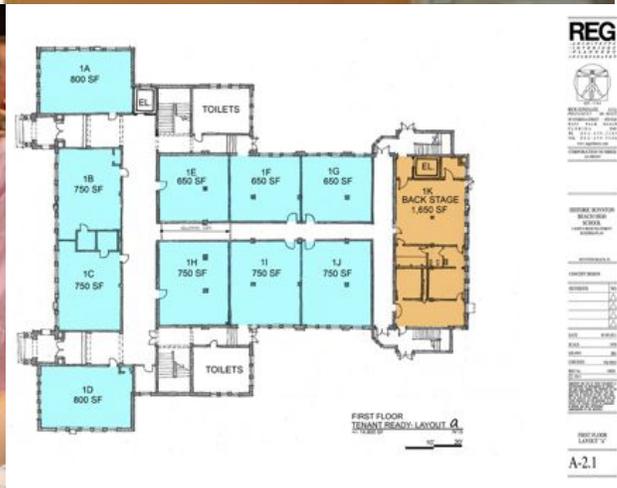


EXHIBIT D



Historic Boynton Beach High School Campus

Redevelopment Business Plan



Submitted to City of Boynton Beach

by IBI Group, REG Architects, Farris Bobango Branan PLC, Stephanie Ferrell Architects, ONM & J Structural Engineers, TLC Engineering

May 17, 2011

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IBI Group is a multi-disciplinary consulting organization offering services in four areas of practice:
Urban Land, Facilities, Transportation and Systems.

We provide services from offices located strategically across the United States, Canada, Europe, the Middle East and Asia.



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1. Introduction

The City of Boynton Beach engaged REG Architect and the IBI Group to analyze and create strategies for redeveloping its *Historic High School*. The objectives of this business planning effort were not to simply design yet another concept re-use plan, but to:

1. Complete an analysis of basic physical and financial feasibility — to complete an analysis of probable rehabilitation cost, best use, and ownership;
2. Because the City has pressing Capital needs, provide an analysis of financing and development options, based on the Team's assessment of market conditions, building re-use suitability, tenant interest, current condition of the capital markets and availability of local, state and Federal development incentives and financing support;
3. Engage the public the planning process, and;
4. Provide the City with the strategy, tools and methods to immediately launch the formal redevelopment process of the *Historic High School*.

The Project Team has completed its analysis and public engagement phases of the Project, and the results of this planning effort have met these goals. This Redevelopment Business plan recommends a strategic business plan in which the City adapts a market driven, focused redevelopment process that protects the City's interest in utilizing the High School as an anchor for wider Downtown and community development. In summary, this report recommends the following.

First, the Historic High School should be redeveloped **without** the City having to expend its own capital funds. Structured properly, and depending upon the final development program, the project can be financed privately, but will require that its economics be enhanced by a variety of public-private financing techniques, including Tax Credits, low interest enhanced debt financing, and operating cost offsets.

Second, the Team is recommending that the project be developed by either a private developer independent of the City, a developer partnered with the City, or an experienced non-profit developer and manager, and that the financial risk of completing a proposed redevelopment, and its ongoing viability, be borne by the developer, not the City.

Third, under no circumstances should the City develop the project speculatively. The High School should be redeveloped on a lease-finance basis, for specific tenants, and only as tenant/users are able to guarantee their long-term lease payments.

Fourth, a successful redevelopment may require a mix of uses to work, and a successful redevelopment of the High School meeting the City's broader economic development objectives can be achieved by either a for-profit development, or not-for-profit development. The Team has provided an analysis of what will be the most likely and recommend re-uses, given the physical condition and design of the school, its location, and the local and regional real estate market.

Fifth, there is no single financing solution for the eventual redevelopment of the High School, but many. The final financing package will depend on the re-use, ownership, and operation of the property, but the City can utilize existing, "off-the-shelf" financing, and has most of the tools in place to provide the economic incentives that will allow the eventual redevelopment to operate profitably.

Sixth, in its deliberations regarding the process we have structured to move forward, the selection of the final developer/investor/partner and redevelopment scheme should not be driven by a single overriding factor, such as the payment of future property taxes, but a careful weighing of economic viability of a final development proposal against the City's broader economic development objectives, and whether the proposed development stimulates other opportunities, including jobs, business creation, tourism, spending by visitors, housing investment, and/or changing Boynton Beach's "brand image."

2. Background to the Historic High School Redevelopment Business Plan

The Historic High School Redevelopment Business Plan is based on four months of research and public outreach. The published documents summarizing major elements of the planning process are available for review at the City of Boynton Beach Web site: www.boynton-beach.org. They are:

- The **Boynton Beach Historic High School Building Assessment Report** — a complete physical evaluation of the High School Building;
- The **Historic High School Public Survey** — a public questionnaire and survey instrument delivered through the City's Web Site, and in print. The tabulated analysis of the questions and their answers has been published on the City Web site, and;
- The **Historic High School Public Planning and Design Charette** — held in March, 2011, the Charette Summary Document details the Charette process and the concept plans developed by the public at the Charette.

Additional research conducted by the Project Team included interviews with City Staff and the City's Project Management team throughout the Project; interviews and focus groups with interested parties and community groups; an analysis of local real estate market conditions; analysis of interior floor plans and leasing options, and; extended discussions with potential tenants and investors with an interest redeveloping the former High School property.

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3. Key Findings

3.1. The Historic School Redevelopment Experience

Communities across the country have been faced with the issue and **opportunity** to redevelop historic school properties for new uses. High Schools of the same vintage, and similar design as the Boynton Beach Historic High School (1920's) have been successfully redeveloped as office complexes, hotels, bed and breakfast lodges, restaurants, brewpubs, performance and artistic venues, business incubators, apartments, lofts, and condominiums.

In almost all cases, successful redevelopment of school buildings of this design and age require 1) creative, yet sensitive re-use of the interior space, planning uses which make best use of the unique qualities of the School, at an affordable cost, 2) establishing effective partnerships between multiple layers of government (local, county, state, and federal), as well as the private sector, 3) a clear and unambiguous development plan, 4) implementing an effective development team or partnership dedicated to complete the project, and 5) enhanced public-private financing, to overcome the built-in economic hurdles to the redevelopment of historic School properties.

3.2. The City's Broader Economic and Downtown Development Objectives

The Historic high School redevelopment planning process began with two simple objectives — first, to develop a strategy to redevelop the high School at little or no cost to the City's Capital budget, and to determine if it could be an economically self-sustaining rehabilitation and re-use project. Second, the City sought to insure that any redevelopment plan for the high School incorporates robust input from the City's residents.

In addition, considerably loftier goals for the High School's redevelopment emerged through the process. The High School is considered by many to be an important historic and community asset, so a self-sustaining redevelopment which preserves the building and returns it to productive use would certainly be considered a success, a high level of consensus developed around the concept that the redevelopment of the High School may in fact be a significant opportunity to help achieve much broader economic, community, and downtown development objectives.

Both City leaders and residents made clear throughout the process that given its location, character, image, and adjacent land uses, every attempt should be made to implement a redevelopment of the high Scholl, which, if possible:

- Creates new employment and fosters new business creation;
- Stimulates new investment in the surrounding neighborhood;
- Given its location at the entrance to the City's downtown, promote a development that acts as a new downtown "gateway" — a project that sets a new tone for downtown activity and investment;
- If possible, implement a redevelopment that draws visitors from outside the City to the downtown, and;
- Promote a re-use development of the High School that helps "re-brand," or change the City's image within the region.

3.3. Public Opinion and Aspirations for the Project

With extensive assistance from City staff, the Project Team designed and launched a public survey to gather public opinion regarding the redevelopment of the High School. The survey was launched through the City's Web page, and delivered on paper across the City. 172 respondents completed the Survey, 127 of which either own a home or rent in Boynton Beach. Of the respondents who did not own or rent on Boynton Beach, almost all were from Palm Beach County.

The survey was composed of 24 questions aimed at determining the issues that are most important to residents relative to redevelopment of the High School. The results to the most important questions were clear, and in some cases, surprising:

- Survey respondents ranked the Economy (jobs), crime & safety, and parks, green space and the environment as the top 3 issues facing the City and the neighborhood surrounding the Historic High School.
- Over 83% of survey respondents favor a redevelopment of the High School, with over 34% favoring redevelopment under any circumstances.
- In the questions addressing the use and ownership of the building — public, private, or both – respondents were clear that completely private ownership of a redeveloped High School, with exclusively private uses, was not favored. The large majority favored a mix of public and private uses (73%), and a mix of public and private ownership (60%).
- Visual and performing Arts was the leading use preferred by survey respondents (ranked number 1 by 74%), followed by public assembly, sports, recreation and youth activities (63%), education (54%), Tourist attraction (53%), and conference and meeting facilities (ranked as the preferred use by 50% of respondents). Residential development was the least favored re-use of the building.
- The most surprising responses involved funding and financing the redevelopment of the High School. 72% of respondents indicated that they would favor a private financing of the development, if possible. ***However, despite the economy, and popular concerns regarding taxes, over 74% of respondents indicated they would favor public financing, even if it meant raising their property taxes.***

On March 26, 2011, 46 residents from Boynton Beach gathered at a planning and design Charette to produce development concepts for the reuse and redevelopment of the Boynton Beach Historic High School. Assisted by the Project Team, over the course of the day participants identified the critical issues facing the development of the High School, developed a broad range of alternative potential uses, and produced five project master plan concepts reflecting distinctly creative, yet achievable approaches to economic and community development.

The Charette process was broken into three parts. During the introductory session, participants identified and ranked 3 critical questions taken from the public opinion survey. During the second development “brainstorming” session, participants identified and defended potential reuses for the High School, and then organized those uses into complementary development concept packages.

In the final session of the day, participants broke out into five like-minded project planning groups to produce: 1) a project description sheet which defined their concept, gave it a name, described its development objectives, uses and proposed benefits, 2) a complete site plan showing the physical design of their concept for the school and its grounds, 3) detailed floor plans identifying the specific locations and use of the interior space of the building, and 4) a project ownership structure, financing structure, cost projection, and proposed revenue stream(s).

The Charette concluded with each of the Development Planning teams presenting and “selling” their concept to the rest of the groups. The five plans produced thoughtful, creative ideas for the re-use of the High School. Consensus to redevelop the High School was overwhelming, and produced some strong common themes.

First, the planning teams proposed and planned out a wide range of potential uses, ranging from business development and small business incubator, to entertainment, artistic, cultural, banquet, restaurant and food service, a ballroom and conference center, and culinary institute. In every case, residential redevelopment of the high School was rejected by each of the planning teams, responding to the sensitive condition of the local housing market.

Second, each plan specifically incorporated a mix of uses and activities, as well as a mix of **private and public uses**.

Third, each team identified the need to re-create the school as a vibrant, new, complex of uses that will serve as a tourist “draw” to the area. Each plan was built around a concept that if executed properly, would create a unique south Florida destination.

Fourth, each concept plan is either led by, or either strongly incorporates, cultural and arts uses. In each plan, cultural and arts uses were seen as a natural magnet for new activity, a draw, and a means to support other job and employment creating uses.

Fifth, each plan was careful to propose an ownership, financing, and operating structure aimed at making the final project as financially self-sufficient as possible. Each of the plans recommended that their respective projects would only work if the revitalized High School could pay for itself, rather than becoming an ongoing operating expense for the City. To that end, each of the plans recommended reserving the bulk of the building’s first floor for leasing to commercial and private tenants, and to make use of multiple sources of revenue (fees, etc.) to make the building economically self-sufficient.

Sixth, each plan recommended a blend of private and public financing, with the clear objective to finance the project with minimal cost to the City. The teams did recognize, however, that financing the Project with completely private financing may be difficult, and may require creative “public-private” financing techniques.

Lastly, each of the plans, although suggesting a range of ownership options, felt it was important for the City to retain some measure of control regarding the long-term use and condition of the High School.

3.4. Real Estate Market Conditions

Redevelopment of the High School has to be sensitive to the condition of the local real estate market. A preferred re-use should not introduce excess inventory in struggling market sub-segments, nor create additional competitive issues in an already strained local real estate market. Optimally, a preferred re-use would involve uses that are either new, unique, or in short supply within the local market, and if possible, stimulate additional investment in the surrounding neighborhood.

Redevelopment of the high School is challenged by sluggish demand, historically high vacancies, low property values, and low lease rates across all real estate submarkets in Palm Beach County. In addition, the physical location and condition of the property limits its marketability for certain uses. The High School site sits behind Boynton Beach Boulevard, not fronting it, is positioned between two civic uses, and has limited space for on-site parking.

The strengths of the property relative to the general real estate market are its unique design, its location at a potential gateway to the City’s downtown, unique public assembly spaces, and if designed properly, architecturally unique interior spaces. Most of the space within the High School, including its former classrooms, can be easily and cost effectively adapted for many new uses. The gymnasium — the building’s second floor gymnasium, is a unique space within the entire local real estate market. Its combination of size, height, and historic character are features that make it a singular public assembly and performance use opportunity. The property is in proximity to some conveniences, and for some tenant/users, its proximity and relationship to the City’s major civic buildings — City Hall, the City Community Center, and Library — is a distinct advantage.

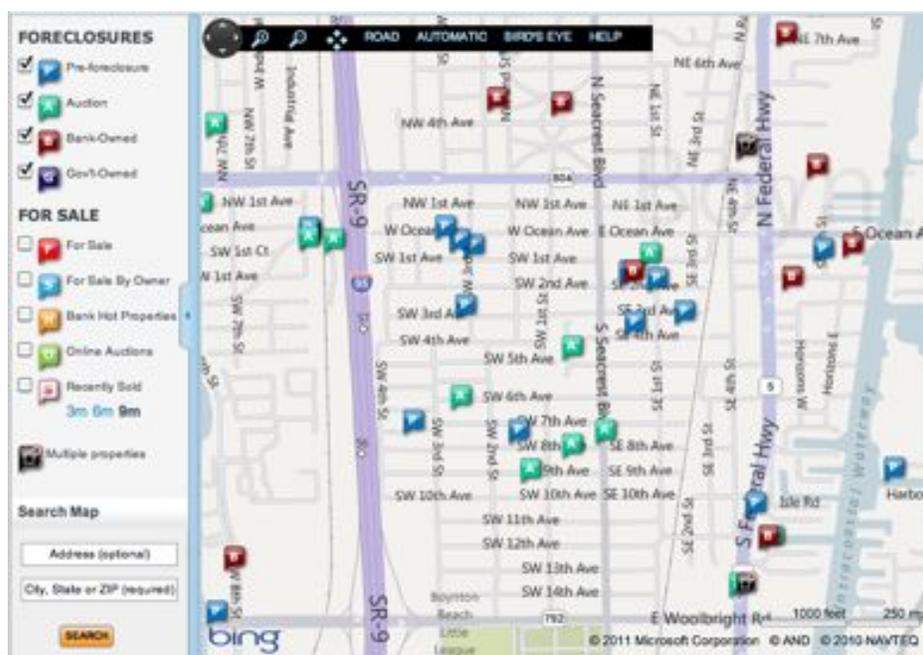
Considered in the context of the local real estate market and the projected rehabilitation costs of the building, the Project Team examined potential uses across a range of real estate market segments to develop recommendations regarding the most viable, probable, and desirable uses for the High School. The Team’s findings are as follows.

3.4.1. Residential Development

Residential redevelopment of the High School is not recommended as a preferred, or likely re-use, for a number of reasons. First, the cost of rehabilitating the classroom spaces into residential units would be uneconomic, unless heavily subsidized.

Second, given the local residential real estate market, and the number of undervalued properties within the immediate neighborhood, bringing additional residential units on line would be deleterious to existing owners. As of this writing, of the City's 36,289 housing units, 3,510 are listed for sale, and 2,286, or 6%, are currently in some stage of foreclosure (pre-foreclosure through bank or government ownership).

Third, although the former classrooms could be converted to residences, the gymnasium and former kitchen could not, leaving large unusable, or conflicting space within the building. Fourth, the redevelopment of the School for residential purposes was soundly rejected by the public through the survey and design charette.



*Properties in Foreclosure, downtown Boynton Beach, as of 5-12-2011.
Source: RealtyTrac Inc.*

3.4.2. Retail Development

The location of the property off of, and not in view of, Boynton Beach Boulevard, combined with its lack of drive-by traffic, makes it a challenging stand-alone retail/commercial location. Given commercial vacancies nearby, adding more inventory to the local retail property market would not be recommended.

Notwithstanding its weakness as a free-standing retail development, small-scale retail shops developed as part of a larger mixed-use complex, as sales would support, and be driven by, visitation and attendance to a mixed use attraction complex.

3.4.3. Office Redevelopment

Estimates vary, but according to the County's leading real estate brokerages, office vacancy rates in Boynton Beach range from 16.3% as of the year end 2010, to a high of 23.6% by the end of the First Quarter of 2011.

Introducing new office inventory into the City's market must therefore be considered carefully. A redevelopment of the High school as conventional office space would provide new property tax revenue, a new supply of daytime visitors to the neighborhood, and potential support for spin-off services and conveniences. The property would most likely not be considered a Class A office location, and would cater to Class B office tenants.

Introducing this much new *traditional* office space inventory, of any Class, into a weakened local office market is not advised. In addition, local market forces mitigate against the possibility of the School being redeveloped as only purely traditional office. For private businesses needing office or other space in this range, there is too much inventory of newer, more efficient office space available in the local market. Additionally, tenants seeking Class A and B office space in larger floor plates (1,500 square feet and up), have significant negotiating leverage to get preferred rental rates across the County, in more established office locations.

Instead, the Project Team recommends that any development proposal relying predominantly on office space leases be considered only if it offers an office product that is either scarce or unique to the local market, or serves a broader community development objective (such as small business creation). A possible use meeting this criteria would be an Executive Suites leasing model, in which small companies and micro enterprises lease cubicles and/or desks within a larger complex, sharing conference rooms, reception and other services.

3.4.4. Civic, Public Service or Educational Uses

The location of the property naturally lends itself to consideration as a location for possible civic, governmental, or public service uses, and is considered for these possible uses as part of a Civic/Community Service complex in the City's Downtown Master Plan. However, at the time of this writing the City has neither the need for additional office or service space, nor the funding to support another civic structure, unless it were to be completely self-funding.

The High School could provide extremely convenient and serviceable space for a wide range of possible community services, but it is recommended that these uses only be considered if developed and/or leased by separate governmental agency or agencies.

Similarly, the building is most easily rehabilitated physically for educational uses. However, as with civic uses, with no new schools programmed for development, an educational re-use of the property would have to be managed, financed and operated by an independent (for-profit or non-profit) organization.

3.4.5. Industrial

The location of the property and surrounding land uses, as well as transportation access, render it unsuitable for heavy industrial use. However, portions of the building, most notably the former kitchen areas, would be suitable for small arts, crafts, or creative and visual art production, including painting, sculpture, clay firing, etc.

3.4.6. Hospitality, Food & Beverage, and Conference/Meeting

A small number of Schools of similar age, design, and construction have been successfully redeveloped and operated as conference, banquet centers, meeting, performance, and in some cases, hotel rooms. This concept has become popular, and has a number of successful models across the country, and in Florida. Old School Square in Delray Beach is the closest example. However, the Old School complex requires an annual operating subsidy.

The design of the school, particularly the gymnasium, could provide meeting, assembly, performance and exhibit space unique to the City and the region. The hospitality/performance complex development has also been developed successfully by both for-profit and not-for-profit operator/developers. Such a concept, run by experienced management, should be explored and solicited. Its advantages would include a potential draw of visitors from around the region, and a new activity hub for the City's downtown.

One note of caution — restaurants have figured prominently in redevelopment plans for the High School going back a decade. While desirable if successful, full-service restaurants are a risky investment, as most go out of business within a year of opening, and installation costs can be considerable. Considered as part of a final mix of uses, a lower-risk approach would be to incorporate a café or restaurant serving pre-prepared food with warmers, small ovens, and coffee service, but not a full service restaurant.

3.4.7. Culture & the Arts

Re-use of the High School for cultural and artistic uses has drawn considerable public attention. Quite accurately, respondents to the Public Survey, and the participants in the Design Charette recognized the suitability of the building's interior design for visual and performance arts uses. There is also a growing public sense that a redevelopment of the High School anchored by cultural and artistic uses could have considerable impact in terms drawing visitors and tourists to Boynton Beach, providing new, 24-7 activities in the downtown core and its concomitant economic spin-offs.

As evidenced throughout stakeholder interviews, the CRA Downtown Summit, and through the Project Design Charette, there is also a growing public opinion that a successful arts-led redevelopment of the High School could be effective in helping to change the City's image — its "brand identity." The economic impact of cultural development and the arts has been documented considerably. As a strategy for anchoring new development, it has been demonstrated in numerous communities across the country.

The Boynton Beach CRA and Arts Commission have led the development and installation of the **Boynton Beach Avenue of the Arts**. City leaders have considered the development of cultural uses and art installations on a broader basis as a new theme and vehicle for downtown. As a cultural and arts-centered development, the High School would be the natural anchor for the emergence of a broader downtown arts district.

3.5. Preferred Development Concepts

The Project Team has structured three preferred development concepts for the High School. ***The preferred development concepts are flexible, in that each can accommodate a mix of uses within it, however, these are the three broad concepts that best meet the project objectives, and in the Team's assessment, have the highest probability of successfully securing financing and moving into development.*** Additionally, elements of each of the three concepts may overlap, but because these concepts have been assessed to have the greatest likelihood of probable success, the City would be well advised to focus and target its marketing, solicitation, and development efforts on these uses and users in order to improve the efficiency of its own efforts and likelihood of achieving a successful, completed redevelopment of the High School.

The considerations used by the Project Team to develop the preferred development concepts included:

- Local market conditions, in terms of potential demand for the High School, and supporting a redevelopment that is sensitive to local market conditions and property owners;
- The High School's location, proximate land uses, and land use compatibilities;
- Access, visibility, and parking considerations;
- The likely and most cost effective interior design of the rehabilitated building, including managing a mix of uses to avoid conflicts between users within the building;
- The City's broader economic development and downtown development objectives, and;
- The Likely project economics (see below).

3.5.1. Development Concept 1: The Single User/Tenant Model

Given the unique design, size and character of the building, the most likely large single tenant users of the High School that can cost effectively make use of all of the building's classroom space **and the** gymnasium is limited to two possible cases — educational organizations or dedicated banquet/conference facility owner/operators.

Although the County School board has not indicated demand for new school facilities in Boynton Beach, a range of public and private educational service providers could find the location and facilities amenable to their complete program needs. If no public interest emerged, private, for-profit educational, professional development and training facilities have grown rapidly over the last three years, largely in response to broader economic conditions.

Second, dedicated banquet/conference facilities using both small and large meeting, conference and banquet spaces under one roof may make use of the entire High School facility. The public engagement process highlighted the public view that the city had a shortage of quality meeting, banquet and conference space.

Additionally, a banquet and conference operator would derive revenue from its ability to effectively market, program, and manage the entire building. Successful banquet/meeting/events operators using converted school buildings have also incorporated brew pubs, bed and breakfast, and performance space into their overall operating programs. This type of use also meets the City's broader development objectives, creating a new destination downtown.

3.5.2. Development Concept 2: The Jobs Based Multi-Tenant Model

It is most likely that the final redevelopment of the High School will incorporate an "umbrella" developer/operator who develops and finances the Project, but will depend upon leasing the majority of the internal space and building grounds to multiple smaller tenant/users. This model has a number of advantages, including spreading financial risk, the ability to re-lease space, even after a tenant default, use flexibility, and potentially improved financial performance.

Under this concept, we are not suggesting to solicit or market development of the High School as conventional office space. Rather, this model would most effectively operate as Executive Suites catering to small businesses (5 to 10 employees) and micro-enterprises (1 to 4 employees) leasing up to a few hundred square feet. The building operator would provide shared conference rooms, reception and concierge services, and secretarial services.

Start-ups, first-stage, and even some second stage small businesses take advantage of this leasing model. Surprisingly, this model can support rents on a per foot basis than conventional offices, but also has higher operating costs, by providing the common services.

The need for facilities to support the creation and growth of small local businesses has been identified as a crucial need within the City, particularly in the immediate neighborhood of the High School. Soliciting and structuring the Project for a developer/operator/partner entity with the skills and experience to operate the High School under this model could have great benefit. Additionally, by subdividing the spaces into smaller leasable components without using fixed walls provides space at an affordable monthly rate to small users, and invites the possibility of higher gross rent for the developer/operator. Based on the useable square footage in the building, this model could support up to 80 fully private workstation/offices, and more if leased on a shared workstation basis.

This concept also lends itself to a mixed-use redevelopment approach. Depending on final economics, the building could incorporate amenities including fitness center, café, day care services, and the gymnasium could be used whole or in part for conferences and a whole range of public assembly, performance, or events uses.

3.5.3. Development Concept 3: The Art & Culture Based Multi-User Model

Properly structured, financed, and managed, redeveloping the High School as an arts-led multi-user facility could also have a strong probability of successful development and operation, and would meet many of the City's broad development goals for downtown. Similar to Redevelopment

Concept 2, a master developer/tenant/operator would finance, reconstruct and operate the High School as an arts center providing a variety of studio and work space for artists in a variety of media, or within a more limited artistic genre. The large size of the classrooms lend themselves to shared studio space, which would provide affordable work space for artists, and the promise of sufficient operating income for the developer/operator.

Use of the gymnasium or other space for meeting, exhibit, events or other public assembly would be a mutually beneficial and complementary use within this mixed-use framework. Similar to the jobs-led development concept, this concept also lends itself to a mixed-use redevelopment approach. Depending on final economics, the building could incorporate amenities including fitness center, café, day care services, and small shops or art galleries.

3.6. Rehabilitated Building Design

The gross interior floor area of the building is 28,420 square feet, comprised of 14,600 square feet on the first floor, and 13,820 square feet on the second. Overall, the building interior is divided between former classroom space and two large specialty spaces — the first floor former kitchen area, and the second floor **gymnasium**. The former kitchen space comprises almost 5,000 square feet on the main body of the first floor, and has the same ceiling height as the classroom space. The gymnasium was the former gymnasium and performance stage for the school, comprising 6,660 square feet of clear-span space, with its wood gym floor largely intact.

In general, the classroom and kitchen space is amenable to refurbishment for a wide range of uses. However, regardless of the final development plan, the most efficient and economical re-use and physical renovation of the High School utilizes the existing structure and interior walls with as little change as possible. From the perspective of developing the most economic (and therefore most likely to succeed), interior design of the building, the Team developed two floor plan concepts that would support development of either of the three preferred development concepts.

Under both **Floor Plan Option A** and **Floor Plan Option B**, the leasable area of the second floor remains the same. However, depending on tenant or user needs, the former kitchen area can either be designed as six separate leased spaces divided by a central circulation hallway, shown in concept option A, or configured as a single space, as shown in concept option B. Floor Plan Concept A incorporates 19,178 square feet of leasable space, while Floor Plan Concept B incorporates 19,978 square feet of leasable space.

The Project Team also prepared a concept building exterior design and site plan, again balancing the most cost efficient design with the needs of likely users/tenants, the conditions of the site, and its relationship to adjacent properties. In general, the most cost effective redesign of the building would incorporate new windows, doors, and roof, but retain the existing character of the building exterior.

However, access code requirements demand the most significant element of redesign on the site — the front (south) entrances to the building are not wheelchair accessible, and would require the construction of ramps. The Team suggests rebuilding the existing curved walkway leading up to the entrance doors as a curved, gently sloping walkway, terminating at the same height as the current entrance floor level.

This site plan also prefers to make use of off-site parking, including the City's existing parking ramp to accommodate parking demand, rather than try to add new parking spaces on site. Rebuilding the grounds as a landscaped "garden" feature saves cost, and creates additional revenue opportunities through rental of the grounds for events and concerts. Keeping as much of the site green was not only a clear public priority, but also provides a new "front lawn" for the entrance to Ocean Avenue and the remainder of downtown, to the east.



REG
 REGISTERED PROFESSIONAL ENGINEER
 STATE OF FLORIDA



REG. NO. 12345
 EXPIRES 12/31/2024
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 STATE OF FLORIDA

DESIGNED BY:
 ARCHITECT:
 ENGINEER:

DATE: 10/20/2023
 SCALE: AS SHOWN
 SHEET: A-1.0
 TOTAL SHEETS: 1.0

BY: [Signature]
 TITLE: [Title]

SCALE: AS SHOWN

A-1.0



FIRST FLOOR
 TENANT READY- LAYOUT
 14,500 SF



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DESIGN BY
 BECK & BOWEN
 1000 W. 10TH STREET
 SUITE 100
 FERNANDINA, FL 32035

DATE: 01/11/2011

PROJECT: 11-0001

REVISION:

NO. DESCRIPTION

1. 01/11/2011

2. 01/11/2011

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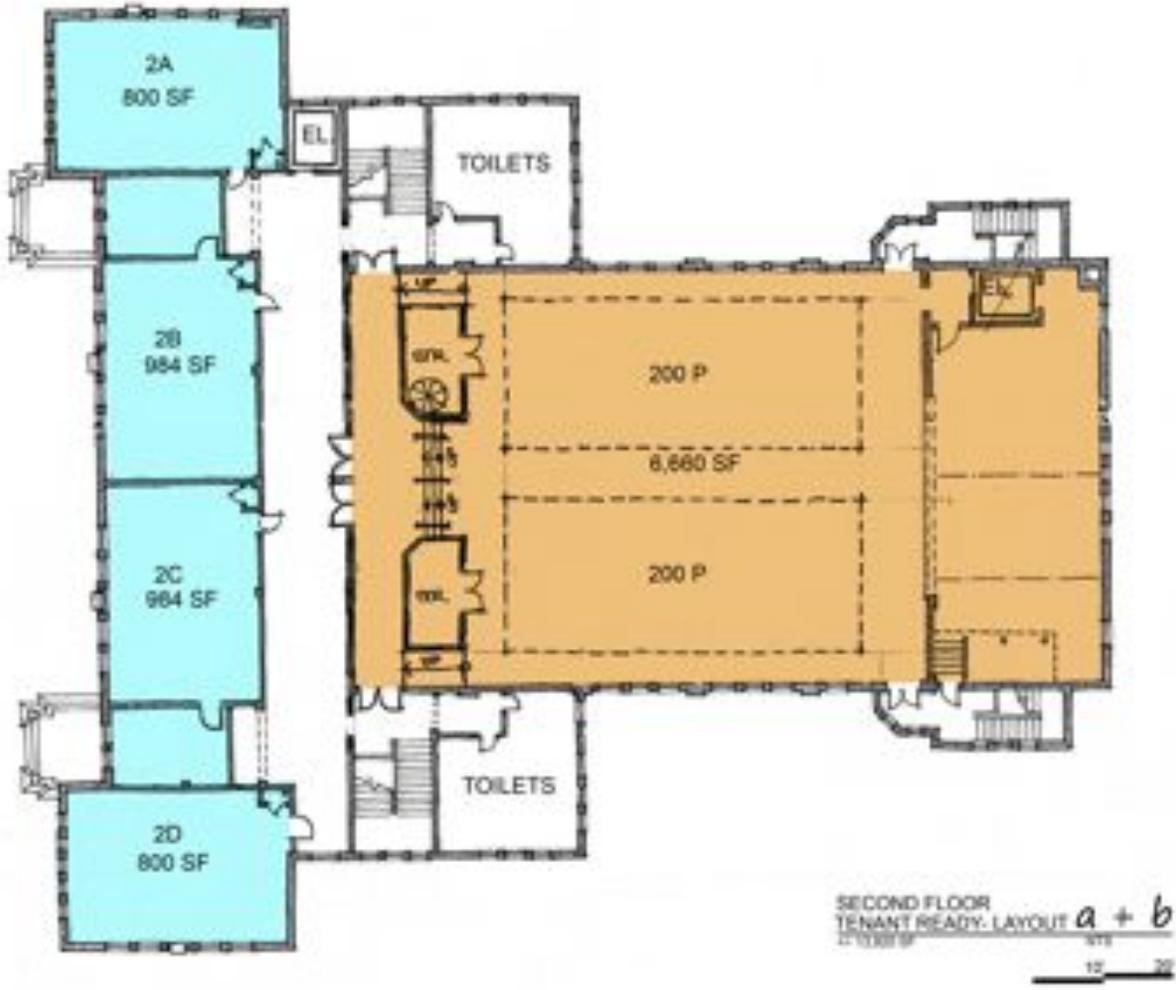
16. 01/11/2011

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SECOND FLOOR
 TENANT READY LAYOUT *a + b*
 17,130 SF



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 LICENSE NO. 12456



REGISTRATION NO. 12456
 EXPIRES 12/31/2024
 STATE OF FLORIDA
 PROFESSIONAL ENGINEERING BOARD

WESTERN BOYTON
 BLACK HOLE
 SCHOOL

REVISIONS

NO.	DATE	DESCRIPTION
1	10/15/24	ISSUED FOR PERMIT
2	10/15/24	ISSUED FOR PERMIT
3	10/15/24	ISSUED FOR PERMIT
4	10/15/24	ISSUED FOR PERMIT
5	10/15/24	ISSUED FOR PERMIT
6	10/15/24	ISSUED FOR PERMIT
7	10/15/24	ISSUED FOR PERMIT
8	10/15/24	ISSUED FOR PERMIT
9	10/15/24	ISSUED FOR PERMIT
10	10/15/24	ISSUED FOR PERMIT

SECOND FLOOR
 LAYOUT 'A + B'

A-3.0



Renovated Boynton Beach Historic High School. South Entrance Showing Curved Accessible Ramp to Main Entrances.

3.7. Project Economics

3.7.1. Reconstruction Cost Estimate

The Project team completed a structural and environmental conditions inspection of the building, including laboratory analysis of samples from within the building. The full details of the Project Team's technical findings are discussed in the **Boynton Beach Historic High School Building Assessment Report**. The general conclusion of the Team is that there is no condition that would prevent the re-use of the building, nor create a renovation cost that would prevent its return to productive use. Largely, the condition of the building and its required repairs are those expected for a building of this age, type, and in this condition.

The City's goal is to return the building to productive use as soon as possible. However, if it takes an extended length of time to begin the complete renovation of the building, the risks of further deterioration or storm damage during the interim development period could be significant. If this is the case, the first step in renovating the building would be to stabilize it against weather and storm damage, including high winds and possible hurricane damage. **Phase I Stabilization** represents the minimum repairs necessary to dry the building, and stabilize it against further weather damage, including hurricane damage. These repairs would be the first component of the building's renovation cost. Stabilization of the building does not make it ready for occupancy. Total cost to complete the Phase I Stabilization repairs is estimated at \$1.047 Million to \$1.32 Million.

Planning for further contingencies, to stabilize the building against the environment, but restore it to a condition in which the interior can be shown to prospective developer/buyer/tenants, would require **Phase II Stabilization**. This cost is estimated at \$2.5 Million to \$3.2 Million.

To prepare the building for occupancy by users and tenants, the building would require improvements in addition to base stabilization costs. **Including all Stabilization Costs, to prepare the building for occupancy, the cost of repairing and renovating the building shell and core, including roof repairs, installation of utilities, heating, ventilation and cooling, electricity, water, sanitary services, ceilings, and new paint — has been estimated at between \$4.6 Million to \$5.4 Million for Floor Plan Option A, and \$4.8 Million to just over \$5.6 Million for Floor Plan Option B, excluding site improvements** (estimated at \$600,000 to \$800,000).

This estimate represents the cost of preparing the building for basic occupancy. This cost keeps most of the existing walls in place, and does not include costs for tenant fit-out, special fixtures, furniture, or fittings. These would be additional costs, which can only be determined by the needs of each potential tenant. These costs can be nominal in the case of tenant/users needing little change to the layout or base finishes of the building interior, or significant, in the case of tenants needing an investment in additional finishes or building systems, such as restaurants. Financing these costs would have to be directly financed by a tenant. The **Estimate of Probable Construction Cost** is designed to represent the expected range of costs to the eventual owner/developer of the high school.

Historic Boynton Beach HS

Statement of Probable Cost

Phase I (Minimal) Stabilization

Description	Low	High
General Conditions	45,000	57,000
Building Shell		
Demo (including Hazardous Material Abatement)	68,000	85,000
Install Plywood at windows and doors	62,000	84,000
Screen Printing for Plywood on Front Windows	15,000	20,000
Structural Support for New Windows and Doors	80,000	115,000
New Roof	165,000	195,000
Roof Structural Support Repair Allowance	175,000	210,000
Exterior Paint	200,000	250,000
Exterior Patch and Repairs	85,000	105,000
Wood Floor Removal and temp Repairs	42,000	58,000
Louvers for Ventilation	5,500	8,500
Probable Cost for Stabilization Phase - Subtotal	942,500	1,187,500
Contingency	28,275	35,625
Contractor OH&P	75,400	95,000
Permitting	1,734	2,185
Probable Cost for Stabilization Phase Construction Total	1,047,909	1,320,310

In providing opinions of probable construction cost, the Client understands that the Architect has no control over the cost or availability of labor, equipment or materials, or over market conditions or the Contractor's method of pricing, and that the Architect's opinions of probable construction costs are made on the basis of the Consultant's professional judgment and experience. The Architect makes no warranty, express or implied, that the bids or the negotiated cost of the Work will not vary from the Architect's opinion or probable construction costs.

This option provides a level of stabilization similar to the St. Anastasia Church Project by REG Architects, Inc., attached herein for your reference.

Historic Boynton Beach HS

Statement of Probable Cost

Phase II (Thorough) Stabilization

Description	Low	High
General Conditions	52,000	68,000
Building Shell		
Demo (including Hazardous Material Abatement)	350,000	455,000
Install New Windows and Doors	1,050,000	1,300,000
Structural Support for New Windows and Doors	80,000	115,000
New Roof	165,000	195,000
Roof Structural Support Repair Allowance	175,000	210,000
Exterior Paint	200,000	250,000
Exterior Patch and Repairs	85,000	105,000
Wood Floor Removal and temp Repairs	42,000	58,000
Minor Electrical	62,000	75,000
Temp Lighting	4,200	6,000
Louvers for Ventilation	11,500	14,500
Plumbing	48,000	68,000
Probable Cost for Stabilization Phase - Subtotal	2,324,700	2,919,500
Contingency	69,741	87,585
Contractor OH&P	185,976	233,560
Permitting	4,277	5,372
Probable Cost for Stabilization Phase Construction Total	2,584,694	3,246,017

Excluded: Mechanical Recommendations as provided by Mechanical Engineer
 Exterior Wall Stabilization

Note: In providing opinions of probable construction cost, the Client understands that the Architect has no control over the cost or availability of labor, equipment or materials, or over market conditions or the Contractor's method of pricing, and that the Architect's opinions of probable construction costs are made on the basis of the Consultant's professional judgment and experience. The Architect makes no warranty, express or implied, that the bids or the negotiated cost of the Work will not vary from the Architect's opinion or probable construction costs.

Historic Boynton Beach HS

Statement of Probable Cost

Building Stabilization + Tenant Ready Condition

Floor Plans A & B

Stabilization / Description	Low	High
General Conditions	52,000	68,000
Building Shell		
Demo (including Hazardous Material Abatement)	350,000	455,000
Install New Windows and Doors	1,050,000	1,300,000
Structural Support for New Windows and Doors	80,000	115,000
New Roof	165,000	195,000
Roof Structural Support Repair Allowance	175,000	210,000
Exterior Paint	200,000	250,000
Exterior Patch and Repairs	85,000	105,000
Wood Floor Removal and temp Repairs	42,000	58,000
Minor Electrical	62,000	75,000
Temp Lighting	4,200	6,000
Louvers for Ventilation	11,500	14,500
Plumbing	48,000	68,000
Probable Cost for Stabilization Phase - Subtotal	2,324,700	2,919,500

Tenant Ready / Description	Low	High
Design Layout A	1,830,000	2,013,000
Contingency	124,641	137,105
Contractor OH&P	332,376	365,613
Permitting	7,644	8,409
Probable Cost for Layout "A" Construction Total	4,619,361	5,443,627

Tenant Ready / Description	Low	High
Design Layout B	2,015,000	2,216,500
Contingency	130,191	143,210
Contractor OH&P	347,176	381,893
Permitting	7,985	8,783
Probable Cost for Layout "B" Construction Total	4,825,052	5,669,886

Exclusion:

Site Work \$600,000 (low) to \$800,000 (high)

Kitchen Equipment, Furniture, FF&E, Ballroom Decoration - \$800k low - 1,200k high

General Note: In providing opinions of probable construction cost, the Client understands that the Architect has no control over the cost or availability of labor, equipment or materials, or over market conditions or the Contractor's method of pricing, and that the Architect's opinions of probable construction costs are made on the basis of the Consultant's professional judgment and experience. The Architect makes no warranty, express or implied, that the bids or the negotiated cost of the Work will not vary from the Architect's opinion or probable construction costs.

3.7.2. Project Pro Forma and Cash Flow Analysis

The Project Team has developed a Base Case Pro Forma and Cash flow Analysis, built on the estimate of probable construction costs, building configuration, the local and regional real estate markets, and the preferred development concepts. The Base Case Project Pro Forma is an extremely conservative cash flow model, used to understand the basic economics of the Project, before attempting to apply cost savings, incentives, or other entitlements to its development. Therefore, this model uses the following assumptions:

- The Base Case Pro Forma uses the less aggressive Floor Plan Concept A, which has a lower construction cost, but also lower amount of leasable floor space;
- The Pro Forma assumes no acquisition or leasing cost — that the eventual developer/owner/operator leases or purchases the property for \$1 **and** assumes the cost of reconstruction;
- A sophisticated pro forma could include any number of possible revenue sources. For simplicity, this model includes 1) rents for the leased interior space, 2) user fees of \$650 per event for events on the High School Grounds, and 3) a nominal internal management fee. The Amphitheater may figure into fees for concepts and events, but is not shown in this analysis;
- The operating model is structured as a single owner/developer or master tenant, offering Triple-Net (NNN) leases to tenants and/or sub-tenants. Tenants pay a base rent, and pay utilities, taxes or insurance separately. The developer/owner/master tenant serves as a pass through on service payments beyond base rent;
- It is assumed that rents will need to be at or below market rates in order for the High School to draw tenants/users, given its location and the current regional RE market. Rents and user fees utilize current local office rents as a baseline. Boynton Beach's office rents are at the lower end of the Palm Beach County office market. Asking lease rates were at \$16.75 (NNN) for Class B, and \$15.72 (NNN) for Class C office space at the start of 2009, but have dropped along with the rest of the region. The weighted average rental rate for full service office space in Boynton Beach was estimated by one analyst at \$22 per foot for Class B, and \$21.90 per foot for Class C at the end of 2010, while separate analysts have the weighted average of all Classes Gross Rental effective rental rate at \$17.31 per foot. ***In order to compete in the local market, rental rates in the Base Case Model have been assumed at \$10 to \$12 per foot Triple-Net (NNN);***
- The Base Case Model use an annual 2% rent increase built into the leasing structure, and;
- The Base Case Model uses market rate financing (term and interest rates), no tax incentives, or any other discounts of any kind, to show economic performance of the building on an unsubsidized basis.

Charging below market rents, without any subsidies, and not using any special case financing, the Base Case Model shows a slight annual operating loss.

3.7.3. The Role of Economic Incentives and Enhanced Financing

Unless the eventual developer of the Project can sustainably generate higher revenues than assumed in the Base Case Model, development incentives and enhanced financing will be required for the final project to operate with a surplus. Improving the economic performance of the Project is important for a number of reasons:

- Improved returns, or value in the form of other incentive will be needed in the current market to attract qualified, credible developers, investors and operators;

- Financing the redevelopment Project and its ongoing operations at no or limited cost to City, will require improved (incentivized) economics;
- Competitive rents and operating costs will be important to attract tenants/users, regardless of type (small business, artist, cultural), to the project, and;
- In the end, supporting efficient costs to potential tenants/users is the critical long-term element of the High School's redevelopment. Keeping total costs of tenancy manageable is important to supporting and growing the local tenant/users of the building. ***Any means to provide cost savings to tenants will help a redeveloped High School fulfill one of its most important objectives — serve as an anchor for the development of new employment, business, and activity.***

Assuming the revenue and cost structure developed in the Base Case financial Pro forma, the key elements in improving the economic performance of the Project are as follows:

- Obtaining and structuring reduced interest debt financing;
- Reducing or offsetting the overall construction cost, to reduce debt coverage payment;
- Reducing ongoing operating costs;
- Developing and/or assisting individual tenants with fit-out and equipment expenses, and;
- If possible, reducing the Project's property tax payment.

A revised Conceptual Pro Forma — the Enhanced Project financing Model — can be developed anticipating the conservative application of available development incentives and financing. The Enhanced Project Financing Pro Forma has been developed using the following assumptions:

- Reducing total construction costs by \$750,000;
- Partial tax abatement, using existing Palm Beach County programs;
- Slightly offset utility and operating expenses, using conventional programs;
- Because overall tenant rent (gross rent) can be reduced, a developer/operator could raise base rent and still deliver a savings to tenants. The enhanced Financing model incorporates base rents at \$11 to \$13 per foot (NNN), and;
- Existing low interest financing. As shown, the enhanced Project financing Model uses interest only debt financing at 5% per annum.

As shown below, the economic performance of the potential Project can be improved significantly using conservative finance and incentive tools.

CONCEPTUAL PRO FORMA
Base Case Model

Building Program	Base Rent				Reimbursements			Total	Gross Annual
	SF	\$ PSF	\$ / Month	\$ Year	Utilities & CAM	Tax	INS	Income	Rent (\$ PSF)
First Floor									
1A	800	10.00	667	8,000	2,200	5,569	400	16,169	20.21
1B	750	10.00	625	7,500	2,063	5,221	375	15,158	20.21
1C	750	10.00	625	7,500	2,063	5,221	375	15,158	20.21
1D	800	10.00	667	8,000	2,200	5,569	400	16,169	20.21
1E	650	10.00	542	6,500	1,788	4,525	325	13,137	20.21
1F	650	10.00	542	6,500	1,788	4,525	325	13,137	20.21
1G	650	10.00	542	6,500	1,788	4,525	325	13,137	20.21
1H	750	10.00	625	7,500	2,063	5,221	375	15,158	20.21
1I	750	10.00	625	7,500	2,063	5,221	375	15,158	20.21
1J	750	10.00	625	7,500	2,063	5,221	375	15,158	20.21
1K	1,650	12.00	1,650	19,800	4,538	11,485	825	36,648	22.21
Second Floor									
2A	800	10.00	667	8,000	2,200	5,569	400	16,169	20.21
2B	984	10.00	820	9,840	2,706	6,849	492	19,887	20.21
2C	984	10.00	820	9,840	2,706	6,849	492	19,887	20.21
2D	800	10.00	667	8,000	2,200	5,569	400	16,169	20.21
Gymnasium	6,660	12.00	6,660	79,920	19,980	46,359	3,330	149,589	22.46
Grounds									
Event Rentals		n.a.	6,500	78,000	-	-	-	78,000	
TOTALS	19,178		23,867	286,400	54,405	133,494	9,589	483,887	

Pro Forma

Project Costs	5,943,627						
Developer Equity	1,783,088						
Debt	4,160,539						
Income	YR 1	YR 2	YR 3	YR 4	YR 5	YR 6	YR 7
Base Rental Income	286,400	286,400	292,128	297,971	303,930	310,009	316,209
Reimbursement Income	197,487	197,487	197,487	197,487	197,487	197,487	197,487
CAM Admin Fee	15,799	15,799	15,799	15,799	15,799	15,799	15,799
Less: Vacancy Factor	(14,320)	(14,320)	(14,606)	(14,899)	(15,196)	(15,500)	(15,810)
Effective Gross Revenue	485,366	485,366	490,808	496,358	502,020	507,794	513,685
Expenses							
CAM / Taxes / Insurance	197,487	197,487	197,487	197,487	197,487	197,487	197,487
Mgmt Fees	19,415	19,415	19,632	19,854	20,081	20,312	20,547
Misc. Admin Exp.	7,280	7,280	7,362	7,445	7,530	7,617	7,705
Structural Reserve	14,561	14,561	14,724	14,891	15,061	15,234	15,411
Total Operating Expenses	238,744	238,744	239,206	239,678	240,159	240,650	241,151
NET OPERATING INCOME	246,623	246,623	251,602	256,681	261,861	267,145	272,534
Debt Service	302,259	302,259	302,259	302,259	302,259	302,259	302,259
NET CASH FLOW	(55,636)	(55,636)	(50,657)	(45,578)	(40,398)	(35,114)	(29,725)

CONCEPTUAL PRO FORMA
Enhanced Project Financing

Building Program	Base Rent				Reimbursements			Total Income	Gross Annual Rent (\$ PSF)
	SF	\$ PSF	\$ / Month	\$ Year	Utilities & CAM	Tax	INS		
First Floor									
1A	800	11.00	733	8,800	2,200	1,767	400	13,167	16.46
1B	750	11.00	688	8,250	2,063	1,656	375	12,344	16.46
1C	750	11.00	688	8,250	2,063	1,656	375	12,344	16.46
1D	800	11.00	733	8,800	2,200	1,767	400	13,167	16.46
1E	650	11.00	596	7,150	1,788	1,435	325	10,698	16.46
1F	650	11.00	596	7,150	1,788	1,435	325	10,698	16.46
1G	650	11.00	596	7,150	1,788	1,435	325	10,698	16.46
1H	750	11.00	688	8,250	2,063	1,656	375	12,344	16.46
1I	750	11.00	688	8,250	2,063	1,656	375	12,344	16.46
1J	750	11.00	688	8,250	2,063	1,656	375	12,344	16.46
1K	1,650	13.00	1,788	21,450	4,538	3,644	825	30,456	18.46
Second Floor									
2A	800	11.00	733	8,800	2,200	1,767	400	13,167	16.46
2B	984	11.00	902	10,824	2,706	2,173	492	16,195	16.46
2C	984	11.00	902	10,824	2,706	2,173	492	16,195	16.46
2D	800	11.00	733	8,800	2,200	1,767	400	13,167	16.46
Gymnasium	6,660	13.00	7,215	86,580	16,650	14,707	3,330	121,267	18.21
Grounds									
Event Rentals		n.a.	6,500	78,000	-	-	-	78,000	
TOTALS	19,178		25,465	305,578	51,075	42,349	9,589	408,590	

Pro Forma

Project Costs	5,193,627						
Developer Equity	1,298,407						
Debt	3,895,220						
Income							
	YR 1	YR 2	YR 3	YR 4	YR 5	YR 6	YR 7
Base Rental Income	305,578	305,578	311,690	317,923	324,282	330,767	337,383
Reimbursement Income	103,012	103,012	103,012	103,012	103,012	103,012	103,012
CAM Admin Fee	8,241	8,241	8,241	8,241	8,241	8,241	8,241
Less: Vacancy Factor	(15,279)	(15,279)	(15,584)	(15,896)	(16,214)	(16,538)	(16,869)
Effective Gross Revenue	401,552	401,552	407,358	413,281	419,321	425,482	431,767
Expenses							
CAM / Taxes / Insurance	103,012	103,012	103,012	103,012	103,012	103,012	103,012
Mgmt Fees	16,062	16,062	16,294	16,531	16,773	17,019	17,271
Misc. Admin Exp.	6,023	6,023	6,110	6,199	6,290	6,382	6,477
Structural Reserve	12,047	12,047	12,221	12,398	12,580	12,764	12,953
Total Operating Expenses	137,144	137,144	137,638	138,141	138,655	139,178	139,713
NET OPERATING INCOME	264,408	264,408	269,721	275,139	280,666	286,304	292,054
Debt Service	194,761	194,761	194,761	194,761	194,761	194,761	194,761
NET CASH FLOW	69,647	69,647	74,960	80,378	85,905	91,543	97,293

4. Recommended Development and Financing Structure

4.1. Overview

The Project Team recommends the following Development and Finance Structure. This development structure, approach, process, strategies and tools are based on based on the Team's conclusions and findings discussed within this report. ***This strategy recommends a disciplined approach that has been designed to:***

- meet the City's financing, budget **and** broader development objectives;
- to insulate the City from downside financial and economic risk, and;
- to bring about a quality redevelopment of the High School in the shortest time possible.

Balancing the City's objectives and the Project Team's findings, we are recommending the City's best, and fastest route to redevelopment of the High School is to drive a market responsive, flexible, yet focused, redevelopment process. The four main tenets of the approach we recommend are:

- 1) ***Utilize third party financing, not City Capital funds, to redevelop the High School.*** The financial pro forma modeled in this report shows the basic economic feasibility of redeveloping and operating the High School using private financing and a moderate dose of proven public incentives. The Project's final financial structure will depend upon the use, ownership, and operational structure of the redeveloped High School, however, ***financing the Project to operate independently: 1) need not be overly complicated, 2) can be achieved using conservative cost savings, and 3) can be achieved using established, existing, "off the shelf" funding sources.***
- 2) ***Do not embark on speculative redevelopment of the High School*** — that is, no funds (from any source) should be spent to build-out the reconstruction of the High School in advance of having a proven project developer, operator, or owner with committed uses, and secured financing in hand.
- 3) ***Go to the market for a developer/operator who assumes the financial risk of redeveloping and operating the High School.*** Independent financing of the redevelopment of the High School is possible for the right project and operator. The main advantages to utilizing an experienced, financially capable third-party developer for the High School include speed, and the elimination of risk for the City, and insures long-term stability and quality of the final development project. However, achieving the City's broader development objectives, and the public's expectations for the School's redevelopment will rest on effectively seeking, and selecting, the best development proposal, backed by an experienced, qualified and well-funded developer and/or operator.
- 4) ***Drive the redevelopment process by setting the conditions for its success.*** The City can drive the speed of the redevelopment process, and control its outcome, not by micro-managing the development, but putting in place the policy, incentives, and local partners needed to make the project work, ***before going to the market for development proposals and/or developers.***
- 5) ***Balance economics with opportunity when selecting the final development proposal.*** The redevelopment of the High School is a unique ***opportunity*** that if well considered, can help spur additional investment and development downtown. The final selection of a development proposal and operator for the High School should not be driven by any single cost, control, or ownership factor, but balance the economic soundness of the final development, the capability of the eventual developer/operator to deliver and sustain its proposed re-use concept, and how that concept delivers on the City's broader goals, or stimulates additional investment in the Downtown.

4.2. Driving the Redevelopment Process: The City's Role

The key to driving the speed and quality of the redevelopment process is to structure as much of the necessary components needed by an eventual developer or operator **prior to going to market for a development proposal, developer and operator**. The City can get higher quality redevelopment proposals by providing clarity regarding its objectives, and structuring as much of the financial incentives, financing partners, and development requirements **in advance of marketing or soliciting development proposals**. Even though this process is recommending a third party development, operation, or even ownership of the High School, the City can define the conditions for redevelopment, and help shape its outcome by completing the following prior to beginning a property marketing program.

1. Complete and adopt a clear and unambiguous statement of the City's development objectives, performance criteria, and measurement of project success, to which development proposals must respond, regardless of the mechanics of the marketing and solicitation process.
2. Commit up-front to a flexible, yet clearly defined marketing, selection and review process. Potential developers and operators will gain considerable confidence knowing what the process for selecting a final development proposal is in advance.
3. Remove or streamline any administrative barriers to redevelopment of the property, including adopting new zoning for the site. At this moment, the City's zoning code prohibits the development of any of the recommended development concepts without an application for complete re-zoning. A clear and unambiguous zoning scheme which allows a mix of uses at downtown densities, using a high percentage of the site, as-of-right, would provide clear guidance as to expected use and design, and expedite the development review process. Also, developing an expedited review process for site plan approval, permitting, and construction review would also signal the City's readiness to make a project happen.
4. Build the financing and incentives package prior to marketing the property for redevelopment. Although Project funding and financing will depend on the nature and structure of the redevelopment proposal, every governmental partner (County, state, Federal) who may play a potential role in financing or incentivizing the Project should be brought into the Project as early as possible, with potential commitments to the Project worked out in advance.
5. Structure the City's own package of incentives (tax relief, waiver of fees, etc.) in advance of marketing the property for redevelopment.
6. Organize and structure the personnel and services the City will be providing to developers and operators making a redevelopment proposal. What in-kind services and personnel, will the City provide to facilitate proposal review, negotiation, and development?
7. Begin the building engineering and design process immediately. The City can shave months off of the redevelopment process by beginning the architectural and engineering redesign of the core and shell of the building prior to going to market for development proposals. The preliminary design, required for any redevelopment configuration, can be a value-added incentive the City provides to the final developer/operator as part of the marketing process.

4.3. Retain Flexibility in Selecting the High School's Developer or Operator

The City has multiple broad objectives for the School's redevelopment, and the selection of a final developer, and development proposal, should retain flexibility. **Effective, experienced, credit-worthy and financially capable developer/operators need not be limited to for-profit developer/operators. Many non-profit development entities have developed extensive portfolios of projects which have anchored local community development efforts.** In fact, non-profit ownership of the High School into the future may be a distinct advantage to its financing

and long-term operation. The eventual selection of a development partner should rest on the quality of a proposer's development concept and capabilities to deliver that concept, and not necessarily on its tax status.

The City might also consider flexibility in the design of the marketing and solicitation process. It is not certain whether a traditional RFP or RFQ process may be the most effective means of soliciting development interest. ***Given the requirements of the State's RFQ and bidding processes, the either process could be inefficient or ineffective in soliciting qualified response of interests in redeveloping the school, in that direct solicitation of developers and operators most qualified to redevelop the School may be prohibited.***

A more direct marketing program, targeting developers and operators who are in businesses and industries best able to make use of the school (as identified in the preferred development concepts) and the experience and financial capability to carry of a successful redevelopment project, would be more efficient and effective.

The City can consider a range of different approaches to its marketing program. Under State Law and the Boynton Beach City Code, the City has great flexibility in how it sells City owned property, and receives and evaluates unsolicited offers from potential buyers, developers, or partners. Broad home rule powers are granted to municipalities in Florida by Article VIII, Section 2(b), Florida Constitution, and implemented by Chapter 166, Florida Statutes (the *Municipal Home Rule Powers Act*).

In the absence of a city charter provision, ordinance or rule to the contrary, the City commission may utilize whatever method or procedure it decides will be in the best interest of the municipality in disposing of surplus municipal real property. The Boynton Beach City Code provides a formal process for determining the price of the property, but also provides the City Commission with wide flexibility to determine the ***process*** by which the High School may be redeveloped, sold or leased, which may also include the flexibility to entertain unsolicited offers in advance of a formal RFP/RFQ process. (See Boynton Beach City Code, Sec. 2-56c).

4.4. Focus Redevelopment Efforts, Support and Incentives on the Preferred Development Concepts

We are recommending a market responsive, rather than publicly dictated, redevelopment of the high School. The analysis of, and selection of preferred development concepts above was completed to provide the City with clear plan options for the likely redevelopment of the High School. The preferred concepts were developed as the highest and best re-uses of the school both meeting the City's objectives, and, in our judgment, the most likely to succeed financially.

The efficiency of the City's efforts can be greatly enhanced by focusing its efforts on attaining its planned redevelopment concepts. If the City desires to complete a project meeting its own objectives, on an accelerated schedule, it should be disciplined in its approach to structuring incentives and the solicitation process.

4.5. Recommended Project Ownership Structure

Control of the fate of the School was identified as a major issue throughout the project. The popular sentiment was that because the School is an important community asset, that the City in some way must maintain control of its fate. However, the need to expedite the redevelopment of the School, avoid significant financial liability, and insure the long-term quality of the property can be balanced.

The Project Team recommends the use of one of two options for long-term ownership of the High School. ***Once a development concept, developer, and operator is selected and the financing, ownership, and development agreements are completed, we recommend the City relinquish ownership of the property.*** The City can either sell the property outright, under the provisions of the City code, Sec. Sec. 2-56c, or it may choose to lease the property to a

developer/operator under a long term lease. Even where the City chooses to lease the property, it should first transact (sell) it to an intermediary 501(c)(3) single-asset ownership company, which then leases the property to the final developer/operator.

The final form of transaction the City chooses should be responsive to the needs of the Project. However, under any scenario, the City does not want to be the owner of the property, if for no other reasons than managing long-term financial and liability risk. Transacting the property to another owning entity has a number of advantages, including expedited speed regarding tenant, and contract negotiations, the construction of a financial “firewall” between the City and the redevelopment Project, and long-term efficiency of use and operation.

4.5.1. Ownership and the Project Control Issue

Transacting the property to another owning entity does not necessarily mean relinquishing complete control over its fate. Leasing the property may seriously complicate Project financing, but by leasing through a owning entity of its own creation, the City would presumably retain a measure of control over the use and performance of the School through the terms of the lease. In addition, the property may be sold, retaining performance clauses or reversion clauses within the sale deed. Care must be taken so as not negatively impact Project financing.

4.5.2. Ownership and the Property Tax Issue

Much has been made regarding sensitivity to the possibility of development of the School by potential non-profit entities, and the loss of potential property tax revenue to the City. ***This issue should not be taken lightly, but non-profit ownership of the redeveloped High School does not necessarily mean that it will not pay property taxes.*** Property tax liability is determined by the ***use*** of the property — whether the property is being used for profit making (tax liable) uses. In fact, the only way a non-profit does not pay property taxes is to demonstrate that its use of a given property is in line with, and conforms to, its stated non-profit corporate mission.

It is conceivable that a non-profit could own the High School, and lease it to for-profit businesses, in which case the property would be liable to pay property taxes. There may be instances where this structure is advantageous, as a non-profit owner without the need for higher profit margins could maintain lower rents to for-profit tenants.

Additionally, if the need for some type of revenue from the property is too high a need for the City, even under a non-profit owner/developer, the city could negotiate a long-term lease or other fees, use, or service charges associated with the property as form of payment in lieu of taxes.

That being said, the Project Team strongly recommends that the City consider its approach to the property tax question very carefully. Relief from property taxes may be an important means of insuring the operational viability of the final High School redevelopment Project. The City has the means to reduce property taxes (see below), and should make this determination in a careful balancing of issues.

4.6. Utilize Proven Low Interest Debt and Equity Real Estate Financing

The project team is not recommending a heavy reliance on grant funding to finance redevelopment. Unless an interested developer can demonstrate it has commitments for, or already has, grant funding in hand to fund its redevelopment proposal. Grant funding may be useful in reducing construction and operating costs, but raising significant grant funding in the current economic climate is unpredictable, and could delay redevelopment. Grants should be pursued on a parallel track to the main financing strategy outlined here, but not be a primary focus.

Our assessment has indicated basic financial feasibility for a range of redevelopment concepts using conventional debt and equity real estate financing. However, given the costs of renovation and rehabilitation, combined with expected (below market) rent revenues, the redevelopment of the High School will depend on obtaining favorable financing terms, including reduced loan interest.

Utilizing conventional, but effective financing techniques will also considerably expedite the development process.

Current market rates for debt financing on privately developed office and mixed use real estate development projects are 5.75% to 6.8% interest, on loans averaging 68% loan to value, using 25-year amortization. Final credit terms will depend on the project developer's (as the borrower), credit capacity, the structure of Project and property ownership, and obtaining credit worthy leases or other financial guarantees, collateral, or securitization.

The reconstruction cost of the High School places it out of reach of most non-profit community lending programs in Florida. Projects of this size are typically financed by loans from private lending institutions, enhanced with government finance programs in the form of low interest loan participation, loan guarantees, or tax credit programs. Given the size of the financing required and the types anticipated re-use of the School, three programs are the best candidates for project financing.

SBA CDC/504 Loan Program

The U.S. Small Business Administration CDC/504 Loan program is designed to help owners of small and mid-size businesses purchase and rehabilitate real estate, and equipment. The 504 program is a loan participation and guarantee program administered by the US SBA, but funds are approved and loaned through local Certified Development Companies (CDC) – private, nonprofit corporations set up to contribute to economic development within its community.

The CDC/504 loan program is a long-term financing tool, designed to encourage economic development within a community. The 504 Program accomplishes this by providing small businesses with long-term, fixed-rate financing to acquire major fixed assets for expansion or modernization. 504 Loan funds may be used fixed asset projects, including the purchase of land, including existing buildings, the purchase of improvements, including grading, street improvements, utilities, parking lots and landscaping, the construction of new facilities or modernizing, renovating or converting existing facilities, the purchase of long-term machinery and equipment, and has recently been revised to allow refinancing certain types of existing debt.

The 504 program is available only to for-profit, small businesses. SBA guideline define a small business as an owner-occupied, credit worthy businesses located in Florida with a maximum tangible net worth of not more than \$15 million and average net income after Federal income taxes (excluding carry-over losses) for the two full fiscal years prior to application of not more than \$5 million, or manufacturers with fewer than 500 employees. Also, to make use of the funding, the borrower will have to occupy 51% of the space within the building, and can lease the remainder.

Recent changes to the Program's debt limits make it useful for the redevelopment of the High School. While there is no limit on total project cost for 504 financing, the total 504 program debt that can be contributed to a project is now \$5 Million, up from \$1.5 Million.

The typical CDC/504 loan structure is a two-tiered project financing. A private lender finances approximately 50% of the project cost and receives a first lien on the project assets. A CDC finances up to 40% of the project costs, backed by a 100% SBA-guaranteed debenture, secured with a junior lien. The borrower provides the balance of the project costs (approximately 10%). The loan can be amortized up to 20 years.

The advantages of the 504 program include: many projects that cannot be financed using conventional financing or industrial revenue bonds can be financed 504 Program. In fact, the 504 Program is attractive to all projects due to its below-market interest rates and low down payments. Interest on the SBA-backed portion of the loan is negotiated, but is a fixed rate, usually at 1.5%-3% above the current 10-year Treasury Bill Yield (currently 3.18%)

Additionally, the owner can operate in 51% of a building and lease the other 49%, creating an income stream to strengthen cash flow. Banks are willing participants because they can fund as little as 50% of a project and still remain in a first-lien position.

Florida First Capital Finance Corporation is the State's largest SBA CDC/504 lender, but the program is available through a number of Florida CDC's.

New Markets Tax Credit Financing

The New Markets Tax Credit (NMTC) is an investment tax credit program administered by the US Treasury Department. NMTC encourages investment in low income Census tracts. The High School is located in a NMTC eligible Census Tract.

The NMTC is a tax credit, redeemed by a "Tax Credit Investor," (typically a bank or financial institution), equal to 39% of the equity investment made by the Tax Credit Investor, paid over 7 years. ***NMTC tax credit based financing can be used by for-profit and non-profit developers for an extremely wide range of property uses, including office, retail, education, health care, industrial, hotel, and community facilities.*** Rental residential is permitted so long as no more than 80% of the gross property revenue comes from residential units.

NMTC Tax Credits are managed by the Community Development Financial Institutions Fund (CDFI), and allocated each year to ***Community Development Entities*** (CDE's). Under IRC §45D(c)(1), a CDE is 1) any domestic corporation or partnership whose primary mission is serving or providing investment capital for low-income communities or low-income persons, 2) that maintains accountability to residents of low-income communities through their representation on any governing board or advisory board of the CDE, and 3) has been certified as a CDE by the CDFI Fund. The CDFI allocates \$15 billion in NMTC Credits annually to CDE's across the country. There are at least nine CDE's either in or serving Florida with a current allocation of NMTC's.

To claim New Markets Tax Credits, an investor must make an equity investment in a CDE, which then makes a loan to a developer for a qualifying project. The most effective use of NMTC based financing involves structuring an IRS approved NMTC *leveraged* transaction, in which a tax investor places a cash investment in a CDE, which is used as equity to borrow a loan. The entire funding — the tax investor's equity, and the "leveraged" portion, or loan — is then loaned to a project developer. Typically, the developer makes repayment on only the leveraged portion of the funds, usually a below market interest rate, interest only, or extended amortization period. The tax investor claims 39% of the ***entire*** amount of the CDE loan to the developer over seven years, and can end up with total tax credits worth substantially more than its equity investment. At a project cost of just over \$5.9 Million, the Tax Credits could be worth as much as \$2.3 Million. The tax investor does not receive payments or distribution of profits from the project.

The leveraged portion of NMTC leveraged financing can be almost any type of debt, including industrial revenue bonds, municipal bonds, and other tax-free bond financing, providing the opportunity for very low debt payments required of the developer/borrower.

Most leveraged NMTC loan structures provide for the tax investor portion of the loan to be "forgiven" after the seven-year holding period, through a put/call option built into the loan. All or a portion of the tax investor's portion of the loan can be forgiven, and the project refinanced at a benefit to the developer.

The advantages of NMTC enhanced financing include options for 100% project financing (no developer equity required), non-recourse financing, the possibilities for well below market interest and/or interest only payments on NMTC enhanced debt, and forgiveness of a significant portion of the loan after seven years.

Palm Beach County Industrial Revenue Bonds

Industrial Development Revenue Bonds (IDRBs), issued through Palm Beach County, finance business and industrial expansions for firms with strong credit. IDRBs can provide low-interest loans for large projects by permitting the borrower to take advantage of long-term financing with lower than prime interest rates. IDRBs can be used for commercial properties as well as

community facilities. Additionally, for certain types of manufacturing facilities, interest rates can be lowered further due to the tax-exempt status of the bond issue.

IDRBs may finance up to 100 percent of project costs, with loans up to \$10 million available if the financing is tax-exempt. In the case of taxable bonds, no cap on the amount exists. Interest on IDRBs may be at a fixed or variable rate. Variable rates typically range from 85-100 percent of prime (currently 3.25%), depending on the strength of the firm's credit. Fixed interest rates average approximately one percent below prime. Maturity varies from five to 30 years, matching the life of assets. Borrowers can receive the advantages of long-term loan maturities, low interest rates, and/or low down payment with 100% financing.

4.7. Utilize Readily Available Development Incentives to Improve Project Economics

4.7.1. Reduce Base Construction Costs

Reducing the construction cost of the final redevelopment project can provide savings and improve project economics on both the short and long term. The most expeditious means of reducing the up-front cost of rehabilitation involves the use of easily obtained tax credits and established economic development infrastructure financing.

The Federal Historic Rehabilitation Tax Credit

The High School is eligible for the Historic Rehabilitation Tax Credit Program. Administered by the US Department of the Interior, the program has spurred the redevelopment of more than 30,000 historic properties in the United States. Over \$30 billion in rehabilitation dollars have been associated with these projects, providing approximately \$6 billion in tax credits for investors.

Historic Tax Credits are incentives given to taxpayers that contribute to the preservation of historic buildings by rehabilitating them. The credits are available for the rehabilitation of both income-producing historic properties and owner-occupied historic residences. The offers two levels of tax credits — 20% of the cost of rehabilitating an income producing **certified historic structure**, or 10% of the cost of rehabilitating an income-producing (commercial, non-residential) non-historic structure built before 1936. To qualify for the tax credit, the rehabilitation expenses must be qualified expenses, as defined by Department of Interior guidelines.

Typically, a tax credit investor (a bank or institutional investor) is included as a general partner in a development entity formed to build and own an historic building. The tax investor usually “buys” the right to claim the tax credits by paying the developer a cash payment, or making an equity investment in the Project. In either case, the cash payment can be distributed to other equity investors, or used to write-down remaining debt, reducing future debt payments. As the full cost of the building rehabilitation would be a tax credit eligible expense, syndicating Historic Tax Credits could be worth up to \$1.1 Million, or \$70,000 to \$80,000 in reduced annual debt service.

Business Energy Investment Tax Credit (ITC)

The Federal business energy investment tax credit available under 26 USC § 48 was expanded significantly by the *Energy Improvement and Extension Act of 2008*, and further expanded by *The American Recovery and Reinvestment Act of 2009*. The program provides tax credits for investments in clean energy systems, including Solar Water Heat, Solar Space Heat, Solar Thermal Electric, Solar Thermal Process Heat, Photovoltaics, Wind, Biomass, Geothermal Electric, Fuel Cells, Geothermal Heat Pumps, CHP/Cogeneration, Solar Hybrid Lighting, Microturbines, and Geothermal Direct-Use.

The credit can be taken by building owners installing eligible systems that are put in service on or before December 31, 2016. The tax credits vary by system, ranging from 30% of the total cost of the system, to per kilowatt charges. ***In addition, the American Recovery and Reinvestment Act of 2009 allows taxpayers eligible for the business energy investment tax credit (ITC) to apply for the tax credit traditionally, or receive the cash value of the tax credit as a grant.***

EDA Grants

A bureau within the U.S. Department of Commerce, EDA's mission is to lead the federal economic development agenda by promoting innovation and competitiveness. EDA was created by Congress pursuant to the Public Works and Economic Development Act of 1965 to provide financial assistance to both rural and urban distressed communities. EDA fosters entrepreneurship, innovation and productivity through Investments in infrastructure development, capacity building and business development in order to attract private capital investments and higher-skill, higher wage jobs to Regions experiencing substantial and persistent economic distress.

EDA works with local municipalities and not-for-profit institutions, supplying funding under two main programs. The *Public Works and Economic Development Facilities Program* provides "strategic Public Works investments to support the construction or rehabilitation of essential public infrastructure and facilities to help communities and regions leverage their resources and strengths to create new and better jobs, drive innovation, become centers of competition in the global economy, and ensure resilient economies."

Through the *Economic Adjustment Assistance Program* EDA provides a wide range of construction and non-construction assistance, including public works, technical assistance, strategies, and revolving loan fund (RLF) projects, in regions experiencing severe economic dislocations that may occur suddenly or over time.

EDA funds are grants, and can be used flexibly for a wide range of purposes. Applications are accepted continuously, but funds are awarded quarterly throughout the Federal fiscal year. EDA grants average \$1 Million to \$3 Million, and would be a strong candidate source for infrastructure, public improvements, or partial funding of the High School renovation.

4.7.2. Operating Cost Savings

Significant operating costs savings can be structured using a range of existing programs. Of particular note, three recommended programs are available to offset energy costs and rent.

Energy-Efficient Commercial Buildings Tax Deduction

The Federal Energy Policy Act of 2005 established a tax deduction for energy-efficient commercial buildings applicable to qualifying systems and buildings placed in service from January 1, 2006, through December 31, 2007. This deduction has been extended through 2013 by Section 303 of the *Federal Energy Improvement and Extension Act of 2008* (H.R. 1424, Division B).

A tax deduction of \$1.80 per square foot is available to owners of new or existing buildings who install (1) interior lighting; (2) building envelope, or (3) heating, cooling, ventilation, or hot water systems that reduce the building's total energy and power cost by 50% or more in comparison to a building meeting minimum requirements set by ASHRAE Standard 90.1-2001. Energy savings must be calculated using qualified computer software approved by the IRS.

Deductions of \$0.60 per square foot are available to owners of buildings in which individual lighting, building envelope, or heating and cooling systems meet target levels that would reasonably contribute to an overall building savings of 50% if additional systems were installed.

The deductions are available primarily to building owners, although tenants may be eligible if they make construction expenditures. In the case of energy efficient systems installed on or in government property, tax deductions will be awarded to the person primarily responsible for the system's design. Deductions are taken in the year when construction is completed.

Modified Accelerated Cost-Recovery System (MACRS) and Bonus Depreciation (2008-2012)

The owners or investors in commercial properties installing Solar Water Heat, Solar Space Heat, Solar Thermal Electric, Solar Thermal Process Heat, Photovoltaics, Landfill Gas, Wind, Biomass,

Geothermal Electric, Fuel Cells, Geothermal Heat Pumps, Municipal Solid Waste, CHP/Cogeneration, Solar Hybrid Lighting, Anaerobic Digestion, Microturbines, and Geothermal Direct-Use energy systems are eligible to deduct 100% of the cost of installing these systems in one year, rather than over traditional depreciation schedules. The accelerated depreciation deduction is available for systems installed through 12/31/2012.

The accelerated deduction can be applied to the property owner's bottom line, reducing its potential federal tax liability, or can be syndicated (sold) to an investor/partner for cash. Either means may be used a benefit to the developer of the high school, or passed on a savings to its tenants/users. (See 26 USC § 168 1986).

Additionally, the Boynton Beach Community Redevelopment Agency administers its *Commercial Rent Subsidy Program*, a rent subsidy program for new and existing businesses within the CRA District. The Commercial rent Subsidy Program offers up to half a businesses' monthly rent (up to \$600), for up to eighteen months. Applicant businesses can own the building they occupy, or rent under a multi-year lease (two years minimum).

4.7.3. Low Cost Tenant Fit-Out and Equipment Financing

One of the most effective ways to support development of the High School is to carefully manage the costs of rehabilitation between developer (landlord) and tenants. Supporting redevelopment of the High School may rest on supporting the ability of tenants to be able to afford leases within the building, and make investments in equipment, furniture, and fit-out.

Tenant fit-out of leased space is typically negotiated between tenant and landlord, where both parties eventually agree on what improvements to a given space are the responsibility of the owner/landlord, and therefore chargeable as additional rent, or funded by the tenant. Supporting low-cost funding and financing of tenant investments is a simple, cost affordable way to support the long-term economic viability of the final project.

The SBA 504 program, discussed above, can be used for financing equipment, furniture, and capital expenses by small businesses. The SBA 7(a) program is a similar loan program, used to finance the purchase land or buildings, to cover new construction as well as expansion or conversion of existing facilities; the purchase of equipment, machinery, furniture, fixtures, supplies, or materials; long-term working capital, including the payment of accounts payable and/or the purchase of inventory; short-term working capital needs, including seasonal financing, contract performance, construction financing and export production; financing against existing inventory and receivables under special conditions; the refinancing of existing business indebtedness that is not already structured with reasonable terms and conditions, or; to purchase an existing business.

Boynton Beach Community Redevelopment Agency Commercial Interior Build-out Assistance Program

The City's CRA administers a grant program to assist new and existing businesses in the CRA District with the costs associated with the construction and interior finishing of a new or existing location. Eligible businesses can receive up to \$15,000.

4.7.4. Property Tax Relief

The City will need to deal with the issue of property tax liability on the High School property as a potentially important development, operating cost and small enterprise incentive. If the use of the property incurs property tax liability, and the City decides to provide property tax relief, it can do so under the existing Palm Beach County Historic Property Tax Abatement Program.

Palm Beach County has established a property tax abatement program for historic properties to encourage the preservation, rehabilitation and private investment in historically significant properties, neighborhoods, and traditional commercial districts.

The program is available to owners of income producing and owner occupied historic properties (50 years or older) located within historic districts or those individually listed in the Local Register of

Historic Places. The exemption is available for 100% of the assessed value of qualified improvements made to the property, for a period of up to 10 years.

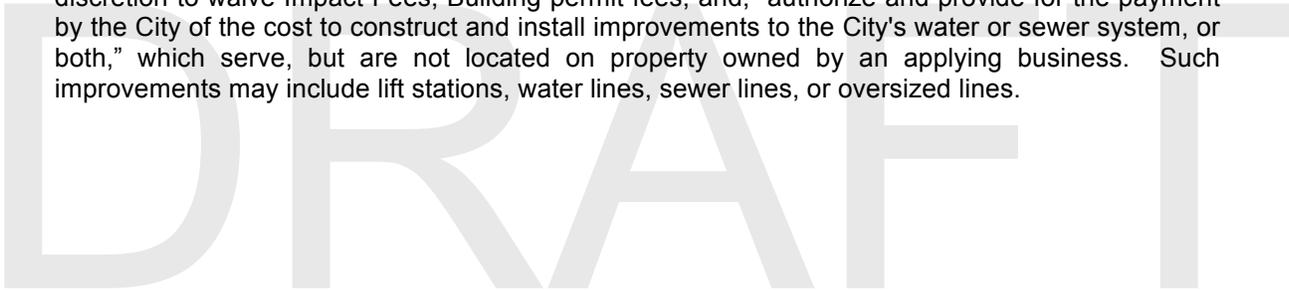
Entry into the program is made through an intermunicipal agreement between the City and the County. The property owner must agree to maintain the qualifying improvements and the character of the property for the period of the exemption. Should the property be sold during the exemption period, the tax exemption is passed on to the new owner.

4.7.5. Other Development Incentives

Smaller off-the-shelf incentives and grants may also be applied to the final redevelopment, especially at the front end of the project. The Palm Beach County Tourist Development Council and its affiliated agencies offer a range of grants and assistance supporting the start-up and/or relocation of businesses advancing tourism and visitation. Programs include:

- Cooperative Advertising and Promotion
- Film Incentive Grant
- Sports Event Fund
- Major Attractions

In addition, the City Commission has authority to waive numerous fees and costs for businesses and developers investing in the City. The City commission, under Chapter 8 of the City code, has discretion to waive Impact Fees, Building permit fees, and, “authorize and provide for the payment by the City of the cost to construct and install improvements to the City’s water or sewer system, or both,” which serve, but are not located on property owned by an applying business. Such improvements may include lift stations, water lines, sewer lines, or oversized lines.



5. Implementation Strategy and Timeline

Utilizing the funding and financing sources recommended above, as well as the key strategic elements of the Development and Finance strategy, provides the basis for an aggressive redevelopment schedule. Although there is some lead time required to structure a more effective marketing and solicitation program, ***by completing early elements of the design and engineering program for building stabilization on a parallel track with the developer solicitation and marketing program, it is possible to expect that a redeveloped High School could open as early as December 2012, or early 2013.***

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Boynton Beach Historic High School - Outline Project Schedule																			
Phase Description	2011							2012											
	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Design Contract Negotiation / Notice to proceed (9 weeks)																			
Building Shell Stabilization Design & Construction Documents Bidding Permitting Construction																			
Build Project Incentive & Pre-Development Package Complete City project performance criteria Design Marketing & Developer Selection Process Draft New Site Zoning Adopt Streamlined Review Process Complete Finance Partner Commitments/Letter of Interest – Public Sources Complete Finance Partner Commitments/Letter of Interest – Private Sources Complete and Adopt City Incentives Organize Project Development Support Team																			
Developer/Operator Marketing & Solicitation Developer Closes Development Agreements & Financing																			
Tenant Ready Design & Construction Design & Construction Documents Bidding Permitting Construction																			