

# Community Development District Infrastructure Investment

Accelerating Commercial Development  
Through Smart Tax Policy



*Representative Imagery – does not represent final design of Project which is still undergoing significant changes*

**Public-private financing Memorandum**

Prepared for the City of Pensacola

**AVISON  
YOUNG**

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**Maritime Park is a catalyst for Pensacola – an opportunity to strengthen Downtown’s infrastructure**

## **Executive Summary**

### **Maritime Park – a Multi-Dimensional Destination**

Avison Young and FMS Bonds, on behalf of the Dawson Company and its development partners, are pleased to present the following informational materials for Community Development District (“CDD”) financing for Maritime Park (“MP” or the “Project”), ***a transformative project that will redevelop several existing surface parking lots directly adjacent Blue Wahoos stadium.***

Maritime Park will be a mixed-use 20-acre development, providing a world-class destination featuring high-end restaurants and retail, upscale lifestyle hotels, innovative workplaces for businesses of all sizes and thousands of residential units.

The Project sits directly adjacent Pensacola’s premier waterfront district, and is located less than five (5) minutes from Palafox Street, Pensacola’s premier walkable retail strip and perennial standout on “Best Street in America” lists.

***The Dawson Companies, along with the City of Pensacola, plan to transform lots 4 and 5 into Pensacola’s premier entertainment and lifestyle destination***—a vibrant, year-round waterfront hub that celebrates the City’s culture, energizes and compliments the Blue Wahoos Stadium experience, compliments downtown Pensacola’s other assets, such as Palafox Street, and provides Pensacola’s growing technology and startup industry with a world-class hub for economic growth.

***By blending varied dining experiences, immersive entertainment, local retail, office, loft-style residential, and welcoming public spaces, the project will create a dynamic gathering place for residents and visitors alike.***

Anchored by proven design principals seen in successful stadium and entertainment districts across the country, the plan is bold yet timeless—designed to strengthen Pensacola’s identity as a thriving, nationally recognized waterfront City, while providing an important compliment to its historic charm, that has made it one of America’s top tourism destinations, year after year.

# Vision

## Today's Untapped Opportunity

### Current Surface Parking and Under-Utilized Greenspace

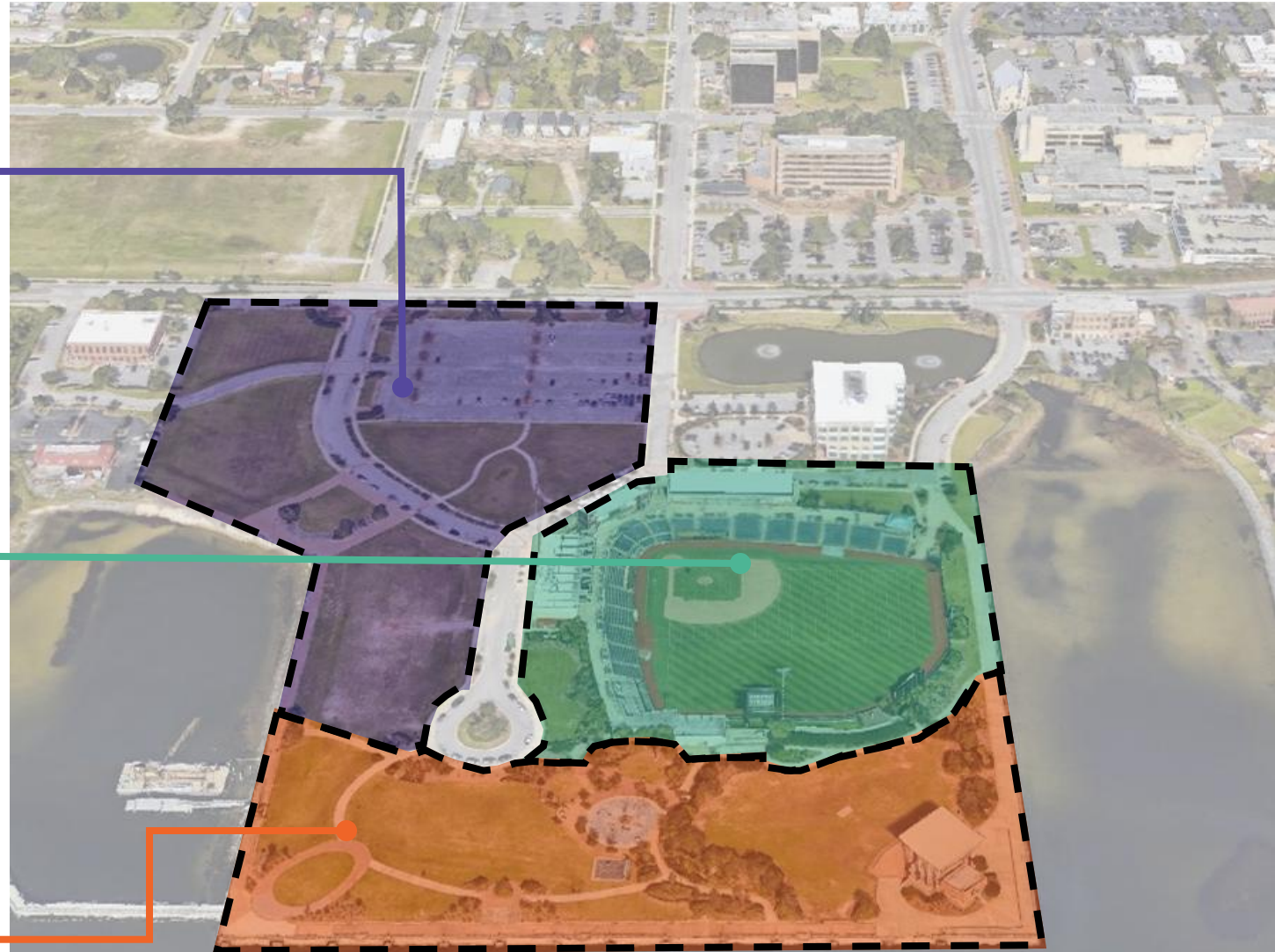
- Insufficient to fully park 5,000 seat Blue Wahoos Stadium onsite
- Lacks retail / office catalyst for full activation – currently no reason for citizens to visit space vs. other, more activated destinations

### Blue Wahoos Stadium

- 92% average attendance (4,600 per game or 300,000 per year)
- 200 non-baseball events / year (3,155 per event or 631,000/year)
- Large demand gap – people leave the area after events rather than spend additional dollars on dining/retail: core thesis behind Centennial Yards retail

### Community Park / Playground / Amphitheatre / Boat Slips / Bruce Beach

- Opportunity to drive activity and additional event programming: Yoga on the Lawn, Event Watch Parties, local food trucks and farmer's markets
- Complimentary to existing Stadium Events





# Current Focus

## “First Domino”

- Currently the City is facing the financial reality that it has an obligation to provide at least 350 public parking spaces to current tenants of the park and to the lot 7 developer. This would be in addition to what Dawson needs for lot 4 and lot 5 development. Consequently, the City would either have to pay for the 350 spaces at the \$60-70k per space from the City coffers or Dawson would have to pay.
- Both options are untenable and could be politically devastating, erode public support and could render the lot 4 and lot 5 development financially infeasible. However, there is a third option:
- The project currently sits within an existing Tax Allocation District, or “TAD,” designed to facilitate **exactly** the kind of highly amentitized, public-space centric development that Maritime Park is designed to be. The existing TAD may be leveraged or a CDD may be overlaid on top of the TAD. ***There are already hundreds if not thousands of these established districts in Florida.***
- ***This provides an opportunity for the City of Pensacola to secure ownership of meaningful additional parking—at no out of pocket cost and no balance sheet impact***—providing the City with a durable revenue stream in the form of long-term parking leases, as well as short-term event parking and satisfying existing commitments

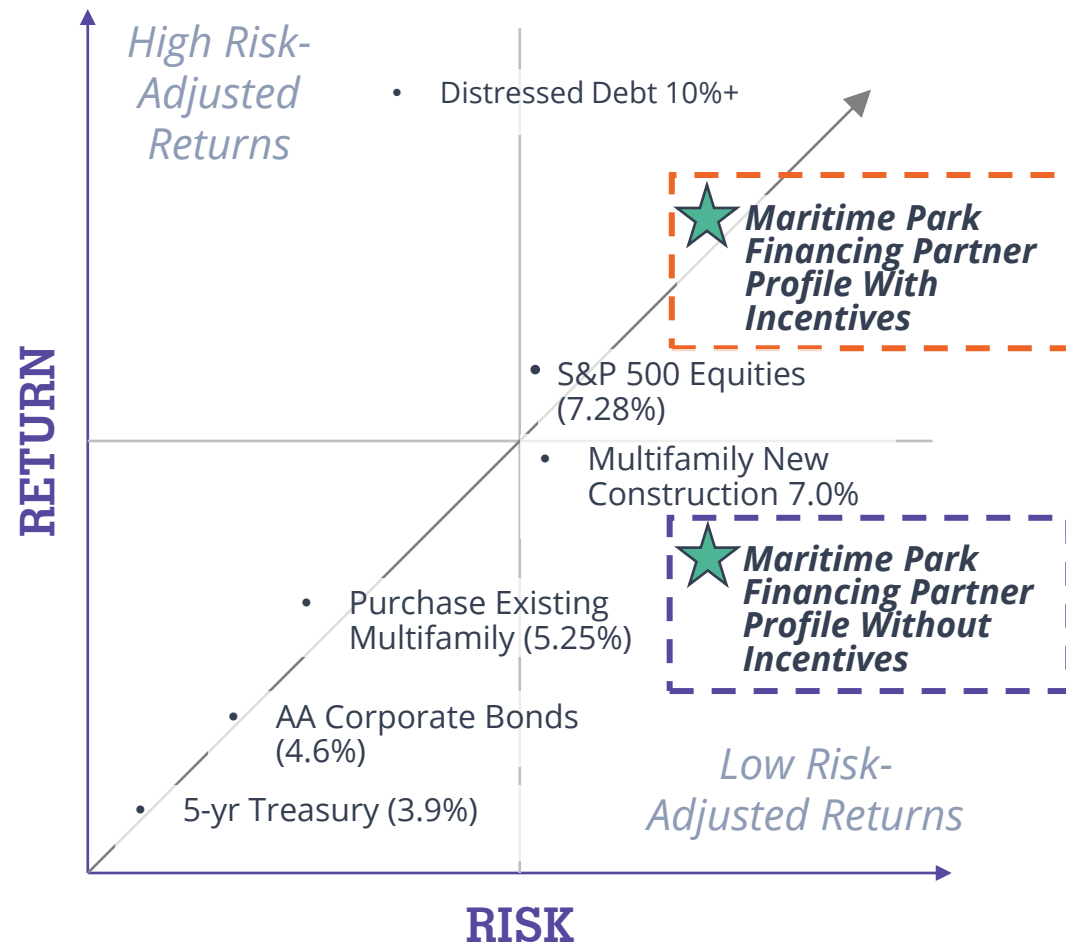


# Why Incentives Matter

## Catalyzing Private Investment

- In the current investment environment, higher construction costs, higher cost of capital, and the existence of recently delivered and underperforming assets have combined to shift investment away from new construction—**resulting in cycle low construction starts across the United States since 2022**
- **Successful Projects share several common factors:** they are primarily mixed-use, with a diverse range of housing options, and ample food, beverage, **and boast ample entertainment/leisure options with robust public spaces**, providing 24/7 uses for residents and visitors alike. These amenities are significant expenditures and the most successful of these developments universally involve some component of public/private financing or other development incentive.<sup>[1], [2], [3]</sup>
- The City of Pensacola has a unique opportunity to catalyze the redevelopment of the area surrounding Blue Wahoos stadium—one of the most popular minor league stadiums, boasting over 92% annual attendance and 3-time winner of “best minor league park in America.” **The proposed financing vehicle supports the creation of City-owned infrastructure**, including ample gameday parking, **and does not impact the City’s balance sheet, nor does it increase the tax burden for residents outside of the legally-defined Community Development District**
- This mechanism is historically successful as well, with **the majority of projects attracting over \$10 of private investment for every \$1 of public investment**, with many districts (such as Gasworx in Tampa) catalyzing 30x the private dollar volume compared with public incentives
- Lastly, **the CDD is a flexible tool** – as the project progresses and additional taxable value is developed, the City of Pensacola can unlock additional bond proceeds or via refinance to reduce the yearly assessment lien on the project – providing both the developer and City maximum impact for minimum capital outlay

*TAD or CDD Bonds reduce rent pressure by improving project economics—which has been used to win highly desirable tenants in high-cost projects, such as COSM and Live Nation at Centennial Yards in Atlanta, and State Farm’s 2m SF Corporate Campus in Richardson, TX*



<sup>[1]</sup> WSJ on Truist Park Development, which received \$300m of incentives and now pays \$72m in yearly ad valorem taxes, published July 15, 2025: [They Have a Losing Record—and Everyone in Baseball is Trying to Copy Them](#)

<sup>[2]</sup> WSJ on Cities developing urban waterfronts for economic development and climate resilience, published August 21, 2025, [Urban Waterfronts Are Getting a Glow Up](#)

<sup>[3]</sup> WSJ on Residential development at sports stadiums driving economic vitality in multiple Downtown areas across the United States, [Cities Turn to Sports Stadiums to Snap Out of Downtown Doom Loop](#)

# Why α CDD?

## Mutual Benefits, Established Framework

- » City enjoys benefits of owned parking, paid for through future taxable value—which would be used to pay for parking anyway.
- » CDDs can be structured to have no impact on City balance sheet, vs. issuing general purpose bonds to pay for parking. This makes a TAD/CDD the most financially responsible way to pay for public parking
- » Project is already located within a Tax Allocation District (“TAD”) – indicating political desire for smart development and simplifying legal process to unlock value
- » These mechanisms have been used on thousands of projects in FL – they are a proven tool to create jobs and economic development
- » FMS Bonds—the largest and most experienced public-private investment bank in Florida—has been engaged to underwrite and help finance project.

**624**

Projects Financed  
Since 2020 (FMS, 75%  
market share)

**100%**

Success Rate

**\$6.6b**

Infrastructure Funds  
Disbursed

**10:1**

Average ROI



*Major Recent Mixed-Use CDD Projects - \$20m+ Project Fund; 2020-2025*

*NOTE: Map is not all-inclusive; sample projects represent FMS issuances*



# Why a CDD?

## Creating Intelligent Incentives

The City of Pensacola has an opportunity to leverage current and future tax income, from a proposed large-scale development surrounding Blue Wahoos Stadium, to finance the construction city-owned parking, support both the vertical development of Maritime Park, and ensure ample capacity for Blue Wahoos gamedays and events.

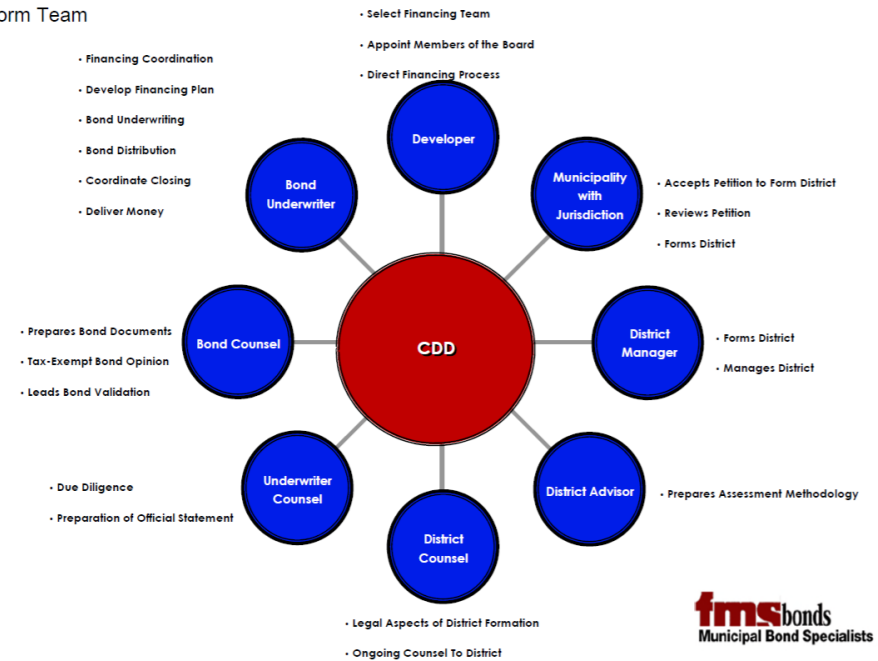
With nearly 2,000 such districts in Florida, this mechanism the most common public-private mechanism in the State. ***It facilitates “smart” density by ensuring infrastructure is “overbuilt”***, such as additional parking, higher capacity water/sewer infrastructure, improvements which increase the throughput of both vehicular and pedestrian traffic, as well as expanded and higher quality public spaces.

***This financing vehicle does not impact a city’s balance sheet, nor does it create an increase in tax burden for residents outside of the Community Development District***, as it is secured by an assessment lien on properties developed within a designated geographic area. This assessment lien may be combined with other incentive mechanisms, such as property tax abatements, grants, and other development incentives.

Additionally, the City of Pensacola, as owner of the parking, can realize revenue streams associated with parking leases that would otherwise go to the Developer. ***The TAD/TIF is a no-cost, no-credit-impact mechanism for the City to pay for 350 parking spaces which would otherwise represent a \$20-25mm obligation.***

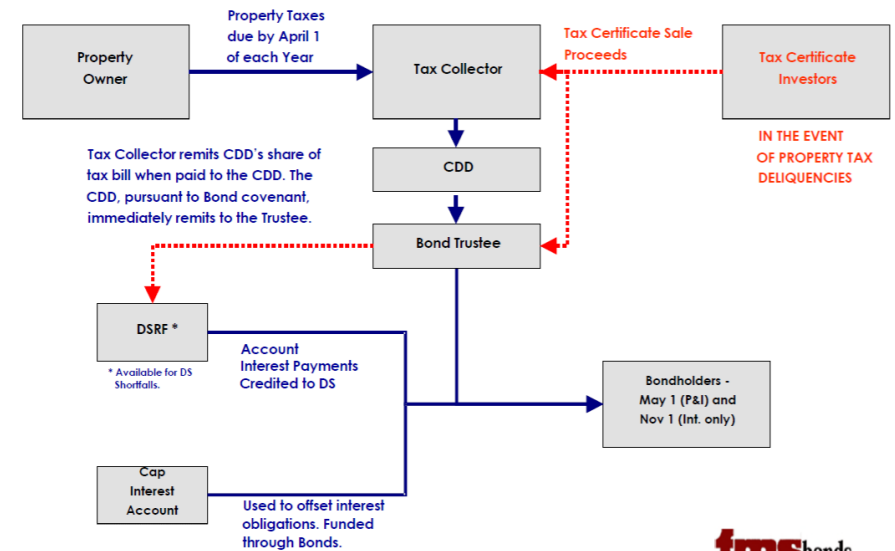
## Community Development District Overview

### Form Team



## Community Development District Overview

### Assessment Collections







Public Roads



Water and Sewer Facilities



Stormwater Management



Landscaping



Wetlands Mitigation



Fair Share Payments / Impact Fees



Amenities, such as Parks, Recreation Centers, Golf Courses, Tennis Courts



Offsite Improvements



Purchase of Land for Public Improvements



Professional Fees



Public Facilities, including Schools, Transit and Parking Structures, and Fire Stations



Remediation / Environmental Cleanup



Security



Waste Collection and Disposal

# Why a CDD?

## Eligible Infrastructure Costs

### CDD Powers and Eligible Costs

The TAD or CDD can be used to pay for a wide variety of “public benefits,” which are statutorily defined, and **only** those public benefits. TAD and CDD dollars are legally prohibited from being used to pay for privately owned facilities.

***Leveraging a TAD or CDD at Maritime Park will specifically and primarily benefit the City of Pensacola vis a vis the creation and enhancement of:***

- The Community Park, Play Ground, Amphitheater, Boat Slips, and improvements benefitting the adjacent Bruce Beach.
- Environmental Capping, Remediation, continual monitoring, and dewatering of environmental contaminants in the water
- Storm water management and wetlands mitigation, dewatering of subsurface structures such as below-grade parking levels
- Public Roads and Sidewalks, public parking garage, and the Security in the Parking Garage
- Boat Slips owned by the City at the Park
- Waste collection and ongoing maintenance expenses associated with the above

The list on the left side of the page represents items that are specifically enumerated within the statute; the CDD Board has discretion to finance with either bonds secured by future cashflows, or with yearly cashflows. Many CDDs opt to employ a combination of the two; financing upfront costs with bond issuances and covering ongoing maintenance with excess funds generated by the CDD.

# CDD Overview

## How does it work?

### CDD Overview

#### **Master Financing Program leverages new legislative tools to provide robust financing incentives**

- Under Chapter 190 (Florida Statute), CDD Board has the power to “finance, fund, plan establish, acquire, construct or reconstruct, enlarge or extend, equip, operate, and maintain systems, facilities and basic infrastructures”

#### **Begins with creation of Maritime Park CDD**

- Authorized to collect “tax allocation increment” to finance qualifying “redevelopment costs” in Maritime Park CDD
- Redevelopment Powers Law authorizes increment to be used for “pay-as-you-go” or to “secure bonds”
- Developer creates an initial CDD Petition, which includes (A) the name of the district, (B) five board members (citizens of US, residents of Florida), (C) the development density and phasing, (D) a determination of the need for special powers, and (E) Planning testimony
- District can be structured “off balance sheet” to City – impacting only the finances of the district itself

#### **Process takes 6-9 months to complete**

- CDDs are one of the most effective tools available to a City to accelerate development and provide oversized infrastructure to facilitate future growth, as well as absorb ongoing costs associated with repairs and maintenance of infrastructure within the District





# CDD Overview

## Maritime Park / Downtown Pensacola Benefits

- Lots 4 and 5 of Maritime Park will require extensive podium / structured parking. **Podium currently costs as much as \$60-70k per stall, compared with \$20k per stall for pre-cast deck parking.**
- With nearly 1m annual visitors to Blue Wahoos Stadium, the City of Pensacola has a significant need for additional parking, and establishing a CDD at this location will help drive the development of that additional parking.
- The TIF/TAD/CDD will also pay for further improvements / enhancements related to the amphitheater, playground and public park, boat slips, and roads/infrastructure repairs & maintenance - **not only does it reduce future costs, it also reduces the costs that the City already pays.**
- The TIF/TAD/CDD can be established in conjunction with ARA tax abatements – providing maximum flexibility to cover the cost of public infrastructure / amenity space enhancements, while accelerating private investment in the area
- Land for development is relatively cheap and available – building low density 3-4 story wood frame, single-asset surface parked projects in the suburbs is good business. Getting developers (and their financial partners) to develop 21<sup>st</sup> century best-in-class high density urban infill concrete and steel structures is another matter. These are the structures that contemporary 21<sup>st</sup> century businesses, retailers and tenants want and demand. That type of development is prohibitively expensive, and most developers would never do that. That is why this site is still fallow.
- Existing Properties can be included within the CDD – similar to what downtown Dallas did to build Klyde Warren Park. The “halo effect” of the strengthened amenity base acts as a magnet for both corporate relocations and growing local businesses.



# Case Studies

## Leveraging Public Incentives to Drive Private Investment – 10:1+ ROI



### The District – Jacksonville, FL

Total Land Size: 30 AC

Project Description: Urban infill mixed-use

- 1,170 Multifamily Units
- 250,000 SF Retail
- 200,000 SF Office
- 200 Room Hotel
- 125 Boat Slips

Total CDD Funding: \$58.6m

Date Funded: Nov-2023

Completion Timeline: 4-6 years

Current Status: Under Construction

Total Private Investment: \$650mm

The District is a premier mixed-use, health and wellness-focused urban resort designed to act as both an employment center and respite for a mix of occupants, from young professionals to retirees, all located ideally along Jacksonville's St. John's river in their Downtown District.



### Gasworx – Tampa, FL

Total Land Size: 50 AC

Project Description: Urban infill mixed-use

- 5,160 Multifamily Units
- 140,000 SF Retail
- 500,000 SF Office

Total CDD Funding: \$40.6mm

Date Funded: May-2025

Completion Timeline: 5-10 years

Current Status: Under Construction

Total Private Investment: \$3b+ at full build-out (2028+)

Gasworx is a six-million square foot mixed-use development, located within Ybor City and designed to connect the surrounding communities and knit the urban fabric of Ybor City and Tampa together with walkable streets, multi-use trails, parks and recreational areas.



### Cascades – Tallahassee, FL

Total Land Size: 30 AC +/-

Project Description: Urban infill mixed-use

- 161 Multifamily Units
- 50k SF Retail
- 80k SF Office

Total CDD Funding: \$33m

Date Funded: Nov-2018

Completion Timeline: 3 years

Current Status: Completed

Total Private Investment: \$158m

Cascades is a mixed-use development in downtown Tallahassee Florida that was delivered in 2020-2021 by North American Properties during the depths of the COVID pandemic. The development—which is the largest mixed-use development in Tallahassee—was supported by a \$33m investment by the City of Tallahassee to support additional structured parking and greenspace improvements.



# Case Studies

## Leveraging Public Incentives to Drive Private Investment – 10:1+ ROI



### Union Terminal – Jacksonville, FL

Total Land Size: 8 AC

Project Description: Urban infill mixed-use

- 228 Apartments
- 50,000 SF commercial space
- Total 360k SF adaptive re-use

Total Incentives: \$26.8m

Date Funded: Apr-2024

Completion Timeline: 2-3 years

Current Status: Under Construction

Total Private Investment: \$150mm

Union Terminal is an 8.0-acre adaptive-reuse of Jacksonville's 1913 Terminal Warehouse into a mixed-use hub with 228 apartments, 50,000 SF of offices and ground floor retail. The project received a tax abatement for redevelopment of historic properties which was monetized to absorb costs associated with parking and other infrastructure improvements.



### Deering Park – Edgewater, FL

Total Land Size: 5,187 AC (900 developable)

Project Description: Suburban residential with Urban mixed-use town center

- 6,600 For-sale housing units
- 1,362 For-rent residential units
- 2.8m SF of Commercial – mix of Office, Industrial and Retail

Total CDD Funding: \$45mm

Date Funded: Jan-2022

Completion Timeline: 2-4 years (full buildout expected 2025)

Current Status: Under Construction / Partially Delivered

Total Private Investment: \$2.4-3b+ at full build-out

Deering Park is a master-planned, mixed-use district at the I-95 / SR 442 gateway to Edgewater. It's planned for single and multi-family neighborhoods, including a grocery-anchored downtown with retail/dining, medical uses, hotel accommodations and office space, with shared greenspace amenities



### Town Center – Watersound, FL

Total Land Size: 10 AC +/-

Project Description: Urban infill mixed-use

- 217 Multifamily Units
- 300k SF Retail
- 120k SF Office

Total CDD Funding: \$35m

Date Funded: Dec-2021

Completion Timeline: 3 years

Current Status: Completed

Total Private Investment: \$200m

Watersound Town Center is the mixed-use heart of Watersound Origins—blending grocery-anchored retail (Publix), restaurants, offices, and medical services around a central pavilion and weekly farmers market. The plan entitles ~420,000 SF (~300,000 SF retail/restaurant; ~120,000 SF office), with ~169,000 SF leased/delivered and a growing tenant lineup (e.g., Starbucks, Ascension). Walkable links to nearby schools and neighborhoods reinforce a live-work-shop setting along US-98 and Watersound Parkway.