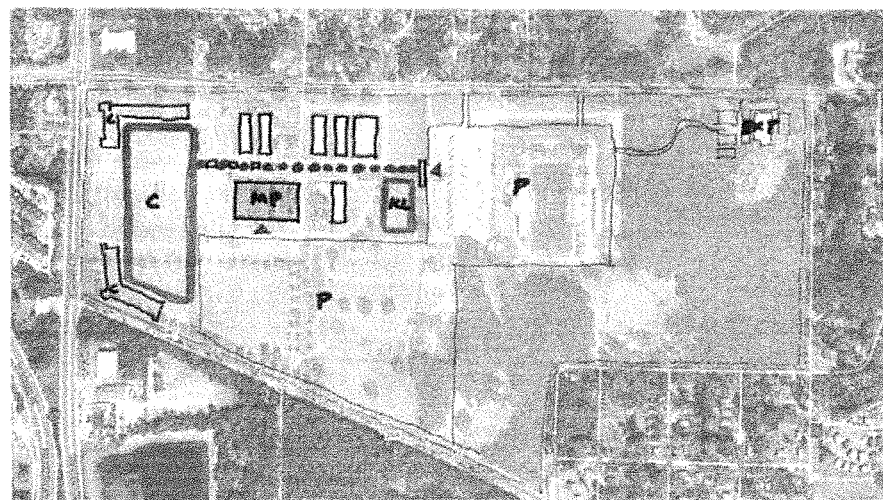


25. Option A

North Florida Fair  
Tallahassee, Florida, USA  
POPULOUS



**Option B** – This option located a multi-purpose building where Buildings 2, 4 and 6 are currently located on the Fairgrounds, as well as reducing the carnival size and adding potential commercial developments on the west end of the Fairgrounds. As presented on page 42, our analysis determined there is not sufficient retail or commercial demand for selling or leasing Fairground property. In addition, the location of a multi-purpose building that would replace Buildings 2, 4 and 6 would eliminate high use and revenue generating buildings for the Fair Association.

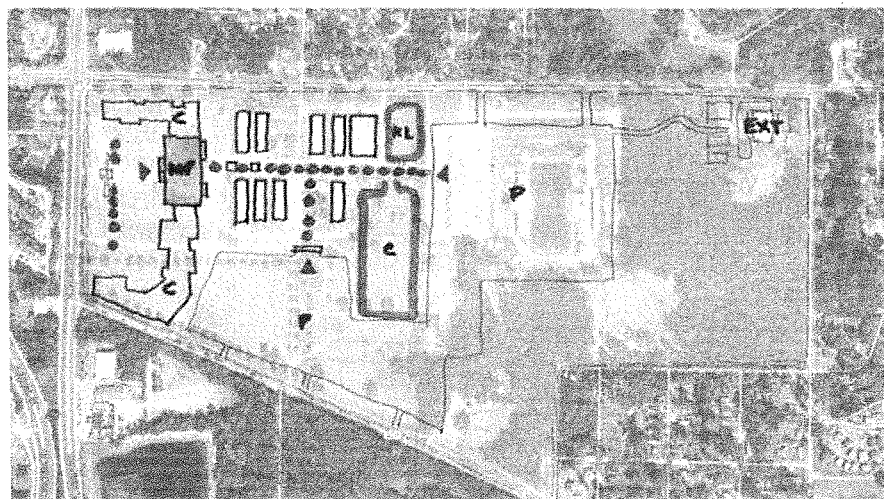


26. Option B

North Florida Fair  
Tallahassee, Florida, USA  
POPULOUS



**Option C** – This option reduces the size of the carnival/midway area and relocates it to the east side of the Fairgrounds, siting a multi-purpose building in the current carnival lot area, with even greater space designated as possible retail and commercial development. As mentioned above, the assessment of demand for retail and commercial development in the area of the Fairgrounds revealed no actionable demand for such developments at the Fairgrounds site.



27. Option C

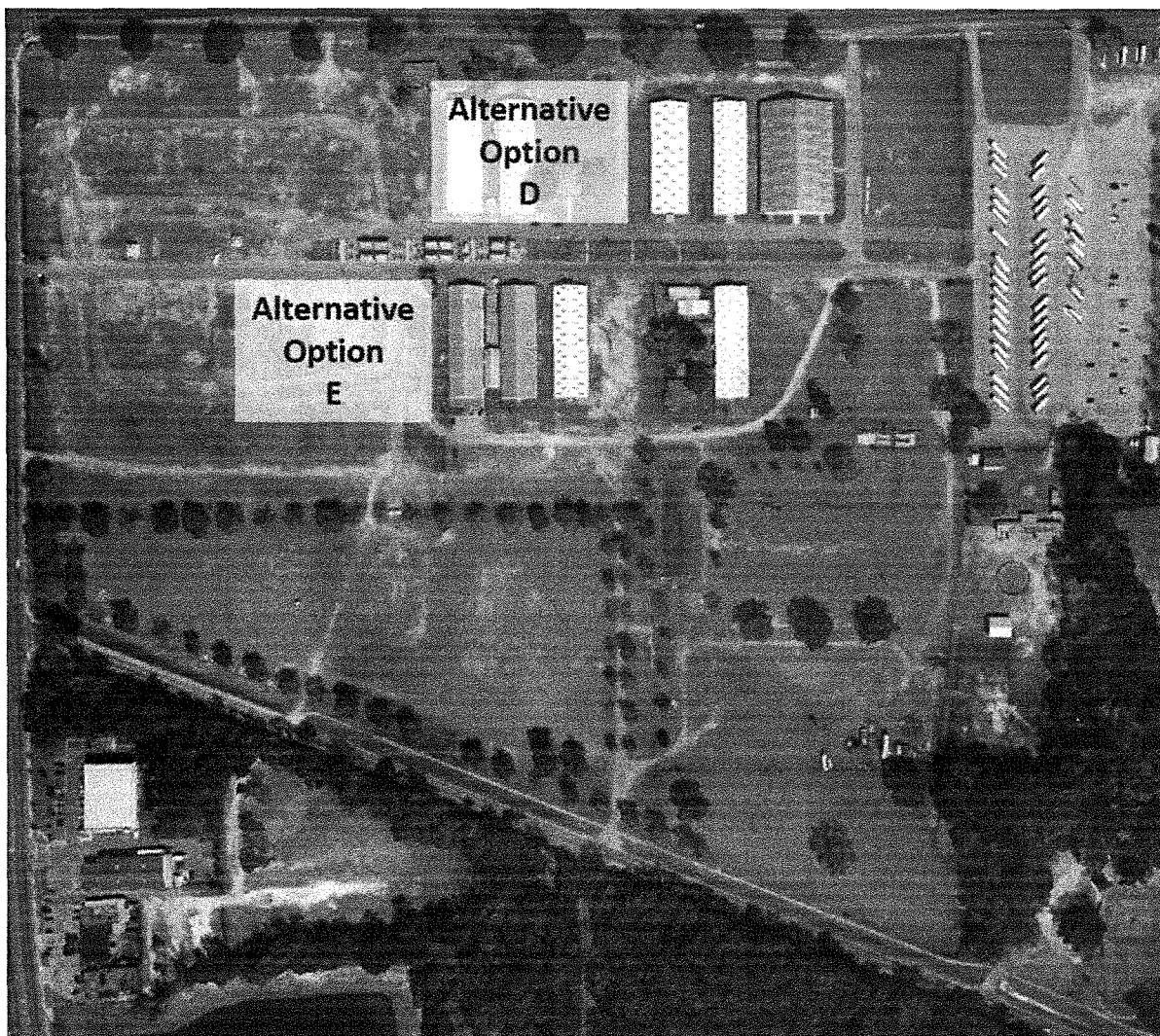
North Florida Fair  
Tallahassee, Florida, USA  
POPULOUS

### Alternative Options

Two alternative places on the Fairgrounds are possible locations for the Exhibition Building and are presented as Alternative Option D and Alternative Option E on the next page. Both of these locations may offer better operating and layout options than Options A, B or C. ***The shaded areas in the aerials below are not to scale and are to show approximate locations only.***

**Alternative Option D** – Locating the proposed Exhibition Building where Buildings 1, 3 and the office are currently located (or moving slightly east and preserving the office), would leave in place Buildings 2, 4 and 6 which could continue to be used for low cost events and would remain in place during the construction of the Exhibition Building, preserving the revenue potential of the Fair Association during the construction period.

**Alternative Option E** – As a variation of Option B, the Exhibition Building could be sited just west of Building 2, leaving the revenue producing Buildings 2 and 4. To offset the space occupied by the Exhibition Building in this location, Buildings 1 and 3 might have to be removed to accommodate the carnival space lost with the siting of the Exhibition Building here.



**FINANCIAL ASSESSMENT**

This section presents the projected incremental cash flows before replacement reserves and debt service for the market-driven Recommended Facilities at Fairgrounds. The projected statements of revenues and expenses are based on (1) the projected utilization of the Recommended Facilities, recommended rental rates presented in this document, (2) the estimated incremental revenues that could be realized from operating the Recommended Facilities and (3) the estimated incremental expenses associated with operating the improvements and additions. There will usually be differences between the estimated and actual results because events and circumstances frequently do not occur as expected, and those differences may be material.

The projections of cash flow, before replacement reserves and debt service, for the Recommended Facilities are presented on page 56. These projections are presented in current year dollars and do not reflect any increase due to inflation.

**Rental Rate Assumptions**

Based on the rental rate schedule of competitive and comparable facilities, as well as discussions with potential users, we have developed a proposed rental rate structure for the Recommended Facilities, presented in the following table.

**North Florida Fairgrounds Exhibition Building**  
**Proposed Pricing of Recommended Facilities**

Facility	Rental Rates
Exhibit Space	
Consumer/public shows/festivals/community uses	\$0.0725 to \$0.075 per square foot
Trade and industry shows	\$0.0575 per square foot
Youth sporting events	\$0.05 per square foot
Banquet Meeting Space	
Banquets, meetings, fundraisers	\$0.15 to \$0.20 per square foot 10% plate fee for catered events
Move-In/Out Rate	50% of regular rate
Camping fee for RV rallies	\$12.50 per night
Parking (consumer shows, spectator events, festivals)	\$2 net to facility

**Operating Approach**

The financial projections assume the Fair Association (1) continues to serve its existing and new clients with high quality service (2) hires the necessary support staff for event coordination and facility maintenance (see page 55), (3) works in close relationship with Leon County Division of Tourism Development and local sports organizations to attract the identified sports tournaments and (4) co-markets the entire Fairgrounds with Leon County Division of Tourism Development and other Tallahassee and Leon County organizations that will help insure its overall success.



## NORTH FLORIDA FAIRGROUNDS

## FINANCIAL ASSESSMENT

## Operating Revenue Assumptions

For purposes of the projections, it is assumed that the proposed Exhibition Building would have 40,000 square feet of net rentable exhibit space and would generate revenues from building rental income, concession income, parking income, camping income, incremental fair revenues and advertising/signage based on the event potential shown on pages 45 and 46.

## Building Rentals

Building income includes revenues generated from renting the recommended exhibition building. Below are the assumptions for the low and high scenarios that were used to estimate the potential incremental building rental income for the Recommended Facilities.

NORTH FLORIDA FAIRGROUNDS EXHIBITION BUILDING  
BUILDING RENTAL REVENUE - LOW SCENARIO

EVENT	NUMBER OF EVENTS	MIMO SQUARE FOOTAGE	EVENT DAY SQUARE FOOTAGE	MIMO BASIC RENTAL	EVENT DAY BASIC RENTAL	BASIC RENTAL
EXISTING SHOWS/EVENTS	21	950,000	1,510,000	\$34,438	\$109,475	\$143,913
NEW CONSUMER SHOWS	10	300,000	775,000	10,875	56,188	67,063
TRADE AND INDUSTRY SHOWS	2	60,000	180,000	1,725	10,350	12,075
SPORTING EVENTS	6	240,000	480,000	6,000	24,000	30,000
ANIMAL SHOWS	1	30,000	90,000	1,088	6,525	7,613
BANQUETS AND RECEPTIONS	12	0	75,000	0	11,250	11,250
MEETINGS AND SEMINARS	36	0	72,000	0	10,800	10,800
SPECTATOR EVENTS	2	0	80,000	0	5,800	5,800
RV RALLIES	1	0	125,000	0	9,063	9,063
FUNDRAISERS	3	18,750	37,500	680	5,625	6,305
RELIGIOUS GATHERINGS/EVENTS	2	0	90,000	0	6,525	6,525
FESTIVALS	2	50,000	100,000	1,813	7,250	9,063
COMMUNITY USES	4	<u>80,000</u>	<u>160,000</u>	<u>2,900</u>	<u>11,600</u>	<u>14,500</u>
	<u>102</u>	<u>1,728,750</u>	<u>3,774,500</u>	<u>\$59,517</u>	<u>\$274,450</u>	<u>\$333,967</u>
						<u>\$334,000</u>

NORTH FLORIDA FAIRGROUNDS EXHIBITION BUILDING  
BUILDING RENTAL REVENUE - HIGH SCENARIO

EVENT	NUMBER OF EVENTS	MIMO SQUARE FOOTAGE	EVENT DAY SQUARE FOOTAGE	MIMO BASIC RENTAL	EVENT DAY BASIC RENTAL	BASIC RENTAL
EXISTING SHOWS/EVENTS	21	950,000	1,510,000	\$35,625	\$113,250	\$148,875
NEW CONSUMER SHOWS	11	307,500	805,000	11,531	60,375	71,906
TRADE AND INDUSTRY SHOWS	3	90,000	270,000	2,588	15,525	18,113
SPORTING EVENTS	9	360,000	720,000	9,000	36,000	45,000
ANIMAL SHOWS	2	60,000	180,000	2,250	13,500	15,750
BANQUETS AND RECEPTIONS	18	0	120,000	0	24,000	24,000
MEETINGS AND SEMINARS	48	0	96,000	0	19,200	19,200
SPECTATOR EVENTS	3	0	120,000	0	9,000	9,000
RV RALLIES	2	0	275,000	0	20,625	20,625
FUNDRAISERS	5	31,250	62,500	1,172	12,500	13,672
RELIGIOUS GATHERINGS/EVENTS	3	0	135,000	0	10,125	10,125
FESTIVALS	2	50,000	100,000	1,875	7,500	9,375
COMMUNITY USES	6	<u>120,000</u>	<u>240,000</u>	<u>4,500</u>	<u>18,000</u>	<u>22,500</u>
	<u>133</u>	<u>1,968,750</u>	<u>4,633,500</u>	<u>\$68,541</u>	<u>\$359,600</u>	<u>428,141</u>
						<u>428,000</u>

The above estimates of building rental revenue for the Exhibition Building includes revenue potential of existing events listed on pages 45 and 46 for which the North Florida Fair Association received about \$93,000 in 2014. This amount is deducted from the total revenue potential in the projections of revenues and expenses on page 56 in order to reflect only the incremental revenues associated with these events.

## NORTH FLORIDA FAIRGROUNDS

## FINANCIAL ASSESSMENT

**Concession Income**

For purposes of the projections, it is assumed that the Fairgrounds would have sufficient volume of event activity to enter into a multi-year contract with a third-party concessionaire to provide food service/concessions for consumer shows, spectator events, animal shows and community events, paying Fairgrounds 30% of gross concession sales. For banquets, receptions, fundraisers and meetings where food is catered, it is assumed that Fairgrounds would receive a 10% caterer's fee. Below are the detailed assumptions and calculations of concessions and concession income. Attendance estimates are based on Fair Association records for existing shows/events, discussions with current and potential event organizers, survey results, review of similar events held at competitive facilities and location/access factors.

**NORTH FLORIDA FAIRGROUNDS EXHIBITION BUILDING**  
**CONCESSION INCOME POTENTIAL - LOW SCENARIO**

EVENT	NUMBER OF EVENTS	ASSUMED TOTAL ATTEND.	PER CAP SALES	TOTAL SALES	30% PERCENT TO FACILITY
EXISTING SHOWS/EVENTS	21	20,800	\$1.50	\$31,200	\$9,400
NEW CONSUMER SHOWS	10	15,400	\$1.50	\$23,100	6,900
TRADE AND INDUSTRY SHOWS	2	1,600	\$20.00	\$32,000	3,200
SPORTING EVENTS	6	3,600	\$1.50	\$5,400	1,600
ANIMAL SHOWS	1	1,200	\$1.00	\$1,200	400
BANQUETS AND RECEPTIONS	12	5,550	\$20.00	\$111,000	11,100
SPECTATOR EVENTS	2	3,600	\$4.50	\$16,200	4,900
FUNDRAISERS	3	2,500	\$20.00	\$50,000	5,000
FESTIVALS	2	7,000	\$2.00	\$14,000	4,200
COMMUNITY USES	4	3,200	\$1.00	\$3,200	1,000
					<u>\$48,000</u>

**NORTH FLORIDA FAIRGROUNDS EXHIBITION BUILDING**  
**CONCESSION INCOME POTENTIAL - HIGH SCENARIO**

EVENT	NUMBER OF EVENTS	ASSUMED TOTAL ATTEND.	PER CAP SALES	TOTAL SALES	30% PERCENT TO FACILITY
EXISTING SHOWS/EVENTS	21	20,800	\$1.50	\$31,200	\$9,400
NEW CONSUMER SHOWS	11	16,400	\$1.50	\$24,600	7,400
TRADE AND INDUSTRY SHOWS	3	2,400	\$20.00	\$48,000	4,800
SPORTING EVENTS	9	5,400	\$1.50	\$8,100	2,400
ANIMAL SHOWS	2	2,400	\$1.00	\$2,400	700
BANQUETS AND RECEPTIONS	18	9,000	\$20.00	\$180,000	18,000
SPECTATOR EVENTS	3	5,400	\$4.50	\$24,300	2,400
FUNDRAISERS	5	4,167	\$20.00	\$83,333	8,300
FESTIVALS	2	7,000	\$2.00	\$14,000	4,200
COMMUNITY USES	6	9,000	\$1.00	\$9,000	2,700
					<u>\$60,000</u>

**Equipment Rentals**

Equipment rentals consist of estimated incremental income from table and chair rentals for new consumer shows and similar events. For purposes of the projections, it is assumed the Fair Association would receive \$8.00 per table and \$2.00 per chair. Based on the estimated events in which table and chairs would be rented, equipment rental revenues are estimated to range between \$22,000 and 23,000.

## NORTH FLORIDA FAIRGROUNDS

## FINANCIAL ASSESSMENT

**Parking Revenue**

For purposes of the projections, it is assumed that the Fairgrounds would contract with a third-party parking operator to manage, control and collect parking revenues for certain existing and new events, such as consumer shows, spectator events and festivals. It is assumed that Fairgrounds would receive a net of \$2.00 per car parked. The tables below present the assumptions and calculations of parking revenue potential for the Recommended Facilities.

**NORTH FLORIDA FAIRGROUNDS EXHIBITION BUILDING  
PARKING INCOME POTENTIAL - LOW SCENARIO**

EVENT	NUMBER OF EVENTS	ASSUMED TOTAL ATTEND.	ASSUMED PERSONS PER CAR	NUMBER OF CARS PARKED	PARKING REVENUE
EXISTING SHOWS/EVENTS	21	20,800	3.00	6,933	\$13,867
NEW CONSUMER SHOWS	10	15,400	3.00	5,133	10,267
SPECTATOR EVENTS	2	3,600	4.00	900	1,800
FESTIVALS	2	7,000	2.50	2,800	<u>5,600</u>
					<u>\$31,533</u>
					<u>\$32,000</u>

**NORTH FLORIDA FAIRGROUNDS EXHIBITION BUILDING  
PARKING INCOME POTENTIAL - HIGH SCENARIO**

EVENT	NUMBER OF EVENTS	ASSUMED TOTAL ATTEND.	ASSUMED PERSONS PER CAR	NUMBER OF CARS PARKED	PARKING REVENUE
EXISTING SHOWS/EVENTS	21	20,800	3.00	6,933	\$13,867
NEW CONSUMER SHOWS	11	16,400	3.00	5,467	10,933
SPECTATOR EVENTS	3	5,400	3.00	1,800	3,600
FESTIVALS	2	7,000	2.50	2,800	<u>5,600</u>
					<u>\$34,000</u>
					<u>\$34,000</u>

**Camping Income**

The Fairgrounds could generate camping income from RV rallies held at the Fairgrounds. With the presence of the Exhibition Building, it is assumed that 1 to 2 large regional RV rallies, with 600 to 700 rigs over a 5 day period each, could be attracted to Tallahassee. Camping income is estimated based on an assumed nightly rate of \$12.50 for these RV rallies.

**Incremental Fair Revenue**

With the availability of the proposed Exhibition Building, it would be possible to increase the number of indoor commercial vendors (both new and relocated), as well as food booths, during the annual North Florida Fair. In addition, signage and sponsorship revenues can be generated with the new exhibition building, providing incremental revenue for the Fair ranging between \$25,000 and \$35,000 per year.

**Sponsorship Revenues**

It is assumed that the Fair Association could generate sponsorship/signage revenue on a year-round basis with the addition of the proposed exhibition building, ranging from \$20,000 to \$30,000 per year.

### Operating Expense Assumptions

Operating the Recommended Facilities will consist of a variety of expenses, including incremental staffing costs, utilities, general and administrative costs, supplies, repairs and maintenance, marketing and advertising and contracted services. Following is an overview of the assumptions used in preparing the operating expense projections, based on historical financial operating costs at Fairgrounds.

#### Salaries, Wages and Benefits

In addition to the current staffing levels of non-fair operations at the North Florida Fairgrounds, based on the additional events and activities under the high and low scenarios, the following new positions would be required:

**Event Coordinator** – Needed for both the low and high scenarios, this position would assist in marketing the facilities, with emphasis on contract management and scheduling, facility tours and event coordination.

**Maintenance Staff** – Under the low scenario, one and one-half full-time maintenance staff would be needed. For the high scenario, two additional full-time maintenance staff would be needed. These positions would assist with overall facility maintenance, as well as specific set-up and clean-up activities at Fairgrounds.

Using current approximate salary and wage levels for similar positions in the Tallahassee market area (per the Florida Department of Economic Opportunity, below are the expected incremental labor costs associated with the above positions.

**North Florida Fairgrounds Exhibition Building  
Estimated Incremental Personnel Costs**

<b>Staff Position</b>	<b>Low Scenario</b>	<b>High Scenario</b>
Event Coordinator	\$40,000	\$40,000
Maintenance Staff	40,000	40,000
Maintenance Staff	<u>20,000</u>	<u>40,000</u>
	\$100,000	\$120,000
Taxes and Benefits @ 40%	<u>40,000</u>	<u>48,000</u>
Total Personnel Costs	<u>\$140,000</u>	<u>\$168,000</u>

#### Utilities

Utility costs include electricity, gas, water, sewer and trash removal for the operation of the Recommended Facilities.

#### General and Administrative Expenses

General and administrative expenses cover the incremental costs of operating the Recommended Facilities including office supplies, travel, postage, telephone, equipment rentals and other costs.

#### Supplies

Supply costs include supplies used in the operation and maintenance of the facilities, such as rest room supplies and those supplies used in cleaning and maintaining the facilities.

**Repairs and Maintenance**

Repairs and maintenance costs include the cost of normal repairs and maintenance of the facilities; not extraordinary costs associated with new facilities.

**Advertising and marketing**

These costs include the production of brochures, marketing materials, travel and tours, mailing and other costs associated with advertising and promoting the Recommended Facilities.

**Contractual Services**

It is assumed that Fairgrounds would contract for certain services associated with operating and maintaining the facilities, such as hourly works for event set-up and clean-up, as well as equipment rentals and special services.

## NORTH FLORIDA FAIRGROUNDS

## FINANCIAL ASSESSMENT

**Projected Revenues and Expenses**

The projected revenues and expenses for the proposed exhibition building and expanded equestrian facilities at the North Florida Fairgrounds, in a stabilized year of operation (3<sup>rd</sup> year of operating the proposed exhibition building), are presented in the table below. The projected cash flows are based on the assumed rental rates presented in this document, the projected utilization of the proposed facilities, and the estimated revenues and expenses associated with operating the facilities.

These projections and the assumptions herein represent the revenues and expenses associated with operating the Recommended Facilities and are considered to be incremental to current revenues and expenses. There will usually be differences between the estimated and actual results because events and circumstances frequently do not occur as expected, and those differences may be material. The projections are presented in 2015 dollars.

**North Florida Fairgrounds Exhibition Building**  
**Projected Incremental Operating Revenues and Expenses**  
**Stabilized Year of Operations**

	<b>Low Scenario</b>	<b>High Scenario</b>	<b>Average Scenario</b>
<b>Operating Revenues</b>			
Rental income	\$334,000	\$428,000	\$381,000
Concession income	48,000	60,000	54,000
Equipment rentals	22,000	23,000	22,500
Fair revenues	25,000	35,000	30,000
Sponsorship revenues	20,000	30,000	25,000
Camping Income	38,000	44,000	41,000
Parking income	<u>32,000</u>	<u>34,000</u>	<u>33,000</u>
Total revenues	519,000	654,000	586,500
Less: Revenues from existing events	<u>(93,000)</u>	<u>(93,000)</u>	<u>(93,000)</u>
Incremental revenues	<u>426,000</u>	<u>561,000</u>	<u>493,500</u>
<b>Operating Expenses</b>			
Salaries, wages & benefits	140,000	168,000	154,000
Utilities	55,000	75,000	65,000
General & administrative	5,000	8,000	6,500
Supplies	10,000	15,000	12,500
Repairs and maintenance	20,000	30,000	25,000
Marketing and advertising	15,000	25,000	20,000
Contractual services	<u>20,000</u>	<u>30,000</u>	<u>25,000</u>
Incremental expenses	<u>265,000</u>	<u>351,000</u>	<u>308,000</u>
Incremental cash flow	<u>\$161,000</u>	<u>\$210,000</u>	<u>\$185,500</u>



## NORTH FLORIDA FAIRGROUNDS

## ESTIMATED CONSTRUCTION COSTS

## ESTIMATED CONSTRUCTION COSTS

Populous, an international fairgrounds architectural firm, prepared estimates of the potential costs of constructing the Recommended Facilities. These costs are based on general construction methods and do not reflect any special or extraordinary site development or other unanticipated costs. These costs are based on visual observations, allowances, historic data and local cost indicators (Leon County and Tallahassee). No detailed architectural or engineering studies have been developed. Neither Markin Consulting nor Populous make any representation as to the accuracy of these estimates as they relate to facilities that may be built at the North Florida Fairgrounds. An architectural firm should be engaged to prepare cost estimates specific to the Tallahassee and Leon County building codes and construction cost experience.

North Florida Fairgrounds		Cost per	Total Estimated
Order of Magnitude Square Footages & Costs	Area	Square Foot	Cost
<b>EXHIBITION BUILDING</b>			
Exhibition Hall	40,000 sf	\$150	\$6,000,000
Meeting Rooms	2,000 sf	\$250	500,000
Restrooms	1,600 sf	\$250	400,000
Catering/Demonstration Kitchen	800 sf	\$300	240,000
Storage	800 sf	\$100	80,000
Show Office	200 sf	\$250	50,000
Mechanical/Electrical/Fire/Data/Communications Rooms	600 sf	\$100	60,000
Foyer/Circulation	<u>7,000 sf</u>	\$300	<u>2,100,000</u>
<b>SUB-TOTAL</b>	<u>53,000 sf</u>		<u>\$9,430,000</u>
Soft Costs and FF&E		25%	<u>2,357,500</u>
<b>TOTAL EXHIBITION BUILDING</b>			<u>\$11,787,500</u>
SITE ELECTRICAL (Allowance & All Included)			\$500,000
GATES, SITE LANDSCAPE & ENHANCEMENTS (Allowance & All Included)			<u>3,000,000</u>
<b>TOTAL ORDER OF MAGNITUDE COST</b>			<u>\$15,287,500</u>

Source: Populous

The FF&E estimates included in this table are approximate for table/chairs, portable bleachers, sports floor and technology requirements of the building (e.g., WIFI, energy saving lights, media equipment in meeting rooms, etc.).

## FUNDING OPTIONS

A review of funding source options that might apply for the construction of the proposed Exhibition Building and the identified general upgrades and beautification of the Fairgrounds revealed the following:

- Public funding – the taxpayers of Leon County passed a one cent option tax extension in November 2014 that is collected on all taxable sales within the County. Approximately \$12 million of the one cent sales tax generated between 2020 and 2040 has been earmarked for Fairground improvements.
- Bond or loan financing – the revenue generating proposed exhibition building (with estimated construction costs of almost \$12 million) could possibly support some level of debt financing, estimated in the range of \$2 million to \$2.75 million, based on the low and high scenario cash flows. The balance of the funding would need to be raided from other sources.
- Other sources – county, state and federal grants, as well as private fund raising could all be additional sources of capital to pay for the cost of the Recommended Facilities

## NORTH FLORIDA FAIRGROUNDS

## ESTIMATED ECONOMIC IMPACTS

## ESTIMATED ECONOMIC IMPACTS

## Overview

This section of this report presents the approach and methodology used to develop estimates of the potential economic and fiscal impacts of visitors to the Tallahassee/Leon County area resulting from specific potential events that attract visitors to the area.

## Approach

Economic impacts are generally described as the amount of expenditures that occur in a defined geographic area, including subsequent re-spending of the initial expenditures. The new events that could be attracted to the Tallahassee/Leon County area with the construction and operation of the proposed Exhibition Building that would have significant economic impacts to the area are the 1 to 2 regional RV rallies and the 6 to 9 sports tournaments – generating impacts from the spending of non-local participants, spectators and event promoters for lodging, meals, retail purchases, entertainment and the like. The re-spending of the initial expenditures within the Tallahassee/Leon County area of these non-local participants, spectators and event promoters are captured through multipliers that reflect the economic makeup of the area, as well as account for the leakage out of the area. In addition, certain expenditures result in state and local sales and lodging taxes, referred to as fiscal impacts.

## RV Rallies

For the RV rallies, we utilized expenditure data from similar regional RV rallies that we surveyed as part of economic impact studies conducted for similar fairgrounds facilities. The impacts include the spending of the (1) rally organizer for meals/catering, materials and supplies, entertainment and fuel, (2) vendors at the rally for food, fuel, entertainment, retail and other local services and (3) rally participants for groceries, fuel, retail, entertainment, other purchases and some per-rally lodging. The tables below presents the estimated spending by these three rally groups. The low scenario assumes a 5-day rally with 600 rigs and 12 vendors. The high scenario adds a 6-day rally with 700 rigs and 12 vendors to the low scenario.

Total Estimated Direct Expenditures of RV Rallies - Low Scenario

Total expenditures	Promoters	Vendors	Participants	Total
Lodging	\$0	\$0	\$0	\$0
Meals	23,000	6,300	58,400	87,700
Transportation	6,500	1,800	48,300	56,600
Entertainment	5,000	2,700	9,300	17,000
Retail	15,000	4,500	0	19,500
Services	0	3,600	57,200	60,800
Other	0	13,500	37,900	51,400
<b>Total</b>	<b>\$49,500</b>	<b>\$32,400</b>	<b>\$211,100</b>	<b>\$293,000</b>

All amounts rounded to \$100's of dollars

**NORTH FLORIDA FAIRGROUNDS**

**ESTIMATED ECONOMIC IMPACTS**

**North Florida Fairgrounds**

**Total Estimated Direct Expenditures of RV Rallies - High Scenario**

Total expenditures	Promoters	Vendors	Participants	Total
Lodging	\$0	\$0	\$21,200	\$21,200
Meals	46,000	12,600	131,100	189,700
Transportation	13,000	3,600	101,100	117,700
Entertainment	10,000	5,400	19,500	34,900
Retail	30,000	9,000	103,200	142,200
Services	0	7,200	0	7,200
Other	0	27,000	89,500	116,500
<b>Total</b>	<b>\$99,000</b>	<b>\$64,800</b>	<b>\$465,600</b>	<b>\$629,400</b>

All amounts rounded to \$100's of dollars

To estimate the potential total economic impacts associated with the estimated direct expenditures of the 1 to 2 new RV rallies, we purchased RIMS II multipliers from the Bureau of Economic Analysis for Leon County and applied those multipliers to the estimated direct expenditures presented in the above two tables. The calculations of total economic impacts for these RV rallies are shown in the table below, along with the estimated impacts to local earnings and jobs.

**North Florida Fairgrounds**

**RV Rally Impacts - Low Scenario**

RIMS #	Account Name	Initial Expenditures	Multiplier			Results		
			Output	Earnings	Jobs	Expenditures	Earnings	Employment
59	Lodging	\$0	1.5584	0.4217	13.3527	\$0	\$0	0.0
60	Meals	87,700	1.5517	0.4471	20.0980	136,100	39,200	1.8
28	Transportation	56,600	1.5553	0.4487	15.5398	88,000	25,400	0.9
711500	Entertainment	17,000	1.5021	0.4346	14.2403	25,500	7,400	0.2
28	Retail	19,500	1.5553	0.4487	15.5398	30,300	8,700	0.3
61	Services	60,800	1.7353	0.4697	13.7480	105,500	28,600	0.8
28	Other	51,400	1.5553	0.4487	15.5398	79,900	23,100	0.8
		<b>\$293,000</b>				<b>\$465,300</b>	<b>\$132,400</b>	<b>4.8</b>

Source for Multipliers: RIMS II Bureau of Economic Analysis

**North Florida Fairgrounds**

**RV Rally Impacts - High Scenario**

RIMS #	Account Name	Initial Expenditures	Multiplier			Results		
			Output	Earnings	Jobs	Expenditures	Earnings	Employment