

RECORD OF MINUTES

Escambia County
Enterprise Zone Development Agency Meeting
January 28, 2015 – 12:00 pm CST
Greater Pensacola Chamber, Boardroom
117 West Garden Street, Pensacola, Florida 32502

Present: Steve Littlejohn, Chair
Danita Andrews, Vice Chair
Peggy Fowler

Absent: Larry Strain
Jaunita Williams
Teresa Frye
Susan Nelms
Nita Freeman
Ruth McKinon
EZ Business- Vacant
Rebecca Hale
Commander Dale Tharp

Staff Present: Clara Long, CRA Division Manager
Victoria D'Angelo, Redeveloper I/Enterprise Zone Coordinator

Attendees: Stephanie Nowlin

1. Call to Order

Meeting called to order at 12:00 pm CST.

2. Proof of Publication

Meeting was published in the Pensacola News Journal on January 17, 2015 and January 24, 2015.

3. Determination of a Quorum

A quorum was not present. Attendance: 5 of 13

4. Approval of Minutes- October 22, 2014

Approval of the October 22, 2014 minutes was tabled for quorum purposes. The minutes are scheduled to be approved at the following Enterprise Zone Development Agency (EZDA) Board Meeting on April 22, 2015.

5. Selection of Enterprise Zone (EZ) Business Representative

For quorum purposes, the selection of an Enterprise Zone Business Representative was tabled until the following meeting.

6. Presentation on Enterprise Zone and Community Redevelopment Agency First Quarter Report (July 1, 2014-September 30, 2014)

Victoria D'Angelo, Escambia County Enterprise Zone Coordinator, provided a brief presentation on the Enterprise Zone and Community Redevelopment Agency First Quarter Report.

7. Approval of 1st Quarter EZDA Report

For quorum purposes, approval of the First Quarter EZDA Report was tabled until the following meeting.

8. Old Business

Ms. D'Angelo introduced and provided instruction on the Enterprise Zone Interactive Map which was created by the Escambia County Geographic Information Systems (GIS) Department for the purpose of searching addresses, zoning and existing land use within the Escambia County Enterprise Zone.

9. New Business

1. Presentation on Animal Control Policy and Procedures in Escambia County- Sergeant Stephanie Nowlin

- Sergeant Nowlin provided a brief presentation on the policies and procedures of animal control in Escambia County. She explained the local laws affiliated with animal ownership and breeding in Escambia County.

1. Announcement on Florida Tax Watch Enterprise Zone Report

- Vice Chair Danita Andrews announced that the Florida Tax Watch in collaboration with the Florida Economic Development Council would likely release an economic development-based Enterprise Zone Report to the Florida Legislature regarding the proposed program sunset during December 2015.

10. Public Comment

One (1) public speaker expressed her desire for information on the Florida Enterprise Zone Program to reach more of the local community.

11. Adjournment

Meeting adjourned 1:09 pm CST.

**EZ & CRA
FIRST QUARTER REPORT
(July 1, 2014 – September 30, 2014)**

Presented to the
Enterprise Zone Development Agency (#1703) Board of
Commissioners

January 2015



EZ & CRA Annual Incentives

Q4 FY2014 vs. Q1 FY2015

■ EZ Incentives

■ EZ PSI

■ CRA Incentives

■ TOTAL PSI (EZ + CRA Incentive)

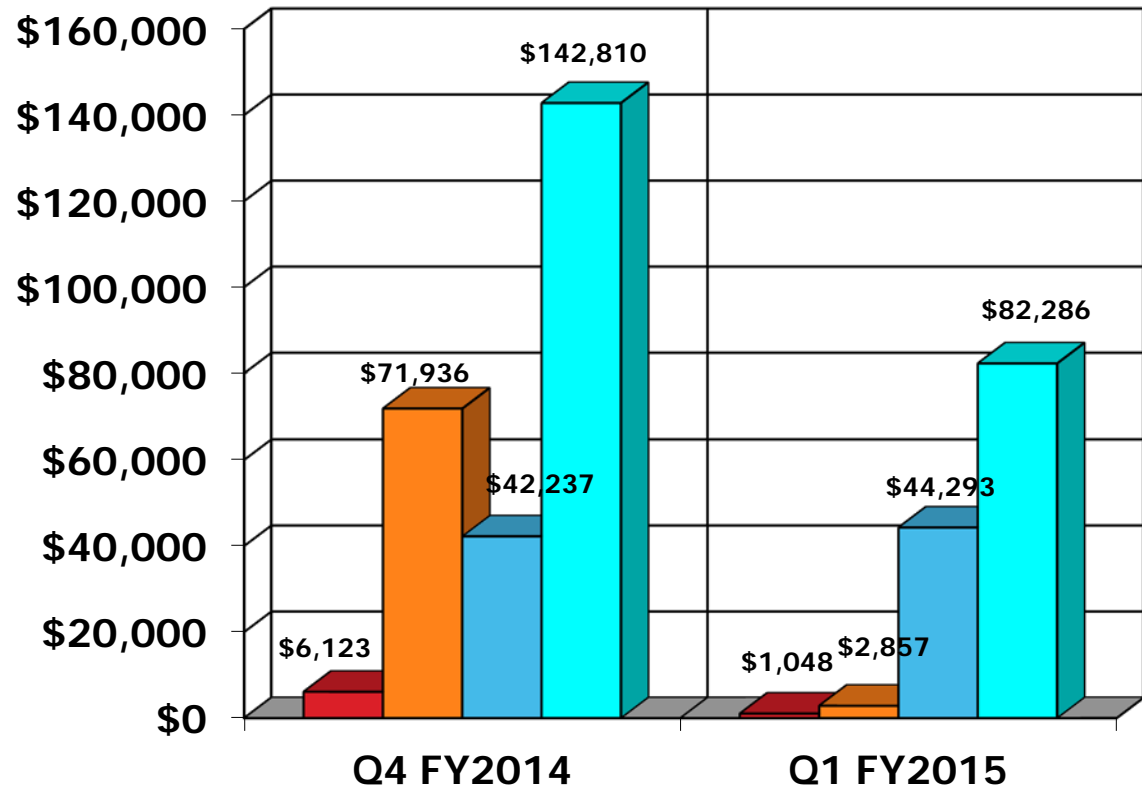
❖ **PSI** = Private Sector Investment

❖ **EZ Incentives:** Building Materials, Business Equipment, and Job Tax Credit (Job Creation) Tax Incentives

❖ **CRA Incentives:** Commercial Façade & Sign Grants, Residential Rehab & Tree Trimming Grants

❖ 22 Grants: Q4 2014

❖ 17 Grants: Q1 2015



EZ & CRA First Quarter Incentives Breakdown

July 1, 2014- September 30, 2014

| | #Incentives | Amt Award | PSI* | ROI** |
|----------|-------------|-----------|----------|-------|
| EZ | 1 | \$1,048 | \$2,857 | 3:1 |
| CRA | 17 | \$44,293 | \$79,424 | 2:1 |
| Combined | 18 | \$45,341 | \$82,286 | 2:1 |

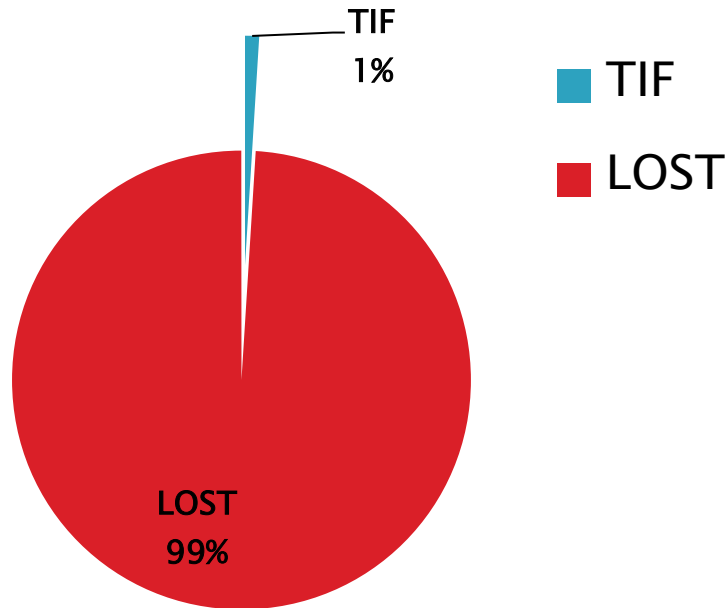
*PSI: Private Sector Investment

**Return on Investment

Improvement Projects In the Enterprise Zone & Redevelopment Districts

| Funding Sources | # Projects | Total \$ Amount |
|--|---|---|
| CDBG | 0 CIP Projects | \$0 |
| General Fund (Code Enforcement) | 2 Demos | \$17,000 |
| SHIP & HOME (Housing) | 0 Sewer Infrastructure 0 Housing Projects | \$0 |
| Safe Routes to School (SRTS) & Traffic Division | None | \$0 |
| LOST III | 1 Brownfield Appraisal 12 CIP | \$325 \$409,231 |
| Tax Increment Finance (TIF) Fund | 1 CIP 1 Brownfield 2 Commercial Façade & Sign Grants 12 Residential Rehab Grants 3 Hazardous Tree Trimming/Removals 6 Property Acquisition | \$5,700 \$50 \$12,987 \$28,156 \$3,150 \$2,959 |
| Totals | 40 Improvement Projects | \$479,558 |

CIP Funding Sources (Q1)



The figure (left) displays comparisons in the amount of funding utilized in capital improvement project design and construction for Tax Incremental Financing, Local Option Sales Tax (LOST), Community Development Block Grant (CDBG) and other funding sources (if any).

The diagram indicates that a majority of capital improvement projects were funded by LOST funds during EZDAQ1 and reveals that outside sources are commonly leveraged to complete projects within the Enterprise Zone, and Community Redevelopment Area.

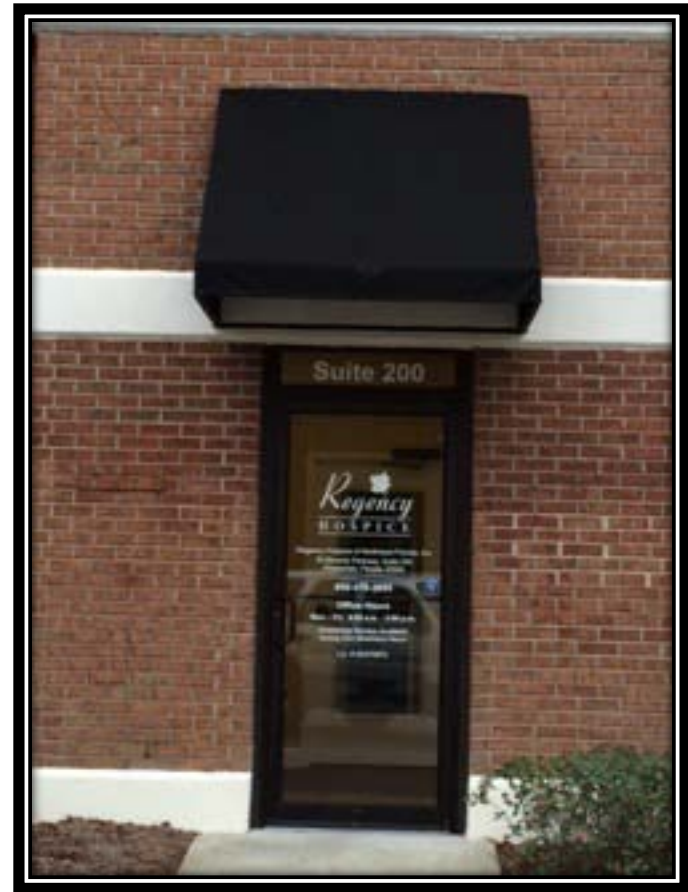
*No CDBG funds were expended during Q1 2015.



\$1,048

**Enterprise Zone Incentive
(Corporate Job Tax Credit)**

Total Private
Investment
\$2,857



After



Enterprise Zone New Business

- Applied for New Business License during Q1 2015
- Improvement values not yet available but expected to be included in 2015 Annual Report.

Before



After



Enterprise Zone Business

- Received \$10,000 Façade Grant
- Constructing additional commercial space within building
- Total investment: TBD in Annual Report



Before



ESCAMBIA COUNTY
Enterprise Zone Development Agency
(EZDA)
FIRST QUARTER REPORT

July 1, 2014 – September 30, 2014

Prepared by the Escambia County
Community & Environment Department
Community Redevelopment Agency



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Executive Summary

Introduction

The Escambia County Enterprise Zone Development Agency (EZDA #1703) First Quarter Report is hereby submitted to the Florida Department of Economic Opportunity (DEO) in accordance with F.S. 290.014.

This report summarizes the results of the Florida Enterprise Zone (EZ) Program during the period of July 1, 2014 through September 30, 2014 (EZDA Q12015). The purpose of this report is to examine and provide the impact of the Florida EZ Program and to monitor the use of state and local incentives. Figure A on page 8 illustrates the Enterprise Zone's geographic extent and location.

The Enterprise Zone Development Agency Board, County staff, and development partners continue to implement the major goals outlined in Escambia County's EZ Strategic Plan and provide updated information on a quarterly and annual basis.

Table 1: Data reported for EZDA #1703 during EZDA Q12015 based on EZ Incentives*

| | |
|----------------|--|
| <u>1</u> | Enterprise Zone Development Agency (EZDA) Board Meetings |
| <u>0</u> | Enterprise Zone Workshop |
| <u>1</u> | Technical Assistance |
| <u>0</u> | Met in Person |
| <u>12</u> | Phone Calls/Emails |
| <u>6</u> | Incentive Packets Mailed |
| <u>1</u> | Businesses Assisted (Retail and Medical) |
| <u>\$1,048</u> | EZ Incentives Awarded |
| <u>\$2,857</u> | Private Investment Leveraged** |
| <u>1</u> | New Jobs created in the EZ |
| <u>1</u> | Number of EZ Residents Employed within the EZ |
| <u>\$8/hr</u> | Average Hourly Wage of EZ Residents Employed within EZ*** |
| <u>\$952</u> | Average Monthly Wages Paid to New EZ Employees**** |

Table 1 represents data collected solely based on Enterprise Zone incentive applications submitted to EZDA#1703 for certification during EZDA Q12015. The table represents program utilization during EZDA Q1 2015 but **does not** represent accomplishments within the Escambia County Enterprise Zone as a whole.

*All figures based on real data submitted by local EZ businesses, and data collected by EZ Coordinator

**Figure based on amount of business equipment, employee wages, building materials purchased and/or change in property value based on property improvements

*** Reported Average Monthly wages/170 hrs (8 hrs/day multiplied by ~21 work days/calendar month) or Florida minimum wage, whichever is greater)

****Monthly wages reported/# of EZ resident employee's claimed

Executive Summary Continued

Analysis of the overall success of the Florida Enterprise Zone Program within Escambia County requires a comprehensive assessment of the total redevelopment and economic development activities which have occurred within the Enterprise Zone within the reporting time period.

Table 2 (below) attempts to summarize the total amount of redevelopment and economic development activity which occurred within Enterprise Zone #1703 during EZDA Q1 2015. EZDA #1703 is working diligently to improve data collection methods for data reported in EZDA annual and quarterly reports. Particular areas of concern include new business and job creation tracking, as reliable sources of these statistics are not readily available or easily gathered.

Table 2: Redevelopment and Economic Development Assessment based on data collected for EZ#1703 during EZDA Q1 2015

| | |
|------------------|--|
| <u>75</u> | New Businesses located in the EZ* |
| <u>1+</u> | New Jobs created in the EZ** |
| <u>\$44,293</u> | CRA Incentives Awarded (CRA Grants & Hazardous Tree Program) |
| <u>\$82,286</u> | Private Investment Leveraged*** |
| <u>\$1,048</u> | EZ Incentives Awarded |
| <u>\$5,700</u> | Capital Improvement Projects (TIF & Other Sources)**** |
| <u>\$409,231</u> | Capital Improvement Projects (LOST & Other Sources)**** |
| <u>\$375</u> | Brownfield (CDBG/VCTC) |
| <u>\$117,511</u> | CRA Maintenance (Street Lights, Streetscapes, & Clean Sweeps) |
| <u>\$2,959</u> | Property Acquisition |
| <u>\$0</u> | Housing Projects (CDBG/HOME/SHIP) |
| <u>\$17,000</u> | Demolitions |

Table 2 represents data collected from a variety of sources including Enterprise Zone incentive applications, Escambia County Tax Collector's Office, and Escambia County Departments.



Based on available data, the Florida Enterprise Zone Program in Escambia County leveraged \$432,125 in Local Option Sales Tax (LOST) funding for capital improvements, and \$85,143 in private investment.

*New business data was submitted by the Escambia County Tax Collector for new business licenses (non-renewals) issued during EZDA Q1 2015. Businesses located within the Enterprise Zone were derived using a geographic information system software program and manually inspected for duplicity, multiplicity and/or inaccuracy.

**Accurate data is not yet available for the total number of new jobs created within the Enterprise Zone during EZDA FY2014.

***Includes private investment based on EZ incentive and CRA grant applications.

****Other sources may include Local Option Sales Tax (LOST), ECUA, and other local, state and federal funding sources

EZDA Quarterly Comparison (FY2015)

Figure A: Redevelopment and Economic Activity Assessment (EZ#1703)

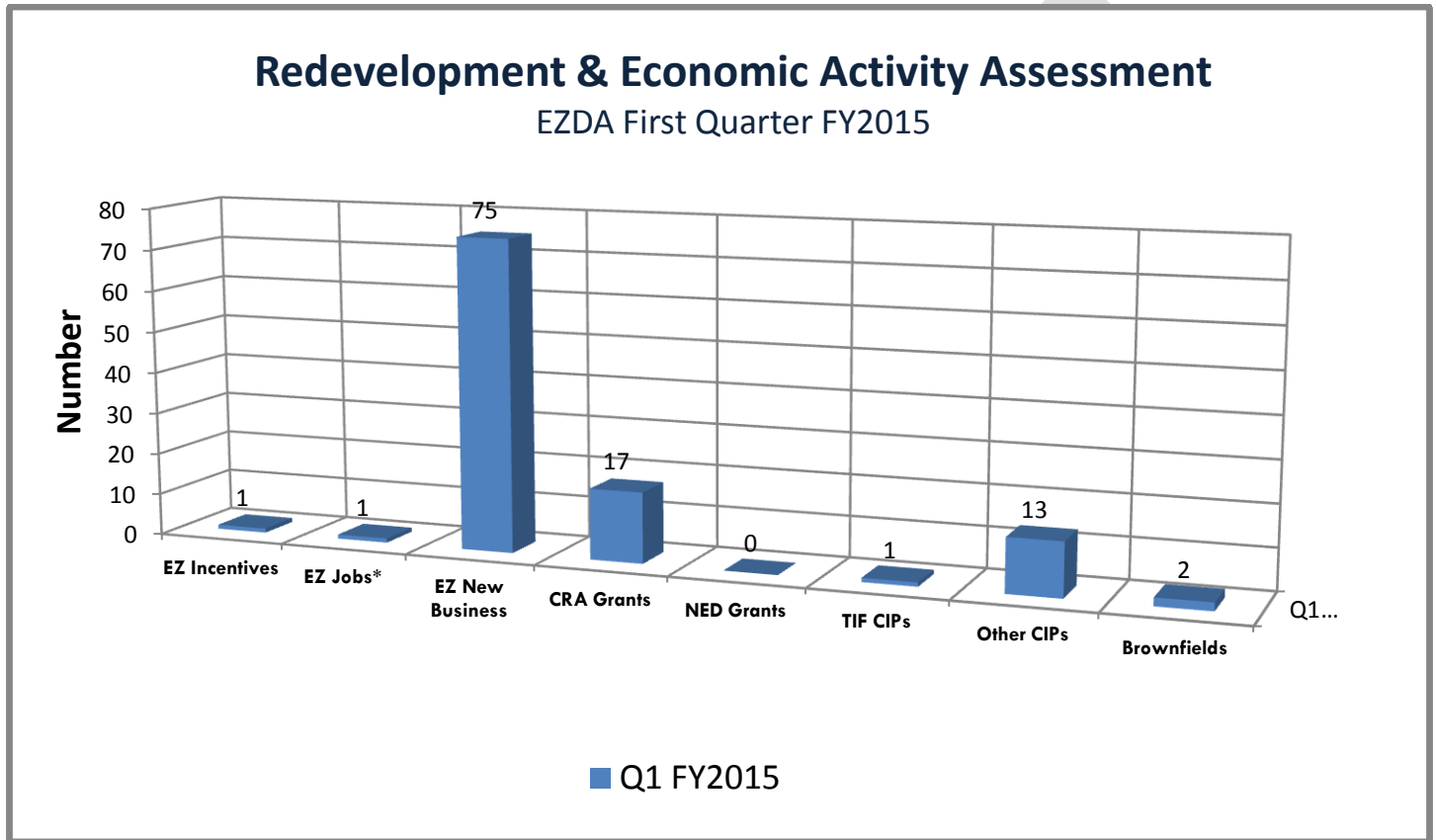


Table 3 (above) displays redevelopment and economic activity which occurred within the Enterprise Zone during EZDA Q12015.

Explanation of Redevelopment and Economic Activity Data

The diagram above displays figures on the number of Enterprise Zone incentives submitted to EZDA #1703, jobs created, new businesses, number of Community Redevelopment Agency, and Neighborhood Enterprise Division grants awarded, and capital improvement and Brownfield projects being conducted within Enterprise Zone #1703 during EZDA Q12015.

Enterprise Zone incentive data relates to the number of applications which were submitted to EZDA #1703 during the reporting period. The number of jobs created within the Enterprise Zone is derived from the applications submitted and is not representative of the job creation within the Enterprise Zone as a whole. Currently, accurate data collection methods for job creation within the zone as a whole are not known to exist by EZDA #1703. Therefore, the jobs reported during EZDA Q12015 are not representative of new business rates, and are based solely upon jobs reported in EZ applications submitted for certification.

*Calculated based on EZ incentive applications alone. No other accurate data collection sources were available to report on this data.

Explanation of Redevelopment and Economic Activity Data Continued

Figures on new business within the EZ are derived from an annual spreadsheet provided by the Escambia County Tax Collectors Office on the total number of new business (non-renewal) business licenses which were issued during EZDA Q12015. New businesses within the EZ were derived from the spreadsheet using a geographic information system (GIS) software program, and manually inspected for duplicity, multiplicity, and/or inaccuracy. During previous years, new business figures were derived from a variety of sources including estimation based on EZ incentive applications requesting certification, and new business licenses containing renewal licenses. Due to the variance in data collection methods, comparisons on this data have been inaccurate in the past. EZDA #1703 is currently working with the Escambia County Tax Collectors Office to further refine data collection on new businesses, as the new business list still contains business which may be applying for additional business license but are not necessarily a new business locating within the Enterprise Zone. Additionally, human errors may occur during the collection of this data, leading to inaccuracies in the reported data. The accuracy of new business data is expected to improve in future years.

The number of capital improvement projects (CIPs) funded by Tax Incremental Financing (TIF) is tracked and reported by the Community Redevelopment Agency, and is cross referenced with financial audit reports to ensure accuracy of period reporting. The total number of CIPs funded by Other Sources is compiled based on data reported by the Community Redevelopment Agency, Engineering Department, Neighborhood Enterprise Division, and Land Management and Water Quality Division. This information is cross referenced with financial audit reports to ensure accuracy of period reporting.

The number of Community Redevelopment Agency (CRA) and Neighborhood Enterprise Division (NED) Brownfield projects conducted within the EZ are tracked and reported by the CRA and NED and cross referenced with financial audit reports to ensure accuracy of period reporting.

Next Page: Funding Sources for Capital Improvement Projects

Comparison of Funding Sources for Capital Improvement Projects (CIPs) during EZDA FY 2014

Accurate comparison data is not available for EZDA Q1 2014 (July 1, 2013-September 30, 2013) due to changes in data collection methods. Due to these changes, comparison data is not represented in the diagram below.

The diagram below represents data for capital improvement project funding during EZDA Q1 2015.

Figure B: Comparison of CIP Funding Sources for EZDA Fiscal Year 2014

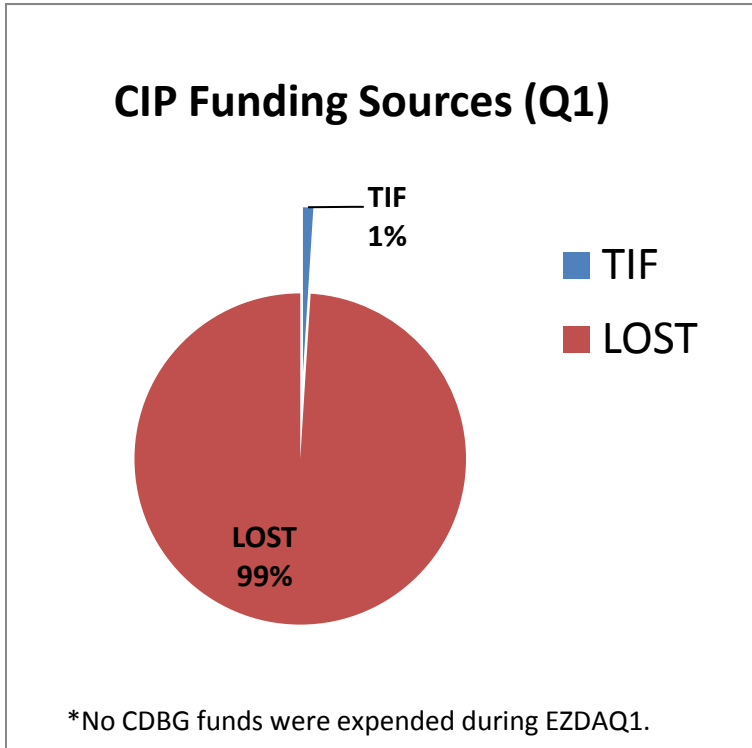


Figure B (left) displays comparisons in the amount of funding utilized in capital improvement project design and construction for Tax Incremental Financing, Local Option Sales Tax (LOST), Community Development Block Grant (CDBG) and other funding sources. The diagram reveals that a majority of capital improvement projects were funded by LOST funds during EZDAQ1.

This data reveals that outside sources are commonly leveraged to complete projects within the Enterprise Zone, and Community Redevelopment Area.

Enterprise Zone Development Agency and Board of Commissioners

MISSION STATEMENT

To revitalize the Enterprise Zone by enhancing current Escambia County Community Redevelopment efforts which seek to induce business investments, increase livable-wage jobs, promote sustainable economic development, and ensure a better quality of life for Escambia County's residents.

Enterprise Zone Development Agency Board Structure

Escambia County's Enterprise Zone Strategic Plan (2004) identified the following seven (7) major goal areas: Business Development, Workforce Development, Neighborhood and Housing Development, Environment, Infrastructure, Physical Appearance, and Public Safety and Security. The EZDA Board's composition is representative of these goals and consists of twelve (12) Enterprise Zone members who include local chamber of commerce, finance or insurance, Enterprise Zone business, non-profit, workforce development, code and law enforcement, Enterprise Zone residents, and Greater Pensacola citizens at large.

Figure D: Major Goals of the Escambia County Enterprise Zone Development Agency

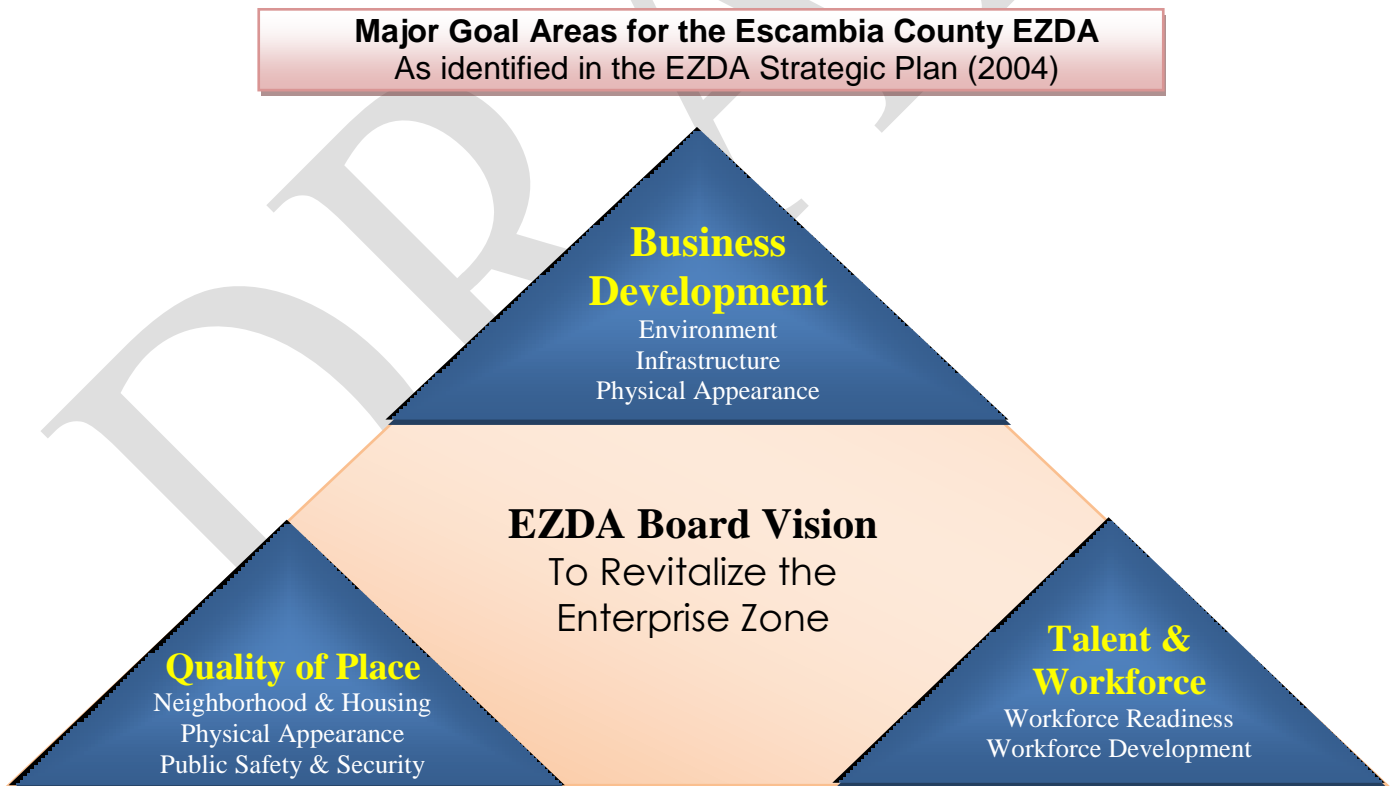


Figure D above includes the seven (7) major goal areas, of the Escambia County Enterprise Zone Development Agency (EZDA #1703) , as identified in the EZDA Strategic Plan (2004) for revitalization of the Enterprise Zone. An eighth major goal area has been added, "Workforce Readiness" since it has been identified as a precursor to workforce development.

ENTERPRISE ZONE INCENTIVES

The Florida EZ Program includes financial incentives which are offered primarily to businesses to encourage private investment and increase employment opportunities for EZ residents.

Financial incentives available through the Florida EZ Program include:

- **EZ Jobs Tax Credit (Sales & Use Tax) –**
Businesses located within an EZ, who collect and pay Florida sales and use tax, receive a monthly credit against their sales tax due on wages paid to new employees who have been employed for at least three (3) months (six (6) months for leased employees) and live within the EZ, or participate in the Welfare Transition Program. *Administered by the Florida Department of Economic Opportunity and Department of Revenue, and certified by Escambia County.*
- **EZ Jobs Tax Credit (Corporate Income Tax- “C” Corporation Only) -**
Businesses located within an EZ, who pay Florida Corporate Income Tax, receive a corporate income tax credit for wages paid to new employees who have been employed for at least three (3) months (six (6) months for leased employees) and live within the EZ, or participate in the Welfare Transition Program. *Administered by the Florida Department of Economic Opportunity and Department of Revenue and certified by Escambia County.*
- **Escambia County Economic Development Ad Valorem Tax Exemption (EDATE) –
Supplemented for EZ Property Tax Credit**
New or expanded businesses located in an EZ are allowed a credit on their Florida Income Tax equal to 96% of ad valorem taxes paid on the new or improved property according to Escambia County’s assessment rate. *Administered by Escambia County.*
- **EZ Building Materials Sales Tax Refund –**
A refund is available to businesses and residences for state sales tax paid on the purchase of building materials used to rehabilitate real property located in the EZ. *Administered by the Florida Department of Economic Opportunity and Department of Revenue and certified by Escambia County.*
- **EZ Business Equipment Sales Tax Refund –**
A refund is available to businesses for state sales tax paid on the purchase of certain business equipment, which is used exclusively within the EZ for at least three (3) years. The minimum purchase price of the equipment is \$5,000 per unit. *Administered by the Florida Department of Economic Opportunity and Department of Revenue, and certified by Escambia County.*
- **Community Contribution Tax Credit Program –**
Businesses located in an EZ are eligible for a tax credit of up to 50% on Florida Corporate Income Tax or Insurance Premium Tax, as well as, a sales tax refund for eligible donations to approved community development projects. *Administered by the Florida Department of Economic Opportunity and Department of Revenue, and certified by Escambia County.*

Enterprise Zone Incentives Continued

EZ Incentives Certified during EZDA Q12015

Table 3: Florida Enterprise Zone Program Incentives Certified during EZDA Q1 2015

| Florida Enterprise Zone Program Incentives | Tax Incentive Type | Amount Certified | Private Investment Contributed | Average Monthly Wages Contributed per EZ Employee | # EZ Employees Claimed | # Jobs Created |
|--|----------------------|------------------|--------------------------------|---|------------------------|----------------|
| Building Materials Sales Tax Refund | Sales Tax | \$0 | \$0 | N/A | 0 | 0 |
| Business Equipment Sales Tax Refund | Sales Tax | \$0 | \$0 | N/A | 0 | 0 |
| Jobs Tax Credit | Sales Tax | \$0 | \$0 | \$0 | 0 | 0 |
| Jobs Tax Credit | Corporate Income Tax | \$1,048 | \$2,857* | \$952 | 1 | 1 |
| Property Tax Credit (Supplemented by EDATE Program in Escambia County) | Corporate Income Tax | \$0 | \$0 | N/A | 0 | 0 |
| Community Contribution Tax Credit Program | | \$0 | \$0 | N/A | 0 | 0 |
| TOTAL | | \$1,048 | \$2,857 | \$952 | 1 | 1 |

Table 3 represents data collected from EZ incentives which were submitted to EZDA #1703 for certification during EZDA Q1 2015.

One (1) applicant applied for an Enterprise Zone tax incentive during the First Quarter of EZDA Fiscal Year 2015. A Jobs Tax Credit for Corporate Income Tax was certified for Regency Hospice of Northwest Florida located at 50 Beverly Parkway within the Palafox Redevelopment District.

Current Locations



Regency Hospice of Northwest Florida, Inc., a local hospice care and hospice service provider, received certification for a Corporate Income Tax Credit in the amount of \$1,048 for wages paid towards the creation of a new job within the Enterprise Zone.

The image above shows the locations of twenty-six (26) Curo Health Services provider locations within the Southeastern United States. Regency Hospice in Pensacola, Florida is one (1) of seven (7) hospice brands under Curo Health Services.

*(Average monthly wage multiplied by 3 months (1 quarter)) multiplied by number claimed employees

THIS QUARTER'S ENTERPRISE ZONE HIGHLIGHTS

The Escambia County Tax Collector's Office reported 75 new business (non-renewal) licenses were issued during EZDA Q12015 to businesses located within the Enterprise Zone. The map (below) displays the diverse geographical locations of new Enterprise Zone businesses. All 75 recorded businesses are prospective candidates for Florida Enterprise Zone Tax Incentive benefits due to their location within the Enterprise Zone. An additional six (6) new businesses were located within portions of the Warrington and Barrancas Redevelopment Districts which exist outside of the Enterprise Zone boundaries.

Figure E: Geographic Extent of New Business Locations within the Enterprise Zone

New Businesses in the Enterprise Zone

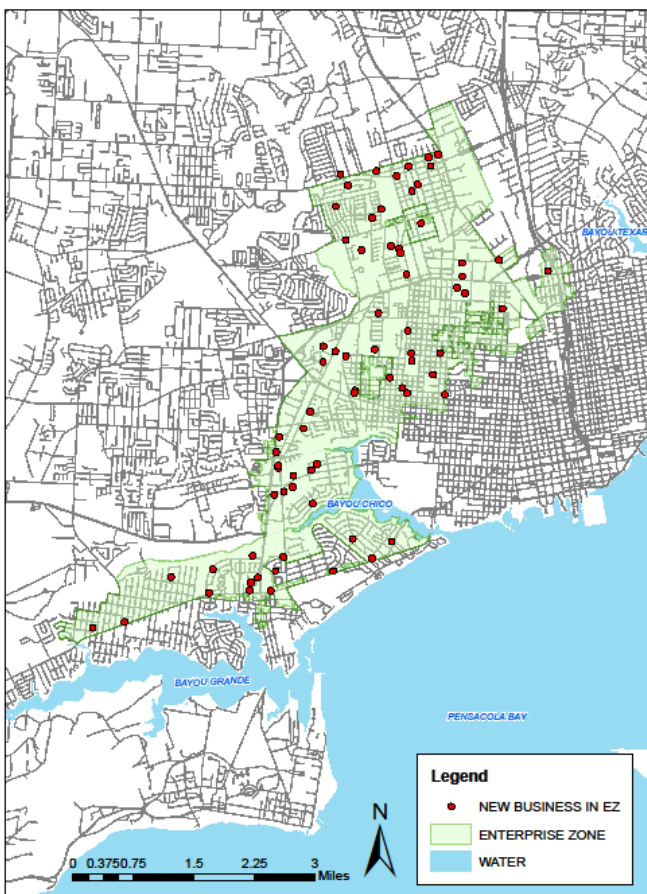


Figure E represents the geographic distribution of new businesses which located within the Enterprise Zone during EZDA Q12015.



Chick-fil-A (above) located at 510 North Navy Boulevard within the Warrington Redevelopment District applied for a new business license through Janet Holley Tax Collector's Office during EZDA Q12015. The business held a grand opening on October 16, 2014, which featured free Chik-Fil-A meals for a year for the first 100 guest in line by 6 a.m. on opening day.

COMMUNITY REDEVELOPMENT INCENTIVES

CRA Local Grants

Local grants are funded through the Escambia County Community Redevelopment Agency's (CRA) Tax Increment Financing (TIF) to provide assistance to local commercial businesses and residents located within Escambia County's six (6) redevelopment districts and enterprise zones.

CRA incentives include the Commercial Façade and Sign, and Residential Rehab Grant Programs, and Tree Trimming-Removal Program.

During EZDA Q12015, 17 grant applications were submitted and approved with awards totaling \$44,293 and stimulating over \$82,286 in private sector investment. These incentives support the CRA's mission to revitalize Escambia County's redevelopment districts and enterprise zone, induce business and residential investment, and promote sustainable economic development.

Table 4: Community Redevelopment Agency Incentive Programs

| Local Incentive | # Grants | Amount Awarded | Private Investment Contributed |
|--|-----------|-----------------|--------------------------------|
| Commercial Façade and Sign Grant Program | 2 | \$12,987 | \$25,974 |
| Residential Rehab Grant Program | 12 | \$28,156 | \$56,312 |
| Tree Trimming-Removal Program | 3 | \$3,150 | \$0 |
| TOTALS | 17 | \$44,293 | \$82,286 |

Table 4 (left) summarizes data collected on the Escambia County Community Redevelopment Agency's three (3) incentive programs. These incentives support the CRA's mission to redevelop and revitalize the Enterprise Zone and Community Redevelopment Districts.



The residence located at 312 Payne Road (above) received a matching Residential Rehabilitation Grant in the amount of \$3,727 for roof replacement and sewer connection. 1220 El Paso Road (below) received a Residential Grant in the amount of \$5,729 for roof and window replacements.



The former site of the Neighborhood Enterprise Division located at 3420 Barrancas Avenue (left) received a Façade, Landscape and Infrastructure matching grant in the amount of \$10,000 for renovations to the existing property.

Unity Salon, located at 919 West Michigan Avenue (right) also received a matching Façade grant in the amount of \$2,987.



NEIGHBORHOOD & HOUSING DEVELOPMENT

The EZDA's goal and strategy are to actively promote residential and neighborhood revitalization and increase affordable housing opportunities in the EZ. EZ goals relate to the rehabilitation of housing units in fair to poor condition within the EZ. Escambia County provides multiple rehabilitation programs, depending upon the condition of the unit.



During EZDA Q12015, **zero (0)** homes located within the EZ received housing assistance funded by one of three affordable housing and community



The image above displays 3010 West Jackson Street which received CDGB funding for housing rehabilitation during EZDA FY2014. This grant was awarded by the Neighborhoods Enterprise Division (NED). No funds were expended for housing projects during EZDA Q12015.

redevelopment programs serviced through the Escambia County's Neighborhood Enterprise Division (NED). Programs offered by NED include the Community Development Block Grant (CDBG) Program and the HOME Investment Partnerships Program (HOME) administered by the U.S. Department of Housing and Urban Development (HUD), and the State Housing Initiatives Partnerships (SHIP) program administered by the Florida Housing Finance Corporation.

Total assistance provided by Escambia County's housing rehabilitation programs during EZDA Q12015 for affordable housing projects within the EZ totaled \$0.

SPECIAL PROJECTS

No special projects were conducted during EZDA Q12015. Planning for the 2015 Celebrating Brownsville Festival is expected to begin during EZDA Q22015 (October 1, 2015-December 31, 2015).

During EZDA Q12015, there were no funds expended towards special projects within the Enterprise Zone.

DEMOLITIONS



Escambia County's Environmental Code Enforcement Department conducts demolitions of existing dilapidated, vacant structures within the Enterprise Zone. Dilapidated structures which are too costly to be rehabilitated can prove to be detrimental to the economic climate of the Enterprise Zone, and a limiting factor on redevelopment.

During EZDA Q12015, Escambia County invested \$17,000 in the removal of two (2) dilapidated structures within the Enterprise Zone. This investment will increase the redevelopment potential of these parcels by reducing the financial burden on prospective investors, and improve the economic climate of the Enterprise Zone.

| Demolition Address | Cost |
|---------------------------|-----------------|
| 3820 West Jordan Street | \$6,000 |
| 3104 West Gonzalez Street | \$11,000 |
| TOTALS | \$17,000 |



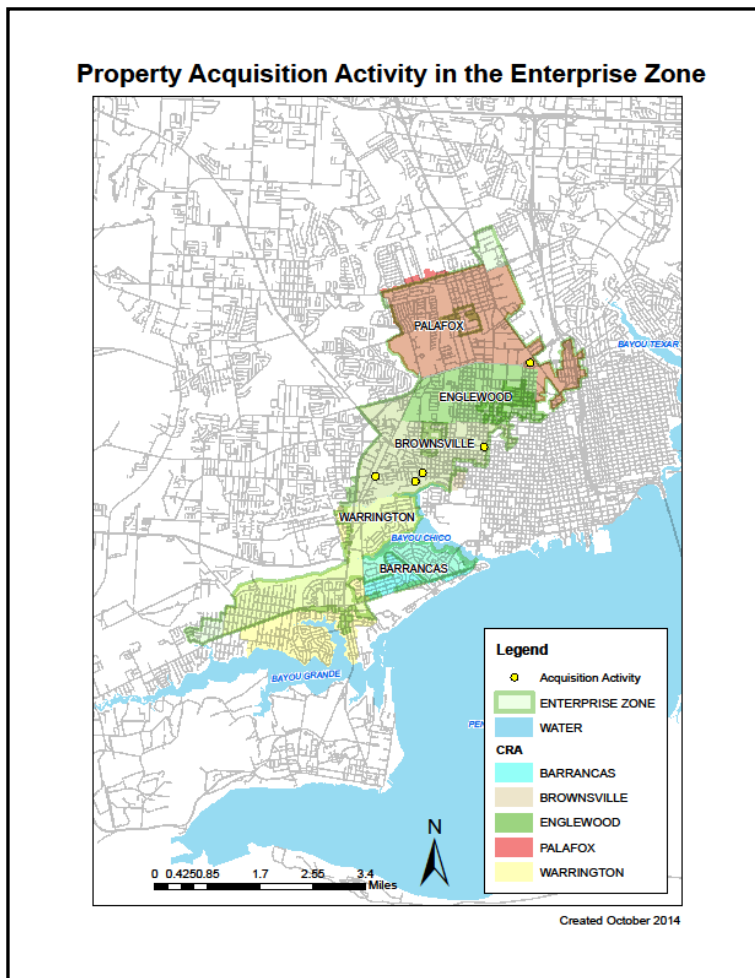
The images above show the demolition of a dilapidated structure located within Escambia County's Enterprise Zone. The removal of the existing structure increases the probability of private sector investment in this property. Photos provided by E.C. Code Enforcement, December 2014

PROPERTY ACQUISITION

The CRA continues to acquire property for revitalization and redevelopment purposes, and is currently targeting 32 properties for acquisition on Frontera Circle located within the Brownsville Redevelopment District. Property acquisition activities were conducted on two (2) of the 32 targeted properties during EZDA Q12015. Acquisition of these properties will allow the CRA to maintain the properties and improve the likelihood of private reinvestment. The strategic acquisition of the Frontera Circle properties is intended to have a dramatic impact on the area's redevelopment potential.

During EZDA Q12015, the CRA carried out property acquisition activities on six (6) properties located within the EZ. The total cost of expenditures for property appraisals, feasibility studies, and purchases was \$2,959 provided by TIF and LOST III funding.

Figure F: Property Acquisition Activity during EZDA Q12015



The image above displays 3804 and 3806 Frontera Circle located within the Brownsville Redevelopment District. Units 3804 and 3806 were approved for acquisition by the Escambia County Board of County Commissioners on August 21, 2014 and October 9, 2014, respectively, and are two (2) of the 32 properties on Frontera Circle targeted for acquisition by the CRA. Acquisition costs for both of these properties continued to be expended during EZDA Q12015.

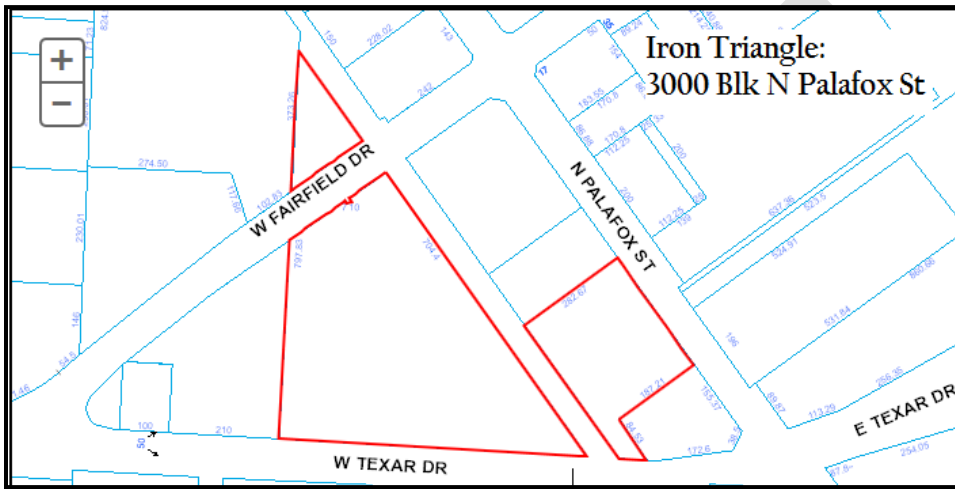


420 Legair Court (left), located in the Brownsville Redevelopment District was appraised during EZDA Q12014 for potential acquisition by the CRA for a small pocket park to serve the community.

Figure F above shows the location of six (6)

BROWNFIELDS

The CRA actively engages in remediation of Brownfield sites for redevelopment purposes. To remediate prospective sites, the CRA conducts feasibility studies, acquires property and finally contracts outside agencies to remove hazardous material from polluted sites. Many of Escambia County's Community Redevelopment Districts struggle with historical industrial pollution. Remediation of these properties eradicates environmental and economic risk, and increases the probability that private investors will redevelop the site.



The image left displays the geographical extent of the Iron Triangle, a Brownfield property with potential groundwater and soil contamination caused by historical metal processing and petroleum handling on the site. Since 2011, Escambia County has conducted Phase 1 and 2 Environmental Site Assessments (ESAs) on the property. Evaluations and survey's continue to be conducted to assist the County and current property owner of the Iron Triangle in understanding the true scope of contamination of the site.

Table 5: Brownfield Projects Completed During EZDA Q12015

| District | Redevelopment District | Project Name | Commitments | Expenditures This Quarter | Funding Source(s) |
|----------|------------------------|---|-------------------|---------------------------|--|
| 3 | Palafox | Iron Triangle-3000 Blk North Palafox Street | \$118,392 | \$50 (Title Commitment) | Palafox TIF; CDBG/VCTC; EPA Brownfield Redevelopment |
| 2 | Brownsville | 420 Legair Circle Appraisal | TBD | \$325 | LOST III |
| | | TOTALS: | \$118,392+ | \$375 | |

Table 5 summarizes data collected on Brownfield Redevelopment activities conducted by Escambia County during EZDA Q12015. Activity conducted includes title commitments and property appraisals for two (2) Brownfield properties within the Enterprise Zone and Community Redevelopment Area.

*VCTC stands for Voluntary Contributions Tax Credit, a private investment fund
 **CDBG stands for Community Development Block Grant, a federal grant program

CAPITAL IMPROVEMENT PROJECTS

The CRA continues to improve public infrastructure and implement capital improvement projects (CIPs) to enhance the quality of life within the County's six (6) targeted redevelopment districts.

Palafox Redevelopment District**

No capital improvement projects were funded by TIF within the Palafox Redevelopment District during EZDA Q12015. However, a title commitment was purchased to support the Brownfield assessment activities for the Iron Triangle project located on the 3000 Block of North Palafox Street. The title commitment cost \$50 expended through the Palafox TIF.



The image above displays the Warrington Redevelopment District Welcome Sign which were purchased during EZDA Q12015.

Warrington Redevelopment District**

One (1) welcome sign was purchased and installed within the Warrington Redevelopment District during EZDA Q12015. Funds to support this improvement were provided by Warrington TIF in the amount of \$5,700.

Barrancas Redevelopment District

No capital improvement projects were funded by TIF within the Barrancas Redevelopment District during EZDA Q12015.

Brownsville Redevelopment District

No capital improvement projects were funded by TIF within the Brownsville Redevelopment District during EZDA Q12015.

Cantonment Redevelopment District*

No capital improvement projects were funded by TIF within the Cantonment Redevelopment District during EZDA Q12015.

Englewood Redevelopment District

No capital improvement projects were funded by TIF within the Englewood Redevelopment District during EZDA Q12015.

Table 6: Capital Improvement Projects funded by Tax Incremental Financing

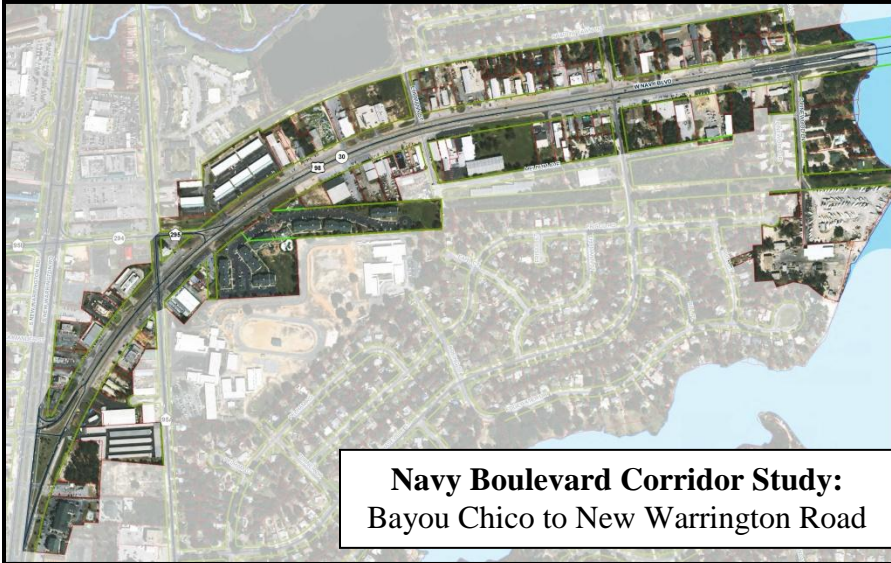
| Project Name | District | Expenditures this Quarter | Funding Source(s) |
|--|----------------|---------------------------|-------------------|
| Warrington Redevelopment District Sign | Warrington; 2 | \$5,700 | Warrington TIF |
| | TOTALS: | \$5,700 | |

Table 6 summarizes data collected for capital improvement projects located within the Enterprise Zone and funded by Tax Incremental Financing and other sources during EZDA Q12015.

*The Cantonment District exists outside of the Enterprise Zone but is located within the County's CRA. This district is included in this report because it is a potential EZ.
 **Nominal portions of the Barrancas and Warrington districts exist outside of the Enterprise Zone boundaries.

CAPITAL IMPROVEMENT PROJECTS

Funded by CDBG, LOST III and Other Sources



The image (left) displays the geographical extent of the Navy Boulevard Corridor Study which will assess proposed improvements to access management, parking and drainage, including methods to improve safety, eliminate congestion and update the appearance of the Navy Boulevard Corridor. The results of the study will be included in the Final Corridor Concept for submittal to the Florida Department of Transportation.

The Navy Boulevard Access Management and Corridor Beautification Project (Navy Boulevard Project) is an expansive capital improvement project based on the Corridor Management Concept. The Escambia County Redevelopment Agency, Transportation and Traffic Division and Engineering and Planning Resources (EPR-Florida) are currently gathering stakeholder input for improvements contained within the Corridor Management Concept. The concept is heavily based on the Community Redevelopment Agency's Navy Boulevard Design Guidelines and Management Plan, and will be submitted to the Florida Department of Transportation once the public involvement process. A public workshop was held during EZDA Q12015, on September 30, 2014 at the Lexington Terrace Community Center within the Warrington Redevelopment District.

During EZDA Q12015, **LOST III funds in the amount of \$13,766** were expended to support the Navy Boulevard Project Public Involvement Process. Additional information on this project can be found at www.MyNavyBlvd.com.

Table 7: Capital Improvement Projects funded by Community Development Block Grant (CDBG), Local Option Sales Tax (LOST) III, and Other Sources

| Project Name | District | Funds Expended this Quarter | Funding Source(s) |
|--|----------------|-----------------------------|---|
| Delano Drainage | Englewood; 3 | \$42,386 | LOST III |
| Gulf Beach Hwy & Patton Intersection Improvements | Warrington; 2 | \$63,636 | LOST III |
| Englewood Girls & Boys Club Park and Stormwater Pond Improvements | Englewood; 3 | \$24,628 | LOST III |
| Third & Winthrop Drainage Sewer <i>previously funded by ECUA</i> | Warrington; 2 | \$31,278 | LOST III/ ECUA (Sewer) |
| Old Corry Outfall (Pete Moore Ditch) | Warrington; 2 | \$8,384 | LOST III |
| Jackson Lakes Box Culvert | Brownsville; 2 | \$1,208 | LOST III |
| Bobe Street Sidewalks | Englewood; 3 | \$374 | LOST III |
| Massachusetts Ave. Drainage Sidewalks <i>previously funded by TIF</i> | Palafox; 3 | \$374 | LOST III/ Palafox TIF (Sidewalks) |
| E Street ADA Upgrades | Englewood; 3 | \$16,977 | LOST III |
| Animal Shelter Turn Lane | Palafox; 3 | \$4,000 | LOST III |
| Beach Haven Drainage Sewer <i>previously funded by ECUA</i> | Warrington; 2 | \$233,498 | LOST III/ECUA (Sewer) |
| Navy Boulevard Project: Public Involvement <i>Previous project components funded by Warrington TIF</i> | Warrington; 2 | \$13,766 | LOST III/Warrington TIF (Previous Project Components) |
| | | \$409,231 | |

Table 8 summarizes data collected on capital improvement projects funded by the U.S. HUDs Community Development Block Grant (CDBG), Escambia County's Local Option Sales Tax (LOST) and other federal, state and local funding sources and located within the Enterprise Zone during EZDA Q12015.

Table 8: Capital Improvement Projects funded by Community Development Block Grant (CDBG), Local Option Sales Tax (LOST) III, and Other Sources within the Escambia County Community Redevelopment Area (CRA) ONLY

| Project Name | District | Expenditures this Quarter | Funding Source(s) |
|--|----------------|---------------------------|-------------------|
| Hicks Street Dirt Road Paving & Drainage | Cantonment; 5 | \$6,644 | LOST III |
| CR297-A Improvements | Cantonment; 5 | \$241,558 | LOST III |
| Muscogee Rd Widening & Drainage | Cantonment; 5 | \$29,426 | LOST III |
| | TOTALS: | \$277,628 | |

Table 8 summarizes data collected on capital improvement projects funded by the U.S. HUDs Community Development Block Grant (CDBG), Escambia County’s Local Option Sales Tax (LOST) and other federal, state and local funding sources and located within the Escambia County Community Development Area only during EZDA Q12015.

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ACRONYMS

| | |
|-------------|---|
| EZ | Enterprise Zone (Refers to Florida Enterprise Zone Program) |
| DEO | Florida Department of Economic Opportunity |
| EZDA | Enterprise Zone Development Agency (Escambia County) |
| DOR | Florida Department of Revenue |
| CRA | Community Redevelopment Agency (Escambia County) |
| NED | Neighborhood Enterprise Division |
| E.C. | Escambia County |
| TIF | Tax Increment Financing |
| CIP | Capital Improvement Project |
| HUD | United States Department of Housing and Urban Development |
| CDBG | Community Development Block Grant |
| HOME | HOME Investment Partnerships Program |
| SHIP | State Housing Initiatives Partnership Program |
| VCTC | Voluntary Contributions Tax Credit |
| LOST | Local Option Sales Tax |
| FCLF | Florida Community Loan Fund |
| ECUA | Emerald Coast Utility Authority |
| EZDA FY2014 | July 1, 2013-June 30, 2014 |
| EZDA Q12015 | July 1, 2014-September 30, 2014 |
| BCC | Escambia County Board of County Commissioners |