

Town of Lake Park
Community Redevelopment Agency



REAL ESTATE DEVELOPMENT
ACCELERATOR PROGRAM (REDA)

Tax Incentive for Projects

Over \$5,000,000

REAL ESTATE DEVELOPMENT ACCELERATOR PROGRAM (REDA)

About the Program

Projects in the Town of Lake Park Community Redevelopment Agency (“CRA”) area may be eligible for a tax incentive known as the Real Estate Development Accelerator (REDA). This incentive will be instituted to assist with public capital improvements associated with new development in the CRA.

REDA, a performance-based tax incentive, is a phased-in program that provides larger incentives to developers during the initial development stage that provide a public benefit to the Town of Lake Park. The developers who bring projects to the area in the early stages are accepting more risk; they will incur more costs for marketing their development and may experience slower sales than projects that are built after the market is established. Costs to develop the projects are also generally higher due to the lenders ability to mitigate risk by charging higher interest rates or to require more up front equity, thus negatively effecting the developer’s pro forma.

A clearly defined need must exist and be proven by each development initiative before funding under REDA will be considered. Any incentive that is approved by the CRA Board will be paid during and/or after construction of a project.

****Approved projects will require a Development Agreement among the Town of Lake Park, the CRA and the developer and a financial ProForma will be required.**

Eligibility Requirements

- Examples of eligible improvements are not limited to, but could include the following:
 - Land Mark Down
 - Infrastructure Assistance
 - Assembly Assistance
 - Public Benefits identified by the CRA Board
 - Demolition, Site Prep & Remediation
 - Relocation Assistance
 - Development Costs
- Property to be improved must be free of all municipal and county liens, judgments or encumbrances of any kind. Upon grant approval, said property must remain free of all municipal and county liens, judgments or encumbrances of any kind under the term of the agreement.
- The REDA program will be available for a five-year period, and costs may be paid from budgeted TIF funds or future TIF rebates to the developer.

The Real Estate Development Accelerator (REDA) incentive is contingent on funding availability and CRA approval, and is not to be construed as an entitlement or right of a property owner or applicant. Properties in the CRA areas are not eligible for City/CRA funded programs when such funding conflicts with the goals expressed in the CRA Redevelopment Master Plan.