



Round Holiday Inn Project

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TallahasseeVoices is a pro bono Internet survey panel sponsored by Kerr & Downs Research and The Tallahassee Democrat. There were 423 responses to the survey sent out in July 7, 2008. Panel results have been weighted to reflect the demographics of Leon County and results are representative of all local residents who have access to the Internet at home, work, or school. Go to our website at www.tallahasseevoices.com to join our panel and let your voice be heard.

By a 64% to 24% margin, Leon County residents oppose the County Commission adopting the EFA resolution to offer \$18.4 million in bonds to finance Create, Inc.'s project to convert the round Holiday Inn to a student housing project.

African Americans (50%) and Latinos (33%) are much more likely to approve of County support for this project than are whites (8%).

On Tuesday, July 8, the County Commission will consider the following issue:*

“Conduct first and only Tax Equity and Fiscal Responsibility Act (TEFRA) public hearing for the Educational Facilities Authority (EFA) Bonds, Series 2008, for the purpose of converting the Holiday Inn Express to student dormitory housing.”

Background:

A project sponsored by Create, Inc, a subsidiary of Bethel Missionary Baptist Church, would transform the round Holiday Inn on Tennessee Street into a student housing complex for students attending FSU, FAMU, and TCC. Create, Inc. wants the Leon County Educational Facilities Authority (EFA) to issue \$18.4 million in bonds to pay for the hotel purchase and for renovation. The project requires no taxpayer money, but the issuance of bonds to pay for the project has to be approved by the Leon County Commission. EFA is a Leon County-appointed Board that oversees education-related building projects in Leon County.

Leon County Commissioners must decide to adopt or reject the Resolution Approving the Create, Inc. Holiday Inn Express Student Housing Project.

Supporters of the project state that:

There is adequate student demand for this project

The financial analyses show that the project can meet its debt service obligations

The project will provide construction jobs

The project will enhance the economy and sense of community in the West Tennessee area between FSU and downtown.

It will provide a much-needed Christian-living alternative for students based on principles of respect, community, and study in a safe and secure environment.

Detractors of the project state that:

There are significant vacancy rates among student housing projects, i.e., limited demand exists for this type of project

Ownership of this development by a non-profit organization will reduce property tax revenues to local government

The non-profit organization sponsoring this project is pledging none of its assets to back the project

The Educational Facilities Authority has a mixed record in supporting student housing projects as Southgate Dormitory on FSU’s campus failed to generate the revenue promised and is not filled to capacity 15 years after its inception

It may damage the bond rating of Leon County in the event of defaults on bonds issued by the Leon County Educational Facilities Authority - the bonds being issued for this project are unrated, i.e., “junk” bonds

Do you believe that Leon County Commission should adopt or reject the resolution by the EFA to issue \$18.4 million in bonds for the purpose of converting the Holiday Inn Express to student dormitory housing?

___ Leon County Commission should **adopt** the EFA resolution to offer \$18.4 million in bonds to finance Create, Inc.’s project to convert the round Holiday Inn to a student housing project.

___ Leon County Commission should **reject** the EFA resolution to offer \$18.4 million in bonds to finance Create, Inc.’s project to convert the round Holiday Inn to a student housing project.

___ Not sure

*Leon County Commissioners on both sides of the issue and a member of the EFA provided background information that helped TallahasseeVoices construct the question for this survey.

Do you believe that Leon County Commission should adopt or reject the resolution by the EFA to issue \$18.4 million in bonds for the purpose of converting the round Holiday Inn to student dormitory housing?

