

Application Score Sheet

Proposed Project: City of Niceville, Niceville Old Town Redevelopment Plan and Economic Impact Documentation (#19)

Proposed Project/Program County: Okaloosa

Board of County Commission Support: Yes

Total Projected Project Cost: \$1,240,000.00

Match Provided: \$1,060,000.00

Triumph Funds Requested: \$180,000.00 (19%)

Score: C

Date: 11/27/18

Economic Impact Analysis and Score

The City of Niceville is seeking a Triumph grant of \$180,000 for funding a planning and feasibility assessment of the economic, social, and overall community benefit of improvements to the City's original central business district, now referred to as "Old Town." The applicant suggests the Old Town project will be "transformational in that it will create an intensively planned business district with a major public use component from a former run down, poorly developed, and regressive obsolete business district." A supporting 2015 study from the Institute of Senior Professionals at Northwest Florida State College found that the downtown district is deteriorating due to: "inadequate street layout, faulty layout of commercial properties in respect to accessibility, size and outdated density patterns of individual structures, diversity of ownership, inadequate transportation and parking facilities, lack of functional open space, deteriorated structures and properties, inadequate access to major transportation routes, a large number of vacant properties, and overall deterioration."

Page 11 of the application states that the Triumph request of \$180,000 represents 19 percent of the estimated project cost. Alternatively, using the design and engineering, land acquisition and improvement costs presented on page 11 in the "Example Costs" proposal budget, the Triumph contribution would represent 14.5 percent of a subsequent total cost of \$1,240,000. Page 13 of the proposal details projected match at \$60,000 from the City's CRA funds, along with a \$500,000 grant from the Florida Legislature (from FL FWC, expended in 2017), \$400,000 from the Okaloosa RESTORE program (disbursement currently in process), and \$100,000 in cash match (to the RESTORE funding) from the City of Niceville.

The proposal states that the Old Town project will be self-sustaining via CRA revenues and associated tax increment financing (TIF). The applicant suggests that long term impacts of the project can be measured via: the number of new businesses created within the first ten years; the increase in CRA revenues by year; net new jobs located in the area in the first ten years; and, the number of public or public use events per year over ten years. Project milestones would be to select and hire a national urban design firm, and then complete the project plan. This would be associated with seven new jobs with the urban design firm and one with the City, however these

would occur during the period of Triumph-funded performance rather than subsequent to Triumph funding.

The proposal lacks credible economic impact analysis suggesting that upon completion of the renovation project, sustainable new direct jobs with good wages would be directly supported by the Triumph-funded asset. Instead, the project seems to replace with Triumph funding what would normally be done by government spending for public amenity projects.

For the above reasons Triumph staff rate the Niceville Landing project as a score of “C” and do not recommend it for further action by the Triumph Board.

Project Summary (based on information provided by the applicant)

The City of Niceville requests Triumph funds to engage a nationally known urban design firm to prepare an Old Town Redevelopment/Development Plan to support and justify future public capital investments in the project area. The proposed plan would also provide necessary documentation to gauge the level and timing of public expenditures over a multiyear period.

The proposed project will provide a plan to restore and recover a 1950's historic business district to a 2020's dynamic and intensive waterside development of public facilities, owner owned businesses, and recreational open space for local citizens and visitors. In addition to a "Seaside" business concept, the project is proposed to provide a venue for public events such as concerts, weddings and attractions such as July 4th fireworks.

The City of Niceville created a Community Redevelopment Agency (CRA) in 2015 and approved a CRA Priority Plan 2016. Two of the five priority objectives in the Priority Plan include facilitating the redevelopment of the City's former central business district (Old Town) by supporting intensive retail development and constructing a public landing facility.

The CRA Priority Plan resulted in a \$400,000 RESTORE Grant and a \$500,000 Legislative Appropriation in the last two years. However, the Priority Plan does not have a detailed Old Town Redevelopment Plan needed to undertake additional redevelopment components. The CRA does not have the revenues for the additional planning components.

The funds requested in this proposal will be used to assist the City of Niceville and the CRA to determine the actions necessary to maximize the use of the CRA area land there by maximizing the economic benefit to the City of Niceville, local businesses, CRA land owners, local employment, local tax base, and to the Okaloosa regions quality of life and economic wellbeing as a whole.

The City of Niceville is working with its CRA, Northwest Florida State College, and the Okaloosa Economic Development Council to plan and implement this project. The landing component of the Old Town Redevelopment scored the highest on the Okaloosa County competitive RESTORE applications.

The city indicates that the proposed project is sustainable based on its location within the CRA, which has its own but limited source of revenue. In 2015 the City established the CRA and tax increment financing to support its development and maintenance. Although annual revenues now are small (less than \$100,000 in 2017) the projections indicate a consistent flow of revenues to support basic costs. The overall goal of this project is to well exceed sustainability and develop the final project as a major economic and jobs generator.

The deliverables of this project are proposed to be an Old Town Redevelopment / Development Plan with an economic analysis and justification component. The measurement will then be the extent of public and private funds directed to implement the plan.

The proposed project is fully transformational in that it will create an intensively planned business district with a major public use component from a former run down, poorly developed, and regressive obsolete business district. It is expected to provide new jobs in all sectors. These include: construction, business ownership, business staff, and overall maintenance support.

Under this Phase I effort the number of jobs provided is estimated at eight (8). Seven (7) with the urban design firm and one (1) new job with the city.

Funding and Budget (as provided by the applicant)

5. Please provide a Project/Program Budget. Include all applicable costs and other funding sources available to support the proposal.

A. Project/Program Costs:

Example Costs (Note: Not exhaustive list of possible Cost categories.)

Construction:

Reconstruction:

Design & Engineering: \$240,000.00

Land Acquisition: \$500,000.00

Land Improvement: \$500,000.00

Equipment Supplies:

Salaries:

Other (specify):

Total Project Costs: \$1,240,000.00

B. Other Project Funding Sources:

Example Funding Sources (Note: Not an exhaustive list of possible Funding Sources.)

City/County \$160,000

Other (e.g., grants, etc.) \$900,000.00

Total Other Funding \$1,060,000.00

Total Amount Requested: \$180,000.00

The Triumph grant is intended to supplement both City CRA Revenues and current and future state and federal grants. The current project cost is currently \$1,240,000 project, of which \$1,060,000 is from the city and grants. The City's full CRA annual budget will be required to provide the dedicated match to the Triumph Funds.

The proposed local cash match is \$60,000 and will be obtained from the City of Niceville CRA budget funds. Other funds included in the project are a \$500,000 grant from the Florida Legislature, a \$400,000 grant commitment from the Okaloosa RESTORE Program and a \$100,000 city cash match to the RESTORE funds.

The City's \$60,000 match, it will be used with the Triumph funds to secure and employ an urban design consultant to develop an action plan to:

1. Achieve economic recovery of the deteriorated former central business district;
2. Provide economic diversification to the extent possible;
3. Provide public and private enhancement to southern Okaloosa County and to target the area's significant tourism economy which does not currently exist in Niceville.