Gainesville’s Experience with the Federal Stimulus

Mayors Innovation Project

January 2010

Mayor Pegeen Hanrahan, P.E
Introduction to Gainesville

- Geography, environment, demographics
- Factors Affecting Economy
Located Southeast of Jacksonville and Northwest of Orlando, near the geographic center of the state
Introduction to Gainesville

- City population is + 130,000 over 60 square miles – 14th largest in Florida

- County population is + 250,000 over 930 square miles

- Home to the University of Florida, the nation’s fifth largest resident student population
Introduction to Gainesville

- Gainesville Regional Utilities (GRU)
  - Electric, water, wastewater, natural gas and telecommunications
- Gainesville Police Department
- Gainesville Fire Rescue/EMS
- Public Works
- Parks
- Planning
- Economic Development
- Cultural Affairs, etc.
### Ten Largest Employers

<table>
<thead>
<tr>
<th>Employer</th>
<th>Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>University of Florida</td>
<td>12,297</td>
</tr>
<tr>
<td>Shands Hospital</td>
<td>8,225</td>
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<tr>
<td>School Board of Alachua County</td>
<td>4,064</td>
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<tr>
<td>Florida Department of Children and Families</td>
<td>2,319</td>
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<tr>
<td>City of Gainesville</td>
<td>2,005</td>
</tr>
<tr>
<td>Publix Supermarkets</td>
<td>1,876</td>
</tr>
<tr>
<td>Alachua County</td>
<td>1,846</td>
</tr>
<tr>
<td>Veteran Affairs Medical Center</td>
<td>1,627</td>
</tr>
<tr>
<td>North Florida Regional Medical Medical Center</td>
<td>1,560</td>
</tr>
<tr>
<td>Nationwide Insurance Company</td>
<td>1,058</td>
</tr>
</tbody>
</table>
Composition of Employment in Florida

Peer City Comparison: Comp. of Employment by MSA

- Port St. Lucie
- Coral Springs
- Hollywood
- Miramar
- Pembroke Pines
- Ft. Lauderdale
- West Palm Beach
- Cape Coral
- Clearwater
- Miami Beach
- Lakeland
- Tallahassee
- Gainesville

Legend:
- Government
- Ed. & Health Svcs.
- Trade, Trans. & Util.
- Leisure & Hospitality
- Prof & Business Svcs
- Others
PEER CITY COMPARISON: TAXABLE PROPERTY VALUE PER CAPITA
As of September 30, 2005

- Gainesville: 36,176
- Lakeland: 42,451
- Tallahassee: 49,207
- Pembroke Pines: 53,042
- Coral Springs: 57,022
- Hollywood: 63,339
- Cape Coral: 64,131
- Miramar: 64,523
- Port St Lucie: 65,050
- Clearwater: 67,698
- West Palm Beach: 95,225
- Ft Lauderdale: 119,410
- Miami Beach: 189,568
Recession Impacts

- Foreclosure rates have increased, but not at all comparable to many seriously troubled markets in Florida; we are not substantially overbuilt and have few second homes.
- Unemployment has increased, but remains among the lowest in Florida (around 7%).
- Population growth continues, but new residential construction is near a standstill.
Recession Impacts

- Private sector employers concerned about unemployment tax increase by State, regulatory environment, lack of access to capital
- City and other government employers are facing higher pension contributions and health costs
- Relatively few layoffs, but hiring freezes and retirement incentives at most major employers
Economic Life-Preservers

- Economy has been helped by opening of a new $350 million cancer hospital, our solar Feed-in-Tariff and energy efficiency incentives
- The City has received $10.6 in ARRA funds, and continues to pursue competitive grants
- The University has received in excess of $85 million in ARRA funds
- Voters approved two new tax measures in November 2008 to support school funding and Wild Spaces/Public Places
- Vision to continue to make capital investments
Why a FIT for Gainesville?

- Helps achieve Climate Protection goals
- Provides jobs and economic growth
  - Local solar contractors have increased from one in 2006 to five today – pricing is more competitive
  - Attracting solar developers from other states
  - Manufacturing firm currently considering local site
    Went from 0.25 MW to 4 MW
    And have commitments for 32 total
How does our FIT work?

- Cap of 4 MW a year to manage rate impact
- Hit capacity limit two days prior to implementation date of March 1
- Capacity queue filled through 2015
- Backed by GRU’s excellent credit “AA” rated by Moody’s and Standard & Poor’s
Why Solar?

- Customer survey of 400 residential customers

  Would you support or oppose GRU’s efforts to encourage solar energy investments in your community if it would add one dollar or less per month to all customers’ utility bills?

  Support: 75 percent

- Strong community environmental ethic
- Largest single source of energy on planet
- Great faith in continued advances in cost-effectiveness
City Commission “Signing Day”
### American Recovery and Reinvestment Act: Confirmed Funding Allocations

<table>
<thead>
<tr>
<th>funding source</th>
<th>allocation amount</th>
</tr>
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<tbody>
<tr>
<td>Byrne Justice Assistance Grant (GPD)</td>
<td>$448,816</td>
</tr>
<tr>
<td>North Florida Internet Crimes Against Children Task Force (GPD)</td>
<td>$729,688</td>
</tr>
<tr>
<td>Highway Infrastructure Investment (PW)</td>
<td></td>
</tr>
<tr>
<td>• 6th Street Rail Trail</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>• NE 8th Avenue Mill &amp; Resurface</td>
<td>$300,000</td>
</tr>
<tr>
<td>• NW 34th Street Sidewalk</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>Transit (RTS buses)</td>
<td>$5,000,000</td>
</tr>
<tr>
<td>Community Development Block Grant (HCD)</td>
<td>$371,003</td>
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<tr>
<td>Homelessness Prevention (HCD)</td>
<td>$567,404</td>
</tr>
<tr>
<td>Energy Efficiency &amp; Conservation Block Grant (GG/GRU)</td>
<td>$1,198,500</td>
</tr>
<tr>
<td>Total Allocation</td>
<td>$10,615,411</td>
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Law Enforcement Grants
ARRA Project Descriptions

- **Byrne Justice Assistance Grant (GPD)**
  - $448,816 used primarily for equipment purchases to support GPD
- **North Florida Internet Crimes Against Children (GPD – Regional ICAC Task Force)**
  - $729,688 used to support Task Force activities
- **Highway Infrastructure Investment (Public Works)**
  - $2,300,000 used for:
    - 6th Street Rail Trail ($1,000,000)
    - NE 8th Avenue Mill & Resurface ($300,000)
    - NW 34th Street Sidewalk ($1,000,000)
- Actual bidding for these projects has been coming in less than expected. FDOT will recapture excess funds. RTS has benefited from some of these recaptured funds for bus purchases.
Road Work and Rail Trail Serving Depot Park
Aerial View Depot Park
December 2009
Transit Benefitted
ARRA Project Descriptions

- $5,000,000 used for new buses; 17 new buses purchased through ARRA and other transit funding will be delivered in May 2010
- Community Development Block Grant (Housing & Community Development/Public Works)
- $371,003 used for Booker T. Washington Drainage and Road Construction
- Homelessness Prevention (Housing & Community Development)
- $567,404 provided via the City to the Office of Homelessness and the Alachua County Housing Authority to stabilize families and prevent homelessness.
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EECGB Projects

- Energy Efficiency & Conservation Block Grant (GG/GRU)
  - $1,198,500 used for:
    - Energy Efficiency Through Behavior Change - $250,000
    - Building Energy Audits - $40,000
    - GRU Administration Building Renewable Resource Demonstration - $130,000
    - Streetlight LED's - $90,000
    - LEEP (Low-income Energy Efficiency Program) - $528,500
    - Traffic Signal LEDs – $160,000
Low Income Whole House Program

Commissioner Scherwin Henry and one of the “Environmental Ambassadors”
Observations

- Shovel Ready Implications
- Budget Hole Plugging in Tallahassee
- Rural Road Bias
- Very Accessible Federal Officials, wanting it to work
Questions or Comments?

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