# PROGRAM GUIDELINES

## PROGRAM DESCRIPTION

Projects in the City of Stuart Community Redevelopment Area (CRA) may be eligible for a Real Estate Development Accelerator (REDA) Pilot Program. This program will be instituted to accelerate development in the CRA.

In fulfillment of the goals of the Stuart Community Redevelopment Plan, the program will enable the Agency to enter into public-private partnerships for facilitation of desired real estate development projects. The CRA will utilize the new tax increment finance (TIF) that will generate from the development itself, to leverage private real estate investment opportunities and to develop markets that are deficient or that do not currently exist in the Stuart CRA.

## PROGRAM DURATION AND FUNDING

The REDA Program is approved as a pilot program to establish and solidify a market for desired development and accelerate development in the CRA, unless the Community Redevelopment Board (CRB) and/or Community Redevelopment Agency (CRA) Board request to terminate the program. At their discretion, the CRB or CRA Board may require revisions to the program requirements or qualifications that may affect the eligibility of an application.

A clearly defined need must exist and be proven by each development initiative before funding under the REDA Pilot Program will be considered. The City staff will assist in determining if your project is eligible. If the project is eligible, the developer shall submit the REDA Pilot Program application and the request shall be processed simultaneous with the site plan approval process. Any cost sharing of the future Tax Increment Financing (TIF) with the private development will be negotiated by the City staff and will come from the development itself based on the new tax increment revenue created from the new development. A public/private partnership (PPP) will be established through a development agreement to share up to 50% of future tax increment revenue, over and above the current pre-development tax level, back to the developer for a period of not-to-exceed five (5) years. Projects will be considered on a case-by-case basis, and any award is contingent upon the approval of the CRB and CRA Board. Approved projects will require a grant agreement, which will clarify terms and conditions of the commitments between the CRA and the developer.

## ELIGIBILITY REQUIREMENTS

The program has a minimum qualifying project investment of $1 million. The project shall meet one or more of the following criteria in order to be eligible for the REDA Pilot Program:

- Attracting, retaining, or expanding businesses for the purpose of diversifying the tax base – create jobs, encourage entrepreneurship and improving the quality of life with new services and amenities.
- Desirable business that would address an under-served business segment (develop markets that are deficient or that do not currently exist).
- Rehabilitation or renovation of underutilized buildings; or adaptive reuse/repurposing of vacant/old buildings.
- Vacant or underutiltized parcels.
- Providing a variety of quality market rate housing choices/market lease rates; Mix of housing types to support diverse workforce (density bonus/inclusionary housing to support workforce housing in new development).
- Mixed-use developments having any combinations of retail, office, hotel, market rate residential, and restaurant elements.
- Extraordinary development/redevelopment related costs such as: environmental remediation/cleanup

(brownfield sites), demolition, public infrastructure, off-site improvements, streetscape, etc.

The following eligibility threshold shall be considered for the program:

| Eligibility Criteria | TIF Sharing % | Term |
|---|---|---|
| Minimum of 1 criteria | Up to 20% | Up to 5 years |
| Minimum of 2 criteria | Up to 30% | Up to 5 years |
| Minimum of 3 criteria | Up to 50% | Up to 5 years |

Public benefits outlined in the application, in addition to the new capital investment resulting from the project, will strengthen the evaluation of the application.

Properties must be current on their taxes, or be made current upon a change in ownership of the property. Tax exempt projects are not eligible to participate in this CRA program.

**The Real Estate Development Accelerator benefits are contingent on funding availability and CRB and CRA Board approvals, and are not to be construed as an entitlement or right of a property owner or applicant. Properties in the CRA areas are not eligible for City/CRA funded programs when such funding conflicts with the goals expressed in the CRA Community Redevelopment Plan. The CRA may obtain an analysis by a third party or outside firm hired by the CRA to evaluate the application.**

**EXAMPLE:** Project XYZ:Tax Increment Revenue Sharing Projection *(based on eligibility of 50% TIF sharing)*

| Tax Revenues | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Post-REDA Agreement | | |
|---|---|---|---|---|---|---|---|---|
| Base Assessed Value | $500,000 | $500,000 | $500,000 | $500,000 | $500,000 | $500,000 | $500,000 | $500,000 |
| New Assessed Value | $7,000,000 | $10,000,000 | $10,000,000 | $10,000,000 | $10,000,000 | $10,000,000 | $10,000,000 | $10,000,000 |
| Increment Assessed Value | $6,500,000 | $9,500,000 | $9,500,000 | $9,500,000 | $9,500,000 | $9,500,000 | $9,500,000 | $9,500,000 |
| City Mil | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 |
| City TIF Contribute | $27,788 | $40,613 | $40,613 | $40,613 | $40,613 | $40,613 | $40,613 | $40,613 |
| County Mil | 6.387 | 6.387 | 6.387 | 6.387 | 6.387 | 6.387 | 6.387 | 6.387 |
| County TIF Contribute | $39,440 | $57,643 | $57,643 | $57,643 | $57,643 | $57,643 | $57,643 | $57,643 |
| | | | | | | | | |
| | $67,227 | $98,255 | $98,255 | $98,255 | $98,255 | $98,255 | $98,255 | $98,255 |
| | | | | | | | | |
| **Revenue Allocation** | | | | | | | | |
| | $33,614 | $49,128 | $49,128 | $49,128 | $49,128 | $0 | | |
| Share to CRA (50% for 5 years, then 100%) | $33,614 | $49,128 | $49,128 | $49,128 | $49,128 | $594,564 | $594,564 | $594,564 |

# STUART COMMUNITY REDEVELOPMENT AGENCY

## REAL ESTATE DEVELOPMENT ACCELERATOR (REDA) APPLICATION

| APPLICANT INFORMATION |
|---|
| Name: |
| Contact Person (if a Corporation): |
| Address: |
| City, State, Zip: |
| Phone: Email: |
| Business Structure (circle): Sole Proprietorship/Individual C Corporation S Corporation Limited Liability |

| PROJECT SITE |
|---|
| Address: |
| City, State, Zip: |
| Tax ID: |
| Parcel ID: |
| Does applicant own Project Property: _____ Yes _____ No |
| If "No", when will property be in control of applicant (own or long term lease): |
| Name on property title: |

| TOTAL ESTIMATED PROJECT INVESTMENT |
|---|
| Current assessed value (base): Year: |
| New capital investment dollars (construction value): |
| Total estimated new assessment (post development/provide 5 year projection value): |
| Address of Proposed Project: |

| BRIEF PROJECT DESCRIPTION |
|---|
| |

## CONSTRUCTION SCHEDULE

Less than 12 months:_____ 12-16 months:_____ 16-24 months:_____ Longer:_____

*(include a detailed project schedule as a separate attachment)*

## ECONOMIC DEVELOPMENT PROJECT

How many jobs will be created upon completion of the project:
1-5 jobs_____ 6-10 jobs_____ 10+ jobs_____

## PROJECT BENEFITS

Describe how this project benefits the Community Redevelopment Area and what are the public benefits:

## INCLUDE WITH THIS APPLICATION

Include with this application:

- Ownership authorization or Affidavit of Ownership
- Description of proposed development/improvement to the property
- Preliminary site plan, floor plans and renderings that enable staff to determine quality of design
- Infrastructure improvements, if any, in either the public ROW or on private property and estimated costs
- Preliminary project schedule
- Commercial description: office, retail tenant base of the project, units, square feet,
- target lease rate
- Residential description: number of units, market sales price, market lease rates, target buyer or lessee
- Business and financial feasibility information for the proposed project:
  - Business Plan
  - Development Pro-Forma: development costs, sources and uses, cash flow analysis, debt coverage ratio, supportable debt and gap identification
  - Mortgage on property
  - Lease agreement of leasehold / land lease
  - Ownership and equity positions
  - Project financing: letters of Intent from bank or lending institution
  - Partnership and/or ownership information with equity positions

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SIGNATURE:_____ DATE:_____

# Community Redevelopment Agency (CRA) Area Map

