



City of Gainesville Agenda Item Report

File Number: 2024-48

Agenda Date: January 22, 2024

Department: Gainesville Community Reinvestment Area

Title: 2024-48 Gainesville Community Reinvestment Area Downtown Gainesville Strategic Plan and Budget Update (B)

Department: Gainesville Community Reinvestment Area (GCRA)

Description: Staff to provide an update on the Downtown Gainesville Strategic Plan and recommendations that will support the plan through FY 2029.

Fiscal Note: The recommended budget adjustments do not surpass the current estimated revenue sources for the GCRA.

Explanation:

The City Commission adopted the “Downtown Gainesville Strategic Plan,” in October 2022, with recommended budget modifications that will allow the work to proceed. (See Attachment 1 for a more detailed overview demonstrating Downtown’s needs and available funding.)

Funding the Downtown Plan will require significant reallocation of GCRA resources. Currently, the GCRA budget has approximately \$712,000 in unencumbered/unallocated funding available to fund the Downtown Plan projects, The Streatery on SW 1st Avenue, as well as address the houseless and security issues that are currently impacting the Downtown economy. This amount is inadequate to meet the need.

The proposed GCRA budget amendments to support the implementation of the Downtown Plan would move FY 2023 rollover funds, FY 2024 funds, and projected FY 2025-2029 annual allocations for several programs to the Downtown Strategic Plan and Innovation District, both transformational projects identified in the GCRA Plan. (Note: the Innovation District is included in the analysis to expand the footprint for the possible creation of a Business Improvement District.) The amendments would yield an estimated \$12.23 million in funding through FY 2029, the last year of the current GCRA Interlocal Agreement. This funding amount is equivalent to the total current planned allocations for NE 8th Avenue and Waldo Road (\$14.1 million) and Cornerstone/EHEDI

(\$13.4 million) and is commensurate to the important role played by Downtown and the Innovation District in Gainesville's economy.

The following programs will be impacted by the amendments: Neighborhood Paint Program, My Neighborhood Grant Program, Heirs Property Assistance Program, Residential Property Improvement Grant Program (Historic Home Stabilization & Home Energy and Water Efficiency), Commercial Corridor Streetscape Programs, Property Acquisition, Business Improvement Grant Program, and the College Park/University Heights Tax Increment Financing fund. Approximately \$7.7 million, or 63 percent of the \$12.23 million will be drawn from non-housing programs of the GCRA. The remaining \$4.5 million in funding will be drawn from the four housing programs identified above. It is important to note that none of the impacted housing programs provides additional housing supply to meet Gainesville's affordable housing needs. In addition, the FY 2024 approved funding will remain intact for the following programs:

Neighborhood Paint Program	\$192,000
My Neighborhood Grant Program	\$260,000
Heirs Property Assistance Program	\$150,000

The proposed GCRA budget amendments will fund both capital improvements as well as annual operating costs within Downtown. (For illustrative purposes, the total funding amount of \$12.23 million was equally split between capital and operational costs.) Potential capital improvements include the implementation of the Streatery/Festival Street for South 1st Avenue, upgrades to Sweetwater Park, construction of transit stations, intersection improvements, and improving connections with abutting downtown neighborhoods. Operational programs that may be funded include security and ambassador teams, cleanup crews, marketing and promotion, events, and business development support.

Strategic Connection:

- ☒ Goal 1: Equitable Community
- ☒ Goal 2: More Sustainable Community
- ☒ Goal 3: A Great Place to Live and Experience
- ☒ Goal 4: Resilient Local Economy
- ☒ Goal 5: "Best in Class" Neighbor Services

Recommendation: The Gainesville City Commission and Alachua County Board of County Commissioners receive an update from GCRA staff regarding the proposal to support implementation of the Downtown Strategic Plan.