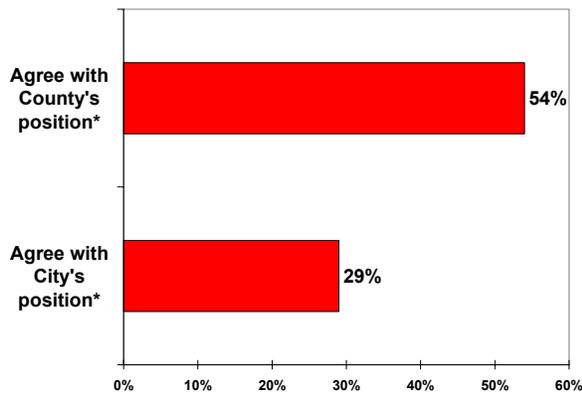


Community Redevelopment Areas: Community Opinion
Phillip E. Downs, Ph.D., Partner, Kerr & Downs Research, pd@kerr-downs.com
Professor of Marketing, Florida State University – March 10, 2004

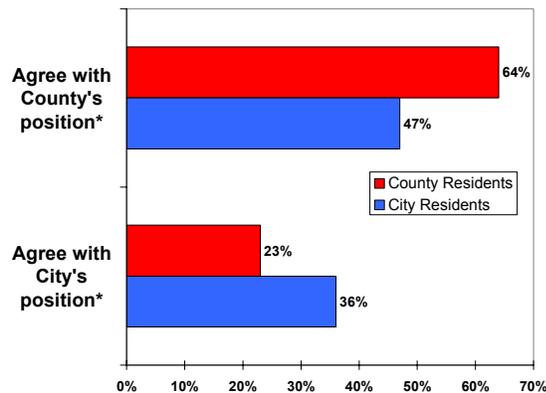
Two internet surveys conducted within Leon County during the past few weeks show mixed support for Community Redevelopment Areas.¹ Questions in the 2nd survey were constructed to present City and County positions on CRAs as separate choices with which residents could agree or disagree. Staff of the respective governments provided information for both governments' positions.

Awareness of the CRA concept is relatively high at 61%, yet support for the concept as measured through a series of questions is modest. For example, by nearly a 2 to 1 margin, local residents are more likely to agree with the County's position that CRAs are not needed because tax dollars from certain downtown areas will not be available for other County services such as emergency medical services and libraries, and private investment in downtown is already strong without CRAs. County residents (living outside the City limits) support the County's position by a 64% to 23% margin, while surprisingly, City residents also support the County position, but by a smaller margin (47% to 36%). The City's position is that CRAs are needed because funds they generate pay for improvements downtown such as parking garages, sidewalks, and investment for downtown development.

Residents' Views on CRAs



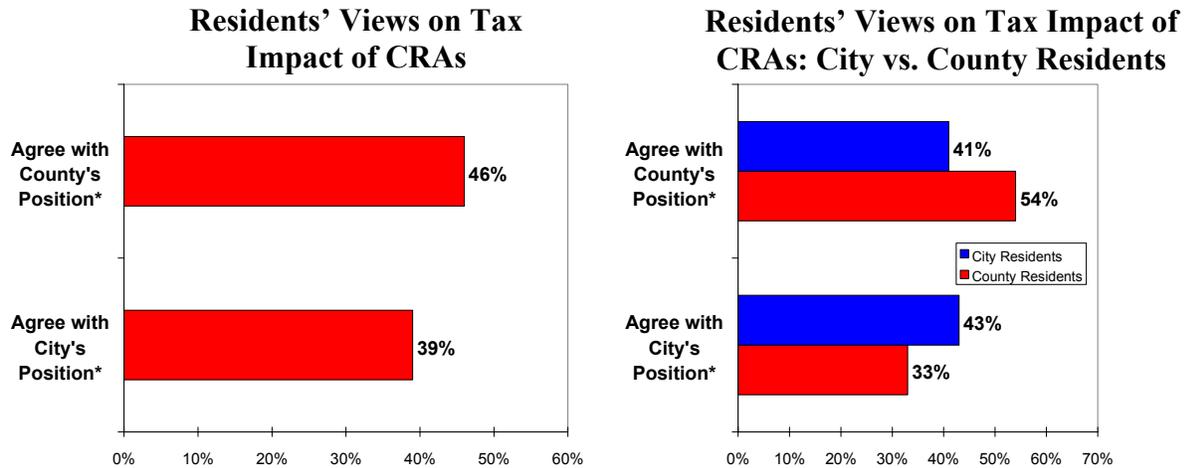
Residents' Views on CRAs: City vs. County



- * City's Position – CRAs are needed to fund downtown improvement such as parking garages, sidewalks, and land purchases for development. CRAs attract private money for downtown development.
- * County's Position – CRAs are not needed because the dollars from CRAs will not be available for other county services such as emergency medical services and libraries. Downtown is not blighted and private investment in downtown is already strong.

¹ Both surveys were part of *Voices*, an Internet survey panel sponsored by Kerr & Downs Research and *The Tallahassee Democrat*. The *Voices* panel is older, less racially diverse and has a higher income than Leon County as a whole, yet City and County (outside City limits) residents were represented in proportion to their numbers in the 2004 US Census Bureau estimates. Over 1,000 respondents were included in these studies; 536 residents responded to the 1st survey conducted 2.13-15.04, and 501 responded to the 2nd survey conducted 3.1-3.04. To become part of *Voices*, go to www.voices2004.com.

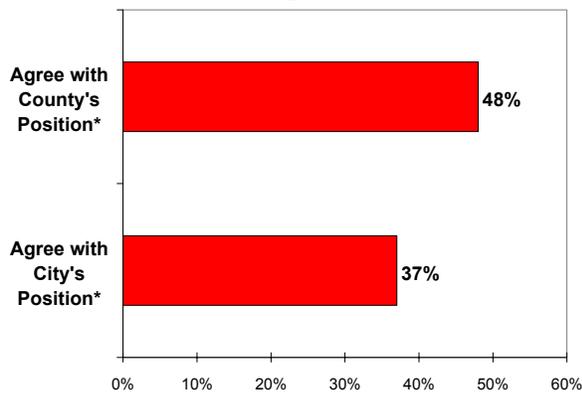
City government maintains that CRAs will have negligible impact on residents' taxes since only incremental property taxes on CRAs downtown will be used for redevelopment of CRA areas. They cite 3rd party studies that show insignificant impact on other counties' operating budgets. County government maintains that increased property taxes from CRAs will be used exclusively for downtown, and that downtown residents will not be paying for emergency medical services and libraries. They counter that taxpayers outside of downtown will be subsidizing services for downtown residents of CRAs. Slightly more local residents (46%) agree with the County's position than with the City's (39%). City residents barely agree with the City's position (43% to 41%), while County residents solidly support the County's position (54% to 33%).



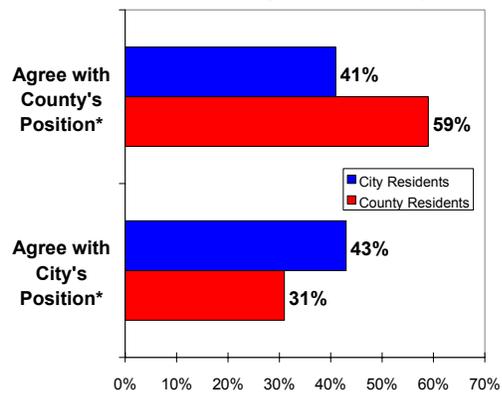
- * City's Position – CRAs will have negligible impact on residents' taxes since only incremental property taxes on CRAs will be used for redevelopment.
- * County's Position – Increased taxes from CRAs will be used exclusively downtown and downtown residents will not be paying for emergency medical services and libraries. Taxpayers outside of downtown will be subsidizing services for downtown residents of CRAs.

When presented with both local governments' statements regarding the impact of CRAs on services provided by local governments, more local residents agree with the County's position. By a 48% to 37% margin, local residents agree more with the County's assertion that significant tax dollars that otherwise would pay for emergency medical services and libraries will be spent to develop certain areas of downtown. The City's position, that there is no reason to believe funding CRAs will have any significant impact on City or County services because the amount of tax revenue that will be collected represents a very small percentage of the total property taxes collected, receives less support. City residents narrowly support the City's position (43% to 41%), while County residents support the County's position by a 2 to 1 margin (59% to 31%).

Residents' Views of Service Level Impact of CRAs



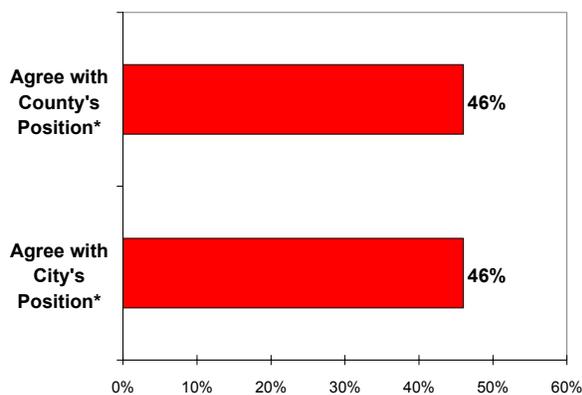
Residents' Views of Service Level Impact of CRAs: City vs. County Residents



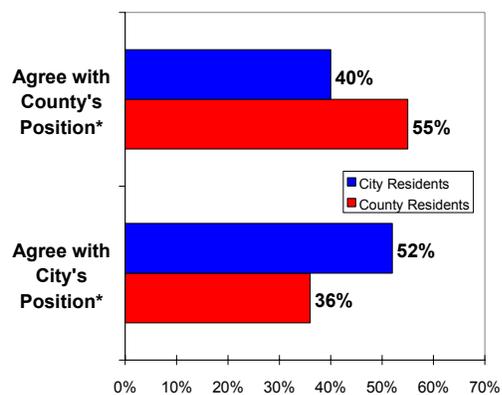
- * City's Position – No reason to believe funding CRAs downtown will have any significant impact on County and City services because the amount of tax revenue that will be collected represents a very small percentage of the total property taxes collected.
- * County's Position – Significant tax dollars that otherwise would pay for emergency medical services and libraries will be spent to develop certain areas downtown through CRAs.

When the issue is framed in terms of who will benefit, City and County positions receive equal support: 46% of local residents agree with the City's position (all local residents will benefit from money invested in downtown through CRAs), and 46% agree with the County's position (residents outside the City will get slighted if more money is allocated to CRAs). City residents support the City's position (52% to 40%), and residents living outside the City limits support the County's position (55% to 36%).

Residents' Views – Who Benefits from CRAs

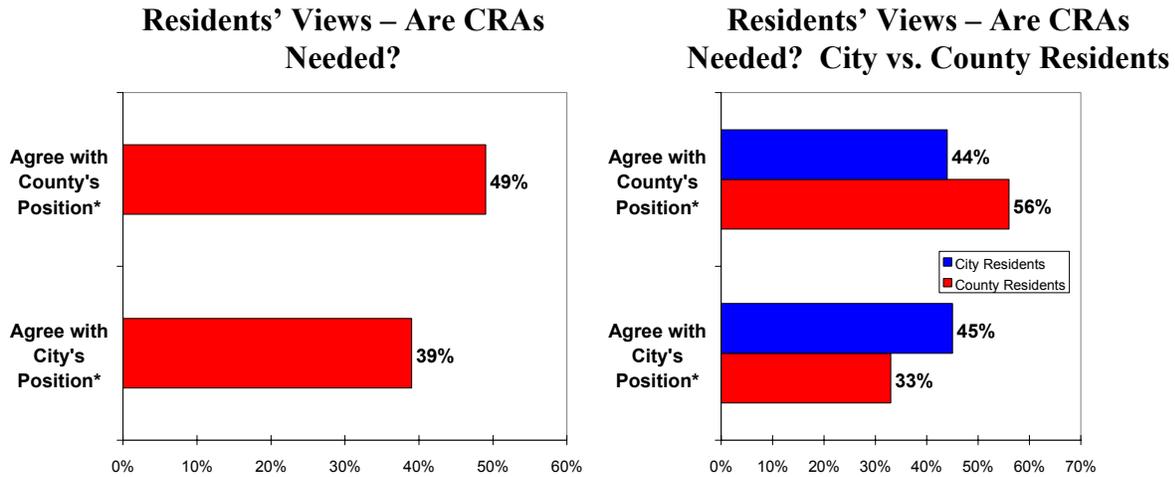


Residents' Views – Who Benefits from CRAs: City vs. County



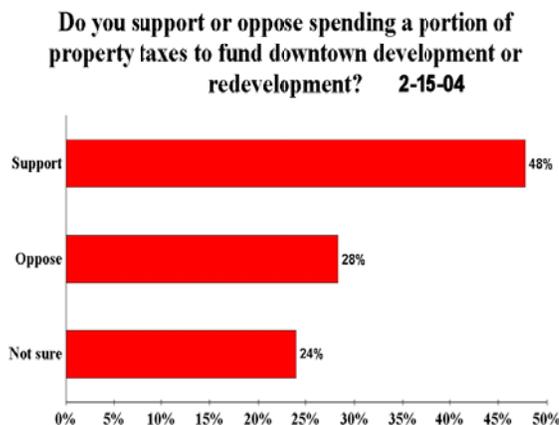
- * City's Position – All county residents benefit from money invested in downtown through CRAs.
- * County's Position – Residents outside the City will get slighted if more money is allocated to CRAs that will be used for downtown development and reinvestment.

Using other cities as reference points does not work for the City. Only 39% of local residents agree with the City’s position that CRAs have worked in redeveloping and revitalizing downtowns in Ft. Lauderdale, Orlando, and Tampa, and that CRAs can work in Tallahassee. More local residents (49%) agree with the County’s position that downtown Tallahassee is doing just fine without more CRAs. City residents are evenly split between support for City and County positions. County residents solidly support the County’s position (56% to 33%).

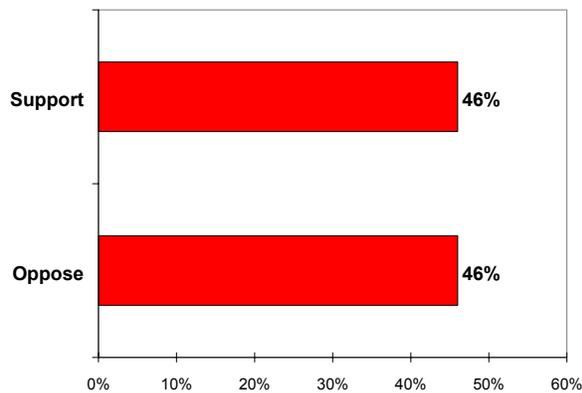


- * City’s Position – CRAs have worked to redevelop and revitalize downtowns in Ft. Lauderdale, Orlando, and Tampa, and they can work here.
- * County’s Position – Downtown Tallahassee is doing just fine without more CRAs.

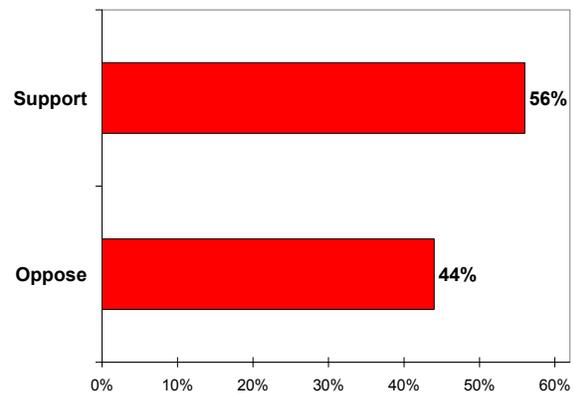
The **first** survey conducted February 13th – 15th showed that 48% of local residents support and 28% oppose spending a portion of property taxes to fund downtown development or redevelopment. After analyzing City and County positions on CRAs presented in the March 1st – 3rd survey, local residents are more knowledgeable about the issue, yet less supportive of spending part of local property taxes on CRAs, as 46% support and 46% oppose this action as of March 3, 2004. Yet, how the issue is positioned is critical. When asked to consider spending a portion of property taxes to fund “**some** areas of downtown” (as opposed to “downtown development”), local residents are supportive by a 56% to 44% margin. Even residents outside the City limits agree (52%) with spending a portion of property taxes on redeveloping **some** areas of downtown.



Residents' Views 3.5.04 – Spend Local Property Taxes to Fund “Downtown Development”²



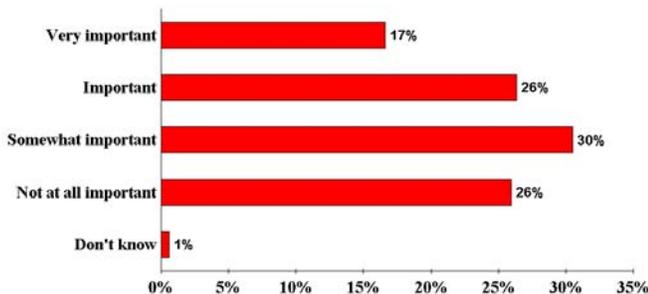
Residents' Views 3.5.04 – Spend Local Property Taxes to Fund “Some Areas of Downtown”³



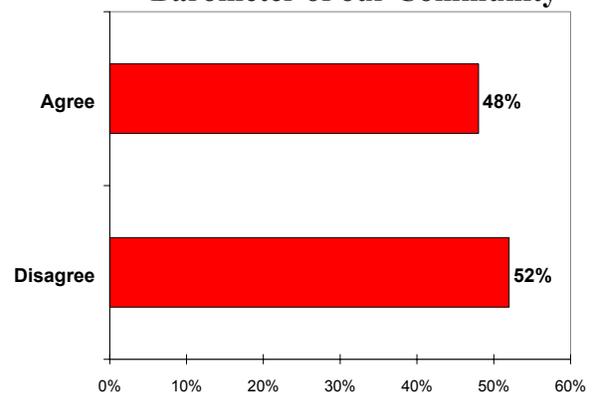
At this point in deliberations between the City and County over how CRAs will be funded, County positions resonate more effectively with local citizens. Missing in this debate is a clear and tangible vision of benefits of CRAs to City and County residents. Images of successful CRAs in other cities and their positive impacts (e.g., increased tourism and its subsequent economic impact through increased taxes and increased sales for local businesses; or increased eating, entertainment, and retail opportunities downtown for local residents and visitors) have not been planted in local residents' minds. The perception of reduced services and increased taxes, especially among residents living outside the City limits, is stronger in the community's consciousness at present.

Of course, this community may not want an 18-hour downtown that can result from CRAs. Only 43% of residents claim it is important to have an 18-hour downtown. Nearly half of local residents seem to be saying that downtown Tallahassee is good enough as is; 48% agree that downtown Tallahassee is a barometer of our community, a vibrant area that is an attraction for residents and visitors.

How important is it to you that downtown Tallahassee be an 18-hour community with retail, eating, and entertainment alternatives available throughout most of the day and evening?



Downtown Tallahassee is a Barometer of our Community⁴



² Do you support or oppose spending a portion of property taxes to fund downtown development or redevelopment?

³ Do you agree or disagree that a portion of property taxes should be spent on redeveloping **some** areas of downtown?

⁴ Do you agree or disagree that downtown Tallahassee is a barometer of our community, a vibrant area that is an attraction for residents and visitors?