



TALLAHASSEE COMMUNITY REDEVELOPMENT AGENCY

FY 2008 ANNUAL REPORT

(October 1, 2007 to September 30, 2008)

**Prepared By The
City of Tallahassee Community Redevelopment Agency
March 2009**

**TALLAHASSEE COMMUNITY REDEVELOPMENT AGENCY
FY 2008 ANNUAL REPORT**

TALLAHASSEE COMMUNITY REDEVELOPMENT AGENCY

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Executive Director

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Director

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PREFACE AND APPROVALS

The Tallahassee Community Redevelopment Agency FY 2008 Annual Report covers the period from October 1, 2007 through September 30, 2008. The report contains a review of the redevelopment agency, a description of the FY 2008 budget, a listing of major FY 2008 accomplishments, a map of the redevelopment area, and the FY 2008 Financial Statement. This annual report has been prepared in accordance with Chapter 163.356(3)(c), Florida Statutes, and may not be in conformance with generally accepted accounting principals.

The financial statements for the Community Redevelopment Agency, prepared in conformance with generally accepted accounting principals, are included in the City of Tallahassee's Comprehensive Annual Financial Report for FY 2008. The City's financial statements were audited by the certified public accounting firm of Carr Riggs & Ingram, and received an unqualified opinion.


The Tallahassee Community Redevelopment Agency FY 2008 Annual Report has been approved this 25th day of March 2009.

CITY OF TALLAHASSEE



Raoul A. Lavin, Director
Department of Management and
Administration

TALLAHASSEE COMMUNITY
REDEVELOPMENT AGENCY



Michael K. Parker, Executive Director

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**COMMUNITY REDEVELOPMENT AGENCY OVERVIEW
AND
FY 2008 ACCOMPLISHMENTS**

The Tallahassee Community Redevelopment Agency (the Agency) was created in August 1998. The Agency Board was created in September 1998, and was amended in September 2002 and October 2007. The Agency Board consists of the City of Tallahassee Mayor, the four City Commissioners and four members of the Leon County Commission. The Agency consists of two full-time employees and one part-time employee, funded by the Agency. The City provides the Agency with one full-time employee, and provides other professional and technical services and support, the cost of which may ultimately be reimbursed to the City from available resources in either the Greater Frenchtown/Southside Community Redevelopment Trust Fund and/or the Downtown District Community Redevelopment Trust Fund.

Greater Frenchtown/Southside Community Redevelopment Area

The Greater Frenchtown/Southside Community Redevelopment Area consists of three distinct geographical sections and is comprised of over 1,450 acres of residential, office, commercial/retail, industrial, and green/open space land uses, all conveniently located near downtown Tallahassee. Included within the boundaries of the redevelopment area are thirteen neighborhood communities; seven major commercial/retail areas including sections of Tennessee Street, Tharpe Street, North and South Monroe Streets, Gaines Street, Lake Bradford Road and South Adams Street; and numerous mixed-use areas. In addition, the redevelopment area borders parts of the Florida Agricultural and Mechanical University and the Florida State University. Extensive City infrastructure, including water, sewer, electricity and gas, are available throughout the redevelopment area.

The City Commission adopted the Greater Frenchtown/Southside Community Redevelopment Plan (formerly known as the Tallahassee Community Redevelopment Plan) and established the Greater Frenchtown/Southside Community Redevelopment Trust Fund in June 2000.

Downtown District Community Redevelopment Area

The Downtown District Community Redevelopment Area consists of approximately 440 acres located in downtown Tallahassee, between the northern and southern portions of the Greater Frenchtown/Southside Community Redevelopment Area. The Downtown District is comprised of five sub areas with distinct land uses, physical characteristics and functions. These sub areas are: (1) North Monroe Street, (2) the Downtown Core, (3) Franklin Boulevard, (4) Gaines Street, and (5) Capital Cascades. Land uses in the Downtown District include residential, office, commercial/retail, light industrial, and green/open space. The entire area is serviced by City infrastructure, including water, sewer, electricity, and gas.

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The City Commission adopted the Downtown Community Redevelopment Plan and established the Downtown District Community Redevelopment Area Trust Fund in June 2004. Funding of the Downtown District is governed by the “*Interlocal Agreement Among the City of Tallahassee, Leon County, and the Community Redevelopment Agency of the City of Tallahassee Regarding the Creation and Operations of the Downtown District Community Redevelopment Area and the Expansion of the Community Redevelopment Area*”, dated June 23, 2004, and amended on October 4, 2007 and February 9, 2009.

A map outlining the boundaries of the two-redevelopment areas is at page 16 of this report.

FY 2008 Budgets

In FY 2008, the Tallahassee Community Redevelopment Agency received \$3,279,926 in tax increment payments. Of this amount, \$2,279,125 was for the Greater Frenchtown/Southside Community Redevelopment Area and \$1,000,801 was for the Downtown District Community Redevelopment Area. The other sources of income for the Greater Frenchtown/Southside Community Redevelopment Area were \$216,237 in earned interest and \$125,597 in loan proceeds. Other sources of income for the Downtown District Community Redevelopment Area included \$16,917 in earned interest.

As outlined in the interlocal agreement, the Downtown District also has access to one-cent of the tourist development tax collected by the County for projects directly related to the proposed Tallahassee Performing Arts Center. During FY 2008 the Agency committed \$562,500 of tourist development tax funds to help the Florida Center for Performing Arts and Education, Inc., a nonprofit organization established in 2006 to promote and develop the performing arts center, to cover staffing and operational expenses from January 2008 through September 2009. The Leon County Clerk of Courts manages the disbursement of these funds. The Agency also committed up to \$796,000 of tourist development tax funds for the demolition of the Johns and Clemons buildings, which are located on the site of the proposed performing arts center.

The goal of the Agency is to formulate and implement strategies using public and private resources to eliminate the conditions that cause the development and spread of blight within both redevelopment areas. Individual projects and policies are supported based on the specific conditions and needs identified within the Greater Frenchtown/Southside Community Redevelopment Plan and the Downtown District Redevelopment Plan, respectively. Areas where the Agency concentrates redevelopment efforts include commercial development, affordable housing, infrastructure, transportation, neighborhood improvements, and the promotion of mixed-use developments.

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The FY 2008 Agency budget contained the following operational expenses and projects:

A. General:

1. Agency Administration: \$224,338. This allocation paid the salary/benefits of the CRA Director, Community Redevelopment Coordinator and general CRA administration. Chapter 163, Florida Statutes, provides for the use of tax increment funds to pay for costs associated with administering and implementing activities in the approved redevelopment plan. Any funds remaining in the operating budget line item of either the Frenchtown/Southside Community Redevelopment Area or the Downtown District Community Redevelopment Area at the end of the fiscal year are reallocated to the respective Land Acquisition, Development and Related Expenses project line item. The original operating budget was \$533,802, split evenly (\$266,901) between the two-redevelopment areas. At the end of the fiscal year the unspent balance of \$309,464 was transferred to the Greater Frenchtown/Southside Land Acquisition, Development and Related Expenses line item (\$144,543) and the Downtown District Land Acquisition, Development and Related Expenses line item (\$164,921).

B. Frenchtown/Southside Community Redevelopment Area:

1. Refund of Municipal Services Taxing Unit (MSTU) Based Tax Increment to Leon County: \$109,768. Chapter 163.387(1)(a) and (b), Florida Statutes, requires the tax increment to be calculated based on the amount of ad valorem taxes levied each year by each taxing authority. As a result, the County's FY 2008 contribution included \$109,768 in tax increment based on the County's Emergency Medical Services (EMS) MSTU. As part of the budgeting process, the Agency Board approved the refund of the MSTU-based tax increment to Leon County.
2. Legal Services: \$7,500. These funds were set aside for legal service needs during the fiscal year.
3. Goodbread Hills Loan Payment: \$56,127. In 2006, the Agency borrowed \$200,000 from the City's Affordable Housing Trust as part of its \$925,000 commitment to the Goodbread Hills affordable apartment development. The loan is required to be paid back over four years at 4.00 percent annual interest. This was the second loan payment.
4. Frenchtown Village Marketplace Loan Payment: \$34,601. In 2007, the Agency borrowed \$125,597 from the City's Affordable Housing Trust as part of its \$350,000 commitment to the Frenchtown Village Market Place mixed-use residential development. The loan is required to be paid back over four years at 4.79 percent annual interest. This was the first year of the loan payment.

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5. Tallahassee Lenders' Consortium Lake Avenue Townhomes Gap Financing \$75,000. The Agency Board provided the Tallahassee Lenders' Consortium (TLC) with \$75,000 in gap financing to help buy down the cost of three of four townhomes constructed by the TLC, making the homes more affordable to low-income persons. In addition to the CRA funds, the TLC provided \$20,000 in additional funding for the three townhomes from its own resources and the Florida Housing Finance Corporation. A required \$500 down payment by each borrower reduced the mortgage amount from \$165,000 to \$119,500, which represents the upper limit of low-income affordable housing. The \$25,000 in CRA funds is treated as a forgivable loan from the TLC to the borrower provided they stay in the home for at least seven years.

6. All Saints Square CWHIP Application/Project: \$400,000. The Agency approved setting aside \$400,000 as a local match by the developer of All Saints Square as part of his application under the Florida Housing Finance Corporation's Community Workforce Housing Innovation Pilot (CWHIP) Program. The funds approved by the CRA enabled Winchester Brothers Planning and Development, LLC, the project developer, to apply for \$5,000,000 in CWHIP funding. The proposed development consists of a 42-unit development of 2 bedroom/2 bathroom, and 3 bedroom/2 bathroom loft-style units, on the corner of All Saints and St. Michael's Streets near downtown. All units will be set aside for workforce housing, and 50% of the units will be for essential services personnel, with 30 years affordability. The total development cost will be \$12,000,000, making the 10 percent public-private partnership contribution \$1,200,000, with the additional public funds provided by the City of Tallahassee. The application was approved by Florida Housing Finance Corporation, but State funding is currently on hold pending budget deliberations.

7. Providence Developers – Chelsea Apartments: \$539,560. Providence Developers requested assistance from the CRA in the renovation of the Chelsea Apartments in the Providence neighborhood. The CRA Board approved providing the developer with \$539,560 in the form of a low-interest loan, which will be amortized over 30 years with a balloon payment at year 20. The condition and management of the 56 one-bedroom unit apartment complex has become a destabilizing influence on the neighborhood. In addition to rehabilitating the units, the developer agreed to enter into an agreement with the Tallahassee Housing Authority to actively manage the apartments as a condition to receiving loan funds. Prior to entering into an agreement with the developer, CRA staff hired an independent firm to evaluate the overall condition of the apartments and the financial structure of its management and operation. The results of that analysis were not available at the end of the fiscal year.

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8. 621 Gallery/Charles Hook Sculpture Garden: \$35,000. The 621 Gallery, located in Railroad Square, received \$35,000 in grant funding to enhance the Charles Hook Sculpture Garden. The garden began in 1979 with a single sculpture as exhibition space for large-scale contemporary sculptures. The garden now contains 16 sculptures, and has the largest collection of contemporary sculptures in the southeastern United States. The planned renovations include extensive site work and landscaping improvements, sculpture restoration, signage/graphics, lighting, and outdoor furnishings, all designed to enhance and promote the gardens. The improvements will also include opportunities for outdoor classrooms to host community and school tour groups. The CRA funds will primarily be used for either landscaping or hardscaping improvements, which are estimated at approximately \$30,000 each. The overall estimated cost of the improvements is estimated at \$128,000. This project was partially funded with \$7,171 in prior year capital project funds. The actual amount of FY 2008 funds committed to this project was \$27,829.

9. Commercial Façade Grant Program: \$250,000. The Agency's façade improvement program provides eligible commercial property owners or tenants with up to \$50,000 in grant funds for commercial façade improvements. The grant funds are provided in the form of a forgivable loan, with a requirement that the property owner or tenant provide a one-to-one match. The grant/loan is forgiven over a five-year period, at a zero percent interest rate, provided the property is maintained as commercial. This was the third year of funding this program, which has become of the Agency's most popular programs.

10. Commercial Painting Grant Program: \$50,000. To help further foster commercial redevelopment, in FY 2008, the CRA created a commercial painting grant pilot program that provides up to \$5,000 in grant funds for the exterior painting of commercial properties within the redevelopment area that are located on Gaines Street and Lake Bradford Road. Establishing the program as a pilot and initially limiting the eligible area will help staff gauge interest in the program and identify any elements that need to be enhanced to improve the program's effectiveness. In addition, Gaines Street and Lake Bradford Road contain a large number of commercial properties that would benefit from this program.

11. Tallahassee Film Festival: \$10,000. This is part of a \$30,000 request to the CRA from the Tallahassee Film Festival Committee in support of the first annual Tallahassee Film Festival, which took place from May 15th to 17th at several Frenchtown/Southside and Downtown locations. As part of the overall request, the Committee requested \$10,000 for activities that occurred within the Greater Frenchtown/Southside redevelopment area. The funds were used to cover the costs for the premiere party at the 621 Gallery, venue costs for film screenings at the All Saints Theater (the Amtrak Station), artistic and material costs for award

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productions which were designed and developed at FSU's Master Craftsman Studio, and marketing and promotion.

12. 1200 Stearns Street, LLC, Community Center: \$107,938. The CRA committed \$107,938 to assist in the improvements of the 1200 Stearns Street Community Center. The center is located within the former Sunshine Apartments on Stearns Street, which was purchased by a group of local individuals interested in renovating the complex into low-income condominiums. The efforts of the new owners have transferred what used to be a severely blighted and crime-ridden apartment complex into an owner and renter-occupied housing development with a mix of individuals and incomes. As part of the improvements, the 1200 Stearns Street, LLC, requested \$107,938 from the CRA to help with renovations to a building the group plans to use as community center. The planned improvements include a new roof, windows, doors, plumbing, electrical, air conditioning, and other interior improvements. The 1200 Stearns Street, LLC, is making significant outreach efforts to both the neighborhood and surrounding communities, and plans to use the community center as a focal point of those outreach efforts.
13. Land Acquisition, Development and Related Expenses: \$830,279. These funds are used to support the full spectrum of land acquisition, including, but not limited to: (1) the purchase developed and/or vacant properties for purposes of assemblage and sale, (2) actual development/ redevelopment of properties, (3) environmental assessments and/or remediation of contaminated properties, and (4) related land acquisition costs, such as appraisals, surveys and legal fees. Specific offers to purchase any property would be brought to the Agency Board for final approval.

The above projects were funded with FY 2008 funds. As part of their funding direction, the Agency Board also approved the reprogramming of prior year funds to support of several new and on-going projects. These projects were:

1. Tallahassee Lenders' Consortium Construction Line of Credit/Revolving Loan: \$217,550. In FY 2008, the TLC received \$217,550 in Agency funds to be used as a construction line of credit to assist in the development of affordable single-family housing for first-time buyers with incomes at or below 80 percent of area median income. The TLC's immediate goal is to construct four single-family homes in the northern section of the Greater Frenchtown Community on Brewer Street.
2. Bethel Community Development Corporation Gap Financing: \$124,000. Bethel Community Development Corporation (CDC) received \$124,000.00 in grant funds to be used as a source of funding assistance similar to Florida Housing Finance Corporation's Homeownership Pool Program and the City of Tallahassee's Down Payment Assistance Program. The funds will assist first-

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time homebuyers, whose incomes are at or below 80 percent of median income, by reducing the first mortgage amount of single-family affordable housing units

3. Early Repayment of Goodbread Hills Outstanding Loan: \$105,481. Because prior year funds remained in several projects, the Agency Board elected to reprogram some of these funds to repay the final two years of the loan the CRA received from the City's Affordable Housing Trust for the Goodbread Hills affordable apartment development.
4. Early Repayment of Frenchtown Village Marketplace Outstanding Loan: \$96,462. Due to the availability of prior year funds, the Agency Board elected to reprogram some of these funds to repay the remaining three years of the loan the CRA received from the City's Affordable Housing Trust for the Frenchtown Village Marketplace mixed-use residential development.

The FY 2008 Balance Sheet for the Frenchtown/Southside Community Redevelopment Agency is at page 19 of this report.

C. Downtown District Community Redevelopment Area:

1. FY 2007 Tallahassee Downtown Improvement Authority Tax Increment Refund: \$21,850. Due to changes in Chapter 163, Part III, Florida Statutes, the Agency was required to return \$21,850 in tax increment income collected by the Agency during FY 2007 to the Tallahassee Downtown Improvement Authority. With the change in the statutes, the DIA is no longer required to contribute tax increment to the CRA.
2. Legal Services: \$7,500. These funds were set aside for legal service needs during the fiscal year.
3. CRA Loan Payment to the City of Tallahassee – Marriott Residence Inn Development Incentive: \$121,062. In February 2005, the City agreed to loan the Agency \$450,000. The funds were used by the Agency as an incentive to the developer of the Marriott Residence Inn at the intersection of Gaines and Railroad Avenues to help reduce the cost of the land to the developer. In return for the incentive, the developer agreed to a number of design conditions required by the CRA and City to ensure the hotel supported the goals of the Gaines Street Revitalization Plan. The optional design features incorporated by the developer included building the hotel to the street, with parking in the rear; providing commercial and meeting space on the ground floor that is accessible from the street; designing the façade with alternating setbacks to give the appearance of more than one building; and providing a public space at the southeast corner of the building (facing Railroad and Gaines). This was the third of four loan payments made to the City. The final payment will be made in FY 2009.

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4. Juror Shuttle Bus: \$55,000. Per the amended interlocal agreement between the City, County and CRA, the Agency agreed to fund the operation of a shuttle bus between the Leon County Courthouse's juror parking lot across from the main library and the courthouse to help shuttle jurors to the courthouse. The initial cost for the shuttle bus operation was estimated at \$55,000, and includes the purchase and installation of two shelters (\$40,000), signage and printed informational materials (\$8,000), and annual ridership costs (\$7,000). The annual ridership cost will be the only recurring cost.

5. Tallahassee Film Festival: \$20,000. This was part of a \$30,000 request from the Tallahassee Film Festival Committee in support of the film festival, which took place from May 15th to 17th in several Frenchtown/Southside and Downtown locations. As part of the overall request, the Committee requested \$20,000 for activities that occurred within the Downtown District redevelopment area. The requested Downtown funds were used as part of a United Way partnership for the STARFEST Downtown Get Down, marketing of downtown Film Festival activities, and final event activities at the Mary Brogan Museum and on Kleman Plaza.

6. Commercial Painting Grant Program: \$15,000. The CRA implemented a commercial painting grant pilot program for the Downtown District Community Redevelopment area that provides up to \$5,000 in grant funds for the exterior painting of commercial properties within the redevelopment area that are located on Gaines Street between Railroad Avenue and Woodward Avenue. The program was established as a pilot to help the Agency gauge interest in the program and identify any elements that need to be enhanced to improve the program's effectiveness. This area of Gaines Street was selected because they contain a large number of commercial properties would benefit from this program.

7. Commercial Façade Improvement Grant Program: \$50,000. The CRA implemented a commercial façade improvement grant pilot program for the Downtown District Community Redevelopment Area that provides up to \$50,000 in reimbursement for façade (exterior) improvements to commercial properties within the redevelopment area that are located on Gaines Street between Railroad Avenue and Woodward Avenue. With the exception of the limited pilot area and initial funding level, this program is a mirror of a similar program established for the Greater Frenchtown/Southside Community Redevelopment Area in 2006. The program was established as a pilot to help the Agency gauge interest in the program and identify any elements that need to be enhanced to improve the program's effectiveness. In addition, the Downtown District is in the early stages of tax increment generation/collection, and does not have the same level of income the Greater Frenchtown/Southside Community Redevelopment Area does.

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8. Land Acquisition, Development and Related Expenses: \$625,325. These funds are used to support the full spectrum of land acquisition, including, but not limited to: (1) the purchase developed and/or vacant properties for purposes of assemblage and sale, (2) actual development/ redevelopment of properties, (3) environmental assessments and/or remediation of contaminated properties, and (4) related land acquisition costs, such as appraisals, surveys and legal fees. Specific offers to purchase any property are brought to the Agency Board for final approval

The FY 2008 Balance Sheet for the Downtown District Community Redevelopment Area is at page 21 of this report.

In addition to the tax increment funds, the Downtown District also has access to one-cent of the tourist development tax collected by the County. The details on the collection, maintenance and use of these funds are contained in the interlocal agreement governing the Downtown District Community Redevelopment Area. The funds are collected and maintained by the County, and are dedicated exclusively for costs associated with a Performing Arts Center to be located within the Downtown District. During FY 2008 the Agency committed \$562,500 of tourist development tax funds to help the Florida Center for Performing Arts and Education, Inc., a nonprofit organization established in 2006 to promote and develop the performing arts center, to cover staffing and operational expenses from January 2008 through September 2009. The Agency also committed up to \$796,000 of tourist development tax funds for the demolition of the Johns and Clemons buildings, which are located on the site of the proposed performing arts center. The City was negotiating with several firms on the demolition of the buildings at the end of the fiscal year, but none of the one-cent tourist development funds dedicated for the demolition project had been spent.

The FY 2008 Balance Sheet for the CRA-related Tourist Development Funds held by the Agency is at page 23 of this report.

FY 2008 Major Accomplishments

The Agency enjoyed a variety of success stories and accomplishments that included affordable housing, activities designed to promote the redevelopment areas as destinations, and commercial redevelopment. These included:

1. Affordable and Workforce Housing Funding Program: During FY 2008, the Agency instituted a formal affordable and workforce-housing program for the Greater Frenchtown/Southside Redevelopment Area. The program allows non-profit and for-profit developers who are developing affordable and workforce housing within the boundaries of the Greater Frenchtown/Southside Community Redevelopment Area to apply for funding assistance. The funds can be used in a variety of ways, including, but not limited to, land acquisition, construction, and

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homeowner financing assistance. Funding is provided in the form of a grant to non-profit developers and a low-interest loan to for-profit developers. Recognizing the importance of affordable housing, the Agency has made a general commitment to set aside approximately \$500,000 each year to support this program, provided the Agency receives enough income to support this and other programs. In FY 2008, the Agency funded over \$816,550 in affordable housing projects. This included the reprogramming of \$341,550 in prior-year project funds.

2. Tallahassee Lenders' Consortium Construction Line of Credit: During the fiscal year the TLC, completed the construction and sale of two units. Each unit was approximately 1,460 square feet, with four bedrooms, two bathrooms and a one-car garage. The market price on each unit was \$142,000. With the assistance of the CRA construction line of credit grant to the TLC, coupled with City and other TLC incentives, the sale prices for the two units were reduced to approximately \$101,000 and \$102,000. A picture of one of the homes is provided below.

812 Brewer Street



3. Commercial Façade Improvement Program: The Greater Frenchtown/Southside Community Redevelopment Area Commercial Façade Improvement Program provides grants of up to \$50,000 for repairs/renovations to the exterior of commercial structures in the Greater Frenchtown/Southside Community Redevelopment Area. Applicants must match any requested grant funds dollar for dollar. Funds are available for both owner-occupied and renter-occupied commercial properties. During FY 2008, two façade projects were approved and completed. Advanced Plumbing received \$6,457 in grant funds, and had a total project cost of \$93,976. Tennessee Square, which consists of three individual

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parcels, received grant funds of \$150,925, and had a total project cost of \$520,364. This remains on of the Agency's most popular programs. In FY 2008, the Agency created a similar program for the Downtown District Community Redevelopment Area.

Tennessee Square Before



Tennessee Square After



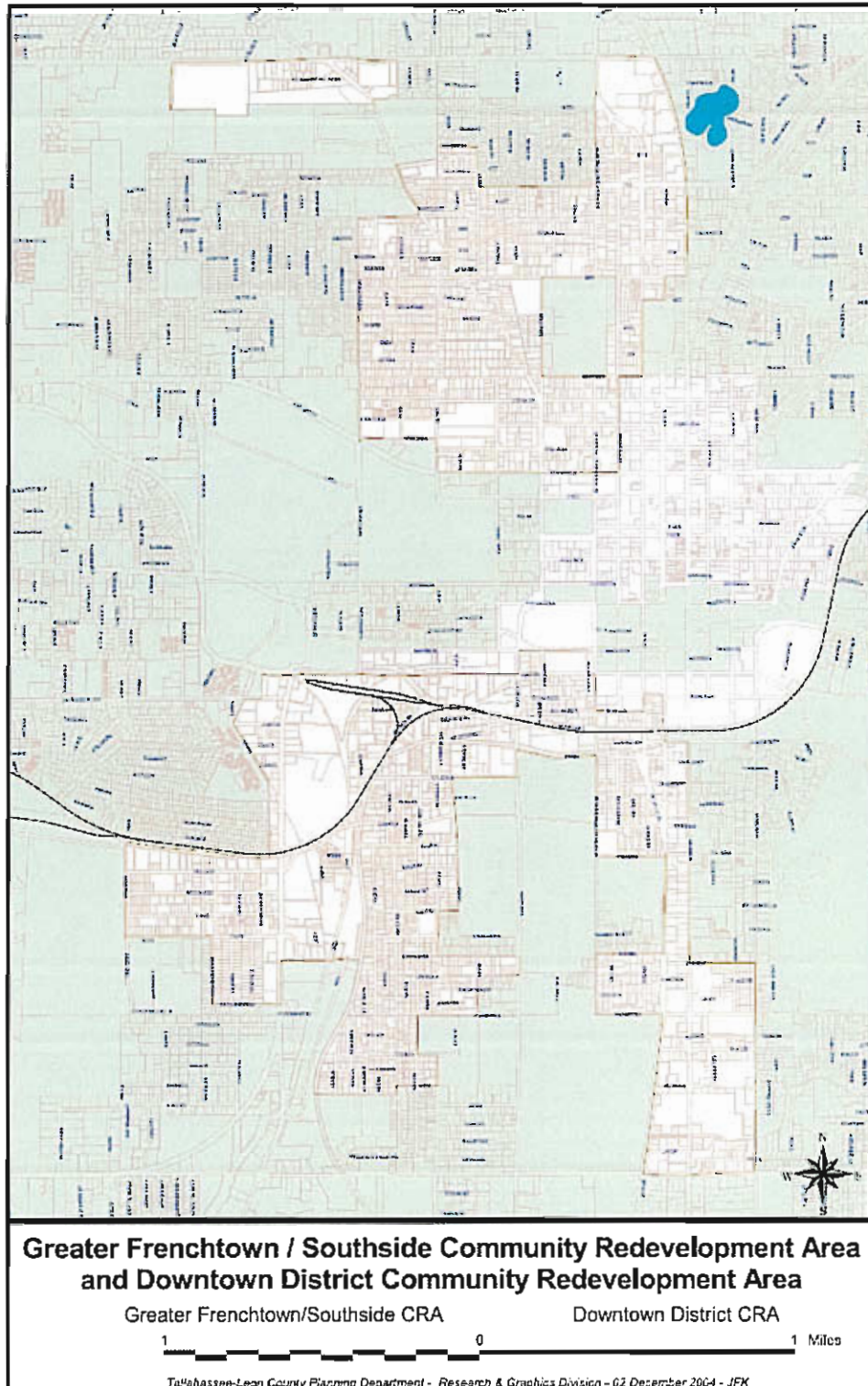
4. Tallahassee Film Festival: With the assistance of the CRA, the First Annual Tallahassee Film Festival took place from May 15th to 17th in several Frenchtown/Southside and Downtown locations. The festival was a great success, with 134 film submissions, including 18 entries in the 24-hour filmmaking contest for amateur, professional and student filmmakers. A total of 65 films were selected for screening at a variety of venues. In addition to the screenings, there were five free educational seminars and workshops offered to the public at FSU and FAMU. Attendance was high with nearly 2,600 persons attending the film

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screenings, the educational seminars and the “It’s a Wrap” gala. Many more attended the StarFest Downtown Get-Down. Plans are underway for the second annual film festival in 2009.

5. Establishment of the Greater Frenchtown/Southside Community Redevelopment Area Commercial Painting Grant Program and the Downtown District Community Redevelopment Area Commercial Painting Grant Program: To help further foster commercial redevelopment, in FY 2008, the CRA created a commercial painting grant pilot program within both redevelopment districts. The program provides up to \$5,000 in grant funds for the exterior painting of commercial properties that are primarily located on Gaines Street and Lake Bradford Road. At the end of the fiscal year, staff was working with two potential applicants, and was actively promoting the program to other eligible property owners and tenants.

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TALLAHASSEE COMMUNITY REDEVELOPMENT AGENCY TRUST FUNDS

FINANCIAL STATEMENTS

FROM OCTOBER 1, 2007 TO SEPTEMBER 30, 2008

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FINANCIAL STATEMENT

The annual report provides the Tallahassee Community Redevelopment Agency's financial statements for the period from October 1, 2007 to September 30, 2008. The financial statements have been prepared to illustrate the financial status of the Community Redevelopment Agency, as required by Chapter 163.356(3)(c), Florida Statutes, and may not be in conformance with generally accepted accounting principles. The financial statements for the Community Redevelopment Agency prepared in conformance with generally accepted accounting principals are included in the City of Tallahassee's Comprehensive Annual Financial Report for FY 2008. The financial statements were audited by the certified public accounting firms of Carr Riggs & Ingram, and received an unqualified opinion.

FINANCIAL STATUS:

As of September 30, 2008, the Tallahassee Community Redevelopment Agency had total assets of \$10,052,000: \$8,429,000 in the form of cash, \$1,530,000 in securities lending collateral, and \$93,000 in receivables. The Agency had \$1,678,000,000 in liabilities, and no long-term debt. At the end of the fiscal year, the total fund balance was \$8,374,000.

The FY 2008 Balance Sheets for the three funds under the Community Redevelopment Agency (the Frenchtown/Southside Community Redevelopment Trust Fund, the Downtown District Trust Fund and the CRA Tourist Development Tax Fund) are attached.

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**COMMUNITY REDEVELOPMENT AGENCY
FRENCHTOWN/SOUTHSIDE COMMUNITY REDEVELOPMENT TRUST FUND
BALANCE SHEET
September 30, 2008
(in thousands)**

ASSETS

Restricted Assets:	
Cash and Cash Equivalents/Investments.....	\$ 5,454
Securities Lending Collateral.....	990
Receivables:	
Accrued Interest.....	59
Total Restricted Assets.....	<u>6,503</u>
 Total Assets.....	 <u>\$ 6,503</u>

LIABILITIES AND FUND BALANCES

Payable from Restricted Assets:	
Obligations Under Securities Lending.....	\$ 990
Accounts Payable.....	19
Advances from Other Funds.....	<u>1</u>
Total Payable from Restricted Assets.....	<u>1,010</u>
 Total Liabilities.....	 <u>1,010</u>
 Fund Balances:	
Reserved for:	
Projects.....	5,464
Encumbrances.....	125
Total Reserved.....	5,589
Unreserved/Undesignated.....	<u>(96)</u>
Total Fund Balances.....	<u>5,493</u>
 Total Liabilities and Fund Balances.....	 <u>\$ 6,503</u>

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**COMMUNITY REDEVELOPMENT AGENCY
FRENCHTOWN/SOUTHSIDE COMMUNITY REDEVELOPMENT TRUST FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended September 30, 2008
(in thousands)**

Revenues:	
Ad Valorem Taxes.....	\$ 696
Intergovernmental	1,583
Interest Earned.....	161
Securities Lending Income.....	52
Net Increase (Decrease) In The Fair Value of Investments.....	(115)
Total Revenues.....	<u>2,377</u>
 Expenditures:	
Current:	
Economic Environment.....	946
Securities Lending:	
Interest.....	43
Agent Fees.....	2
Debt Service:	
Interest.....	14
Total Expenditures.....	<u>1,005</u>
 Excess of Revenues Over (Under) Expenditures.....	 <u>1,372</u>
 Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses.....	
	 1,372
 Fund Balances - October 1.....	 4,121
 Fund Balances - September 30.....	 <u>\$ 5,493</u>

**TALLAHASSEE COMMUNITY REDEVELOPMENT AGENCY
FY 2008 ANNUAL REPORT**

**COMMUNITY REDEVELOPMENT AGENCY
DOWNTOWN DISTRICT COMMUNITY REDEVELOPMENT TRUST FUND
BALANCE SHEET
September 30, 2008
(in thousands)**

ASSETS

Restricted Assets:	
Cash and Cash Equivalents/Investments.....	\$ 2,975
Securities Lending Collateral.....	540
Receivables:	
Accrued Interest.....	32
Customers.....	2
Total Restricted Assets.....	<u>3,549</u>
Total Assets.....	<u>\$ 3,549</u>

LIABILITIES AND FUND BALANCES

Payable from Restricted Assets:	
Obligations Under Securities Lending.....	\$ 540
Accounts Payable.....	1
Advances from Other Funds.....	118
Total Payable from Restricted Assets.....	<u>659</u>
Total Liabilities.....	<u>659</u>
Fund Balances:	
Reserved for:	
Projects.....	2,832
Encumbrances.....	10
Total Reserved.....	<u>2,842</u>
Unreserved/Undesignated.....	48
Total Fund Balances.....	<u>2,890</u>
Total Liabilities and Fund Balances.....	<u>\$ 3,549</u>

**TALLAHASSEE COMMUNITY REDEVELOPMENT AGENCY
FY 2008 ANNUAL REPORT**

**DOWNTOWN DISTRICT COMMUNITY REDEVELOPMENT TRUST FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended September 30, 2008
(in thousands)**

Revenues:	
Ad Valorem Taxes.....	\$ 430
Intergovernmental	549
Net Investment Earnings.....	75
Securities Lending Income.....	28
Net Increase (Decrease) In The Fair Value of Investments.....	(63)
Miscellaneous Revenues.....	87
Total Revenues.....	<u>1,106</u>
 Expenditures:	
Current:	
Economic Environment.....	647
Interest.....	23
Agent Fees.....	1
Debt Service:	
Interest.....	7
Principal Retired.....	--
Total Expenditures.....	<u>678</u>
 Excess of Revenues Over (Under) Expenditures.....	 <u>428</u>
 Other Financing Sources (Uses):	
Operating Transfers In.....	2
Total Other Financing Sources (Uses).....	<u>2</u>
 Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses.....	 430
 Fund Balances - October 1.....	 2,460
 Fund Balances - September 30.....	 <u>\$ 2,890</u>

**TALLAHASSEE COMMUNITY REDEVELOPMENT AGENCY
FY 2008 ANNUAL REPORT**

**COMMUNITY REDEVELOPMENT AGENCY
TOURIST DEVELOPMENT TAX FUND
BALANCE SHEET
September 30, 2008
(in thousands)**

ASSETS

Restricted Assets:

Cash and Cash Equivalents/Investments.....	\$	--
Securities Lending Collateral.....		--
Receivables:		
Accrued Interest.....		--
Customers.....		--
Notes.....		--
Due From Other Governments.....		--
Total Restricted Assets.....		--
Total Assets.....	\$	--

LIABILITIES AND FUND BALANCES

Payable from Restricted Assets:

Accounts Payable.....		8
Total Payable from Restricted Assets.....		8
Total Liabilities.....		8

Fund Balances:

Reserved for:		
Projects.....		366
Encumbrances.....		422
Total Reserved.....		788
Unreserved/Undesignated.....		(796)
Total Fund Balances.....		(8)
Total Liabilities and Fund Balances.....	\$	--

**TALLAHASSEE COMMUNITY REDEVELOPMENT AGENCY
FY 2008 ANNUAL REPORT**

**COMMUNITY REDEVELOPMENT AGENCY
TOURIST DEVELOPMENT TAX FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended September 30, 2008
(in thousands)**

Revenues:	
Ad Valorem Taxes.....	--
Intergovernmental	--
Interest Earned.....	--
Net Investment Earnings.....	--
Securities Lending Income.....	--
Net Increase (Decrease) In The Fair Value of Investments.....	--
Miscellaneous Revenues.....	--
Total Revenues.....	-----
Expenditures:	
Current:	
Economic Environment.....	8
Total Expenditures.....	-----
Excess of Revenues Over (Under) Expenditures.....	----- (8)
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses.....	(8)
Fund Balances - October 1.....	--
Fund Balances - September 30.....	----- \$ (8)