

ST. PETERSBURG CITY COUNCIL

Meeting of November 9, 2021

TO The Honorable Ed Montanari, Chair, and Members of City Council

SUBJECT A resolution by the City Council of the City of St. Petersburg approving a supplemental appropriation in the amount of \$8,299,957 from the unappropriated balance of the South St. Petersburg Redevelopment District Fund (1104), to the Economic and Workforce Development Department, Administration Division (375-2609) to provide for the workforce, education and job readiness CRA program, the business and commercial development CRA program, the housing and neighborhood revitalization CRA program, and the CRA communications, evaluation, and operations CRA program; and providing an effective date.

RECOMMENDATION Administration recommends City Council approve the attached Resolution.

Overview of Recommended Actions on FY 2022 CRA Budget

City Council **APPROVE** the following actions regarding the FY 2022 budget for the South St. Petersburg CRA Redevelopment District Fund:

- 1) Reallocate an estimated **\$4,709,081** in current unencumbered CRA funding from the following prior budget years indicated below into the FY 2022 CRA Budget Plan.

FY 2018/19	\$749,875
FY 2020	\$2,178,160
FY 2021	\$1,781,046

- 2) Appropriate an estimated **\$8,299,957** in FY 2022 tax increment financing revenue for use in the FY 2022 South St. Petersburg CRA Budget Plan. (Estimate is based on Pinellas County Property Appraiser's "2021 Taxable Value by Tax Increment Financing District, as of July 1, 2021".)
- 3) Allocate the combined revenue from #1 and #2 above, totaling an estimated **\$13,009,038**, for use in the FY 2022 South St. Petersburg CRA Budget according to the following allocations:

Workforce Development and Education	\$ 2,697,022
Housing & Neighborhood Revitalization	\$ 1,850,660
Business and Commercial Development	\$ 5,115,634
<u>CRA Communications, Operations and Evaluation</u>	<u>\$ 3,345,722</u>
Total	\$13,009,038

Background on the South St. Petersburg CRA Budget

On May 21, 2015, St. Petersburg City Council adopted a Community Redevelopment Plan (Plan) for the South St. Petersburg Community Redevelopment Area (CRA) that also established a tax increment financing (TIF) district for the entire 7.4-sq.mi. South St. Petersburg CRA (Ord. #169-H). TIF directs a percentage of future increases in St. Petersburg and Pinellas County property tax revenues generated within a TIF district into a special redevelopment fund. This increased revenue, known as the “increment”, is then used to fund eligible redevelopment projects within the boundaries of the TIF district. The fund provides a sustainable source of revenue for revitalization programs identified in the South St. Petersburg Plan.

Each fiscal year the Citizen Advisory Committee (CAC) for the South St. Petersburg CRA is asked to make a budget recommendation for the South St. Petersburg Redevelopment Fund. This recommendation is made to the St. Petersburg Community Redevelopment Agency (Agency) which, in turn, recommends a CRA budget to City Council. City Council will approve a budget for the Redevelopment fund allocating the anticipated TIF contributions from the City of St. Petersburg and Pinellas County and any appropriated but unencumbered funding from prior budgets. The final budget is then forwarded to the Pinellas County Board of County Commissioners within ten days of action.

Based on the increase in property values in the South St. Petersburg CRA since its establishment in 2015, the TIF district is expected to yield **\$8,299,957** in revenue for FY 2022. (The official amount will be determined after the final tax roll in spring 2022.) The City payment into the redevelopment fund is estimated at **\$4,821,966**, while the County will be contributing an estimated **\$3,470,491**. (An estimated **\$7,500** in accrued interest is also included in the FY 2022 total revenue.) In addition, an estimated **\$749,875** in appropriated but unspent funding from the FY 2018/19 budget is available for use in the FY 2022 budget, as is **\$2,178,160** from the FY 2020 budget and **\$1,781,046** from the FY 2021 budget. The total of these amounts is estimated at **\$13,009,038**.

City Administration Recommendations on FY 2022 CRA Budget

City Council is being asked to recommend TIF allocations into the four major budget categories identified in the South St. Petersburg Plan. These budget categories are

- Business and Commercial Development
- Housing and Neighborhood Revitalization
- Education, Job Readiness and Workforce Development
- Communications, Evaluation and Operations

In the first two years of the redevelopment initiative, the City budgeted and expended primarily for Business and Commercial Development and Education and Workforce Development. By FY 2019, the increase in the tax increment allowed for the City to provide substantial resources for

all three pillars of the CRA. For the FY2018/19 CRA budget, City Council approved an equal split between the three major budget categories. For the FY 2020 and FY 2021 budgets, City Council focused on providing 40 percent of funding for affordable housing and 40 percent toward education and workforce development. Table 1 below shows the CRA budgeted amounts since inception.

Table 1. CRA Budget Allocation among the Major Budget Categories since FY 2016

Program	FY16	FY17	FY18/19	FY20	FY21	Total
Business & Commercial	\$230,898	\$487,681	\$1,749,493	\$1,201,069	\$1,988,516	\$5,567,657
Education & Workforce	50,000	609,601	1,749,493	2,473,015	3,902,623	8,784,732
Housing	187,265	121,920	1,749,493	2,399,036	3,957,822	8,433,536
CRA Operations	NA	NA	238,300	174,155	407,778	820,233
Total	\$468,163	\$1,219,202	\$5,486,780	\$6,247,275	\$10,274,739	\$23,696,158

In past budget cycles, City Administration recommended - and City Council approved - percentage allocations across the three major budget pillars for the South St. Petersburg CRA. For FY 2022, City Administration based its budget on existing and projected commitments in the Housing and Neighborhood and Business and Commercial Development budgets as well as the introduction of new initiatives which are described below. Table 2 depicts this recommendation.

Table 2. Allocation of FY 2022 TIF Revenue among the Major Budget Categories

Budget Category	\$ Allocation	% Allocation
Education, Job Readiness and Workforce	\$2,697,022	20.7%
Housing & Neighborhood Revitalization	\$1,850,660	14.2%
Business and Commercial Development	\$5,115,634	39.3%
CRA Communications, Evaluations & Operations	\$3,345,722	25.7%
Uses	\$13,009,038	100.0%

These allocations will allow the City to continue its “CRA-dle to Career” initiative with nearly **\$2.7 million** earmarked for early childhood education and teen job readiness programs as well as continued funding for the workforce development contract awarded to St. Petersburg College in fall 2020. This workforce development contract expands CRA services beyond its current focus on “hard-to-hire” focus. Included in this approach is on-the-job training subsidies that will allow employers and the City to share the cost of new hires to ensure they are provided the skills for sustainable career driven employment. These subsidies will be available to businesses throughout the region that hire CRA residents. In addition, the approach will fund scholarships for CRA residents to attend career-driven education and certification classes outside of employer driven training. Finally, the approach will fund the wrap around services that CRA residents may need to take advantage of training and employment opportunities. In addition, the funding recommendations will provide over **\$1.85 million** for affordable housing through single-family and multifamily housing construction and renovation. These allocations support Mayor Kriseman’s “St. Petersburg Housing Plan” which calls for significant investment in affordable housing throughout the city by constructing and preserving 2,400

multifamily units, expanding homeownership for 500 low-income households, enabling 3,200 homeowners to stay in their homes by remedying code violations, constructing 300 accessory dwelling units and increasing construction of single-family units by making available 150 lots for developers of affordable housing.

While the Plan focuses on providing affordable housing throughout St. Petersburg, the South St. Petersburg CRA is important to this effort both in terms of funding source and policy priorities. The Plan calls for an investment of \$8.5 million in CRA funding over ten years for the construction and preservation of affordable multifamily units. In addition, the current South St. Petersburg CRA housing programs align closely with the Mayor's Plan through its down payment assistance, housing rehabilitation and developer incentive programs. An emphasis for this year's budget will be funding the construction and preservation of multifamily units as well as incentivizing the renovations of single-family and multifamily housing for low-to-moderate income households.

City Administration is also recommending more than **\$5.1 million** be appropriated for the Business and Commercial Development program. This includes \$700,000 for undergrounding utilities on 22nd Street South from 6th Avenue South to I-275 to support commercial revitalization efforts at Sankofa, Manhattan Casino and the Deuces Main Street District. In addition, the proposal includes a multiyear funding commitment of \$300,000 annually for the proposed Sankofa project on 22nd Street South as well as up to \$1.5 million for the commercial buildout at Tangerine Plaza. More than \$990,000 in funding will support the Commercial Matching Grant program, which consists of the Commercial Site Improvement Grant and Commercial Building Interior and Tenant Improvement Grant programs. Another \$250,000 is recommended for the Commercial Revitalization Program. City Administration is recommending an \$1.35 million be budgeted for the Redevelopment MicroFund Program to assist smaller businesses that are not able to raise enough capital to apply for the Commercial Matching Grant Program or Commercial Revitalization Program. This program will be launched in mid-November beginning the marketing of the program to South St. Petersburg businesses with applications being accepted in January 2022.

Finally, City Administration is seeking more than **\$3.35 million** in funding for "CRA Communications, Operations and Evaluation" budget category to implement the priorities of the South St. Petersburg Community Redevelopment Plan. This would include salary costs for CRA personnel, travel, and training costs as well as increased marketing costs to promote the various CRA programs. In addition, \$1.5 million has been recommended to build two parks and streetscape enhancements for 22nd Street South to implement the Deuces/WADA Improvement Plan. Major investments also include more than \$450,000 for corridor revitalization plans for 34th Street South, Dr. M.L. King, Jr. Street South, 16th Street South and Grand Central. Finally, Administration is recommending nearly \$180,000 to pay for employees to augment the efforts of the N-Team – primarily staffed with volunteers – in the CRA.

1. CRA Budget Revisions Since Recommendation by the CAC

On October 5, 2021, City Administration presented a budget recommendation to the Citizen Advisory Committee (CAC) for the South St. Petersburg that included not only the projected revenue for FY 2022 – an estimated \$17.35 million - but also identified potential commitments that might need funding over the next two fiscal years. The CAC recommended approval of Administration's budget of \$20.98 million with the addition of \$300,000 to be appropriated for youth development programs. By far the largest budget category was for Housing and Neighborhood Revitalization where more than \$8.8 million was identified in potential funding needs over the next two fiscal years. Adding these commitments to the three other budget categories created a \$3.4 million deficit that would need to be reconciled with the projected FY 2022 revenue.

Since the CAC recommendation, City Administration has needed to revise its budget recommendation due to several issues. First, Administration is amending its budget recommendation to City Council to ensure that the FY 2022 budget commitments are in alignment with the FY 2022 revenue estimates. Secondly, the TIF revenue estimates from the Pinellas County Property Appraisers Office for the South St. Petersburg CRA were reduced from \$8.357 million to \$8.299 million, thereby needing to further reduce commitments. Third, on October 14, 2021, City Council approved a \$2.0 million CRA incentive for the Jordan Park Redevelopment Plan the funding for which was encumbered from the FY 2021 budget and included available funding from FY 2019 and FY 2020. Finally, staff had to reduce available unencumbered funding from FY 2021 by \$2.3 million due to internal miscommunication.

The sum total of these actions reduced available revenue from an estimated \$17,350,383 to an estimated \$13,009,038. To close the gap between sources and uses, City Administration focused on reducing commitments in the CRA Operations, Business and Commercial Development, and Housing and Neighborhood Revitalization budgets. In the CRA Operations budget, staff reduced commitments to redevelopment planning studies from \$1.2 million to \$745,000, postponing until FY 2023 investments in the update to the South St. Petersburg Community Redevelopment Plan as well as two commercial corridor plans.

In the Business and Commercial Development budget, City Administration reduced the budget by \$850,000. The reductions made to the budget are as follows:

Table 3. Reductions in Business and Commercial Development Budget since CAC Meeting

Uses of Funds	CAC Recommended Budget	Revised Budget	Total Budget Reductions
Total Budget	\$5,965,634	\$5,115, 634	(\$850,000)
Property Acquisition	500,000	0	(500,000)
Commercial Matching Grant	550,000	450,000	(100,000)
Commercial Revitalization Program	500,000	250,000	(\$250,000)
Line Item Budget Reductions	1,550,000	700,000	(\$850,000)

Most of the reductions – over \$6.97 million - came from the Housing and Neighborhood Revitalization budget, namely the “Affordable Loan Program” which included removal of the \$2.0 million Jordan Park Redevelopment Plan that was encumbered under the FY 2021 budget as well as projects that would not receive funding until completion such as Tangerine Plaza and Sankofa. In addition, Administration scaled back funding for projected development that was based on expected demand for programs. Table 4 below depicts the changes Administration made to the housing budget.

Table 4. Reductions in the Housing & Neighborhood Revitalization Budget since October 2021 CAC Meeting

Uses of Funds	CAC Recommended Budget	Revised Administration Budget
	\$8,807,660	\$1,850,660
Property Acquisition/Site Preparation	500,000	0
Acquisition of Vacant Residential Land	500,000	
Affordable Incentive Program	5,661,698	724,660
<u>Affordable Redevelopment Loan Program</u>	4,957,000	235,000
Jordan Park Redevelopment	2,000,000	
Developer Incentive Payments (16 units)	320,000	160,000
Tangerine Plaza Residential (100 units)	1,000,000	
Sankofa Residential (26 units)	600,000	
Shell Dash Agreement Amendment (10 units)	72,000	
Amherst (~10 units)	100,000	
MLK and 18 th Avenue South (9 units)	90,000	
FY 21 LIHTC Contribution (76 units)	75,000	75,000
FY 22 LIHTC Contribution	700,000	
<u>Affordable Residential Improvement (RRR+)</u>	704,698	489,660
Pipeline RRR+ (16 units)	304,698	288,660
Projected RRR+ (10 units)	400,000	200,000
Single Family Residential Programs	2,646,000	1,126,000
<u>Affordable Homeownership Programs</u>	2,220,000	700,000
Sankofa Residential DPA (26 units)	260,000	
Namaste DPA (11 units)	110,000	
Shell Dash DPA (10 units)	100,000	
Pipeline SF Projects (~12 units)	900,000	500,000
Projected SF Projects (5 units)	450,000	200,000
Projected DPAs - Developer Incentive Projects	200,000	
DPAs for Projected SF Projects	200,000	
<u>SF Façade Improvement Grant</u>	344,000	344,000
Pipeline Façade Grants (23 units)	184,000	184,000
Projected Façade Grants (25 units)	160,000	160,000
<u>Paint Your Heart Out/N-Team</u>	82,000	82,000

Since Administration's revisions to the budget were significantly different from the budget the CAC acted on in October 2021, City Administration presented the revisions to the CAC at its November 2021 meeting for a recommendation to the Community Redevelopment Agency.

2. Commitments to Commercial Development Projects

City Administration is recommending \$5.12 million in budgetary commitments for commercial development projects in the South St. Petersburg CRA. Of note, is a \$1.5 million contribution to the renovation of the commercial space at Tangerine Plaza and \$700,000 to underground the utilities along 22nd Street South from 6th Avenue South to Interstate 275. This project will support the City's investment in the Sankofa and new Carter G. Woodson Museum. Another major investment is a multi-year commitment of \$300,000 to support the commercial buildout of the Sankofa development on the Deuces. Finally, the City is committing \$1.35 million to the Redevelopment MicroFund Program, which will help microbusinesses and startups receive funding from the CRA without needing matching funds. In prior years, these businesses would have only been eligible for funding through the CRA Commercial Matching Grant program which requires awardees to pay for half of their grant-funded project and complete it before being reimbursed by the City. City Administration is proposing to launch the marketing of the program in November after City Council's approval of the budget and begin accepting applications in January 2022.

3. Deuces/WADA Joint Action Plan Improvements

Completed in 2018, the Deuces Live/Warehouse Arts District Joint Action Plan identified major public improvement projects along 22nd Street South (Deuces Live Main Street) and within the Warehouse Arts District to support commercial revitalization efforts. Major project goals include completing the walkable infrastructure; making 22nd Street S and 5th Avenue S into livable streets; featuring the trail address; creating active parks and pop up spaces; expressing art, industry and culture through design; and guiding the development of successful urban places.

City Administration is recommending use of \$1.5 million in CRA funding to assist in funding three "transformational" projects for this budget year. These are the Deuces Main Street Core and two park improvements for the Deuces and Warehouse Arts District. The Main Street Core project includes \$3.5 million for a "festival street" that would raise 22nd Street S from 9th Avenue South to 11th Avenue South as well as \$1.3 million allocated to construct the Deuces Park on City-owned land at the northeast corner of 22nd Street *South and 9th Avenue South. The \$1.0 million District Park will be located also on City-owned land at the northeast corner of 22nd Street South and 5th Avenue South.

The South St. Petersburg Community Redevelopment Plan does allow for CRA dollars to be used to help implement neighborhood plans. To enable funding for improvements, the CAC

will need to make a finding that the Deuces/WADA Joint Action Plan is consistent with the redevelopment plan.

4. Additional Funding for Youth Development Initiatives

At its October 5, 2021, meeting the Citizen Advisory Committee for the South St. Petersburg CRA made recommendations on the FY 2022 South St. Petersburg CRA budget plan. While unanimously recommending approval of City Administration's budget recommendations, the CAC also recommended increasing funding for the Youth Job Readiness program, increasing to \$442,022. City Administration's original budget of \$142,022 was to pay for stipends to youth involved in the Enoch Davis Youth Farm. The increase recommended by the CAC is to fund other youth development initiatives currently in the City as well as those that may emerge in the next administration. City Administration supports the CAC's recommendation.

5. Neighborhood Team (N-Team) Funding

City Administration is proposing to increase the capacity of the Neighborhood Team (N-Team) to conduct repairs on homeowner occupied housing by funding four positions at a cost of nearly \$180,000 annually. These positions would be housed in the Codes Compliance Department of the Neighborhood Services Administration but be funded by CRA dollars and would operate solely in the South St. Petersburg CRA. Currently, there are a significant number of projects on the waiting list and the wait can be significant depending on the type of repair needed. Approximately 53% of the properties requesting N-Team assistance are located in the CRA.

6. Increased CRA Marketing Budget

Unlike the Intown and Intown West redevelopment plans, which were created to fund public improvements financed through municipal bonds to attract private investment in downtown, most of the South St. Petersburg CRA programs are "demand driven", relying on businesses, property owners and homeowners to apply for programs to receive funding. While this is a more equitable approach and allows more individuals and families to take advantage of public financing to support business development and housing, it also requires a more systematic and sustained marketing effort to increase the knowledge of funding programs in the CRA and prepare interested parties in applying to the programs. City Administration is proposing to expand the budget up to \$400,000 to pay for outside consultant(s) to promote the CRA. The consultant(s) would be selected through a competitive procurement process.

7. Redevelopment Planning Expenses

City Administration's proposed budget includes over \$585,000 in redevelopment planning expenses which will be devoted to funding commercial corridor revitalization and/or improvement plans for the following corridors in the CRA:

- 16th Street South
- 34th Street South (3rd Avenue South to 30th Avenue South)
- Dr. M.L. King, Jr. Street South
- Grand Central

These plans will identify public improvements and programs potentially funded with TIF to support business and commercial development along the major corridors in the CRA. The goal is to incorporate these initiatives into the South St. Petersburg Community Redevelopment Plan when the amendment process begins in 2022/2023. Another \$150,000 is carried forward from earlier CRA budgets to fund a continuing socioeconomic survey of the CRA.

8. Community Safety Innovations

The Florida Community Redevelopment Act encourages communities to develop innovative strategies designed to improve the safety of residents and businesses in community redevelopment areas (s.163.340(23), F.S.). These strategies can include but are not limited to community mobilization, neighborhood block watch, citizen patrol, citizen contact patrol, foot patrol, neighborhood storefront police stations, field interrogation, or intensified motorized patrol. City Administration proposes budgeting \$300,000 to fund a program that will be created under these guidelines to assist neighborhoods and businesses.

9. Reallocating Unencumbered Funds from Fiscal Years 2018/19, 2020 & 2021

A significant portion of prior CRA budgets is comprised of unencumbered funds, meaning that commitments have not been made by the City to expend them. These committed funds total **\$4,709,081** million, City Administration is recommending reallocating this amount for use in the FY 2022 South St. Petersburg CRA Budget according to the above budget categories and in the amounts allocated to the specific budget programs identified in Resolution Exhibit 1, Tables 1 through 4. The funds will be available after they are rolled over to the FY22 Budget as part of the FY21/22 Cleanup process.

Recommendation

City Administration recommends that St. Petersburg City Council approve the FY 2022 budget plan for the South St. Petersburg Redevelopment Fund as reflected in Exhibit 1 of the resolution. In addition, Administration recommends City Council approve a supplemental

appropriation in the amount of **\$8,299,957**, from the unappropriated balance of the South St. Petersburg Redevelopment District Fund (1104), to the Economic and Workforce Development Department, Economic and Workforce Development Division (375.2609) to provide for workforce, education and job readiness CRA program, the business and commercial development CRA program, the housing and neighborhood revitalization CRA program, and the CRA communications, evaluation and operations program.

Cost Funding Information

The unencumbered portion of CRA funding from Fiscal Years 2018/19, 2020 and 2021 **(\$4,709,081)** will be available after City Council's approval of the FY21/22 Clean-up item. The remaining portion of the funding will be available after the approval of a supplemental appropriation in the amount of **\$8,299,957** from the unappropriated balance of the South St. Petersburg Redevelopment District Fund (1104), to the Workforce and Economic Development Department, Administration Division (375-2609).

Attachment Exhibit 1 – FY 2022 Budget Plan for the South St. Petersburg CRA Redevelopment Fund, Tables 1 through 4.

APPROVALS:

Administrative: /s/Rick D. Smith for Alan Delisle

Budget: /s/ Lance Stanford

Legal: /s/ Michael J. Dema

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF ST. PETERSBURG APPROVING A SUPPLEMENTAL APPROPRIATION IN THE AMOUNT OF \$8,299,957 FROM THE UNAPPROPRIATED BALANCE OF THE SOUTH ST. PETERSBURG REDEVELOPMENT DISTRICT FUND (1104), TO THE ECONOMIC AND WORKFORCE DEVELOPMENT DEPARTMENT, ADMINISTRATION DIVISION (375-2609) TO PROVIDE FOR THE WORKFORCE, EDUCATION AND JOB READINESS CRA PROGRAM, THE BUSINESS AND COMMERCIAL DEVELOPMENT CRA PROGRAM, THE HOUSING AND NEIGHBORHOOD REVITALIZATION CRA PROGRAM, AND THE CRA COMMUNICATIONS, EVALUATION AND OPERATIONS CRA PROGRAM; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of St. Petersburg City Council approved Resolution No. 2013-247, on June 20, 2013, which made a finding of necessity identifying the South St. Petersburg Community Redevelopment Area (CRA) as blighted, pursuant to Florida's Community Redevelopment Act of 1969 (Chapter 163, Part III) and was delegated authority by the Pinellas County Board of County Commissioners (BCC) on June 9, 2014, in order to carry out certain redevelopment functions within the CRA;

WHEREAS, the City of St. Petersburg City Council approved a Community Redevelopment Plan (Plan) for the South St. Petersburg CRA on May 21, 2015 (Ord. #169-H), which included establishment of a tax increment financing district and redevelopment fund for the entire 7.4-sq.mi. South St. Petersburg CRA;

WHEREAS, the Pinellas County Board of County Commissioners approved the Plan on June 2, 2015 (Res. #15-48), delegated authority to the City of St. Petersburg to establish a redevelopment fund for the entire CRA, and approved on June 23, 2015, Ord. #15-27 establishing a redevelopment trust fund for the entire South St. Petersburg CRA and establishing FY 2014 as the base year on which future increments in property values in the CRA will be based;

WHEREAS, pursuant to the "Interlocal Agreement between the City of St. Petersburg and Pinellas County for the Governance of the South St. Petersburg Community Redevelopment Area" (June 2, 2015), until May 21, 2045, the City of St. Petersburg will annually deposit into the South St. Petersburg Redevelopment District Fund a sum no less than the tax revenue generated from 95 percent of the tax increment created each year in the CRA and Pinellas County will contribute 85 percent of the tax increment created each year in the CRA;

WHEREAS, City Administration originally estimated that a total of \$8,993,249 in unencumbered funding remains in the following amounts from prior CRA budgets for use in the FY 2022 South St. Petersburg CRA Budget Plan:

FY 2018/19	\$948,775
FY 2020	\$2,409,426
FY 2021	\$5,635,228;

WHEREAS, the May 28, 2021, estimated property values from the Pinellas County Property Appraiser Office's "2021 Preliminary Tax Roll" would yield an estimated \$8,357,134 in tax increment revenue for the FY 2022 CRA Budget Plan with the City of St. Petersburg contributing \$4,894,416 and Pinellas County contributing \$3,462,717 to the South St. Petersburg Redevelopment District Fund (1104);

WHEREAS, at the October 5, 2021, meeting of the Citizen Advisory Committee for the South St. Petersburg CRA, City Administration presented the following recommendations

- 1) Reallocate an estimated \$8,993,249 in current unencumbered CRA funding from the following prior budget years indicated below into the FY 2022 CRA Budget Plan.

FY 2018/19	\$948,775
FY 2020	\$2,409,246
FY 2021	\$5,635,228

- 2) Appropriate an estimated \$8,357,134 in FY 2022 tax increment financing revenue for use in the FY 2022 South St. Petersburg CRA Budget Plan. (Estimate is based on Pinellas County Property Appraiser's "2021 Taxable Value by Tax Increment Financing District, as of May 28, 2021".)
- 3) Allocate the combined revenue from #1 and #2 above, totaling an estimated \$17,350,383, for use in the FY 2022 South St. Petersburg CRA Budget according to the following allocations:

Workforce Development and Education	\$ 2,697,022
Housing & Neighborhood Revitalization	\$ 8,807,698
Business and Commercial Development	\$ 5,965,634
<u>CRA Communications, Operations and Evaluation</u>	<u>\$ 3,810,554</u>
Total	\$21,280,908

WHEREAS, on October 5, 2021, the Citizen Advisory Committee for the South St. Petersburg CRA recommended approval of City Administration's recommended FY 2022 CRA Budget Plan to the St. Petersburg Community Redevelopment Agency and recommended adding \$300,000 to the Workforce, Education and Job Readiness budget for Youth Job Readiness training;

WHEREAS, City Administration concurs with the CAC recommendation on increased funding of \$300,000 in the Workforce, Education and Job Readiness budget for Youth Job Readiness training;

WHEREAS, since the CAC took action on the CRA budget on October 5, 2021, City Administration has reduced the estimated unencumbered funding for FY 2021 from \$5.635 million to \$3.351 million and has identified a total of \$4,709,081 in unencumbered funding remaining in the following amounts from prior CRA budgets for use in the FY 2022 South St. Petersburg CRA Budget Plan:

FY 2018/19	\$749,875
FY 2020	\$2,178,160
FY 2021	\$1,781,046

WHEREAS, since the CAC took action on the CRA, City Administration has updated the FY 2022 TIF revenue to reflect the July 1, 2021, estimated property values from the Pinellas County Property Appraiser Office's "2021 Preliminary Tax Roll" which would yield an estimated \$8,299,957 in tax increment revenue for the FY 2022 CRA Budget Plan with the City of St. Petersburg contributing \$4,821,966 and Pinellas County contributing \$3,470,491 to the South St. Petersburg Redevelopment District Fund (1104) with another \$7,500 in interest accrued added to the total revenue available for FY 2022;

WHEREAS, City Administration accordingly reduced its original recommended FY 2022 budget commitments from \$21.3 million to \$13.01 million to bring the budget in alignment with the estimated FY 2022 revenue by removing major housing projects at Sankofa and Tangerine Plaza not likely to be built during FY 2022; encumbering \$2 million for the Jordan Park Redevelopment Plan from the FY 2021 CRA budget; eliminating \$500,000 in funding for residential property acquisition; reducing projected multifamily and single family housing commitments; reducing by \$350,000 funding for the Commercial Matching Grant and Commercial Revitalization Programs; eliminating \$500,000 in funding for commercial property acquisition; and reducing funding commitments by nearly \$455,000 for redevelopment planning expenses;

WHEREAS, since the aforementioned revisions significantly modified the budget acted on by the CAC at its October 2021 meeting, City Administration presented the revised budget to the CAC at its November 2, 2021 meeting and the CAC made a recommendation on the changes;

WHEREAS, at its November 9, 2021, public meeting, the St. Petersburg Community Redevelopment Agency recommended that the St. Petersburg City Council approve City Administration's FY 2022 CRA Budget Plan described above;

NOW, THEREFORE, BE IT RESOLVED, that the St. Petersburg City Council approves the reallocation of \$4,709,081 unencumbered funding from prior budget years into the FY 2022 South St. Petersburg CRA Budget Plan in the following amounts:

FY 2018/19	\$749,875
FY 2020	\$2,178,160
FY 2021	\$1,781,046

BE IT FURTHER RESOLVED that there is hereby approved from the unappropriated balance of the South St. Petersburg Redevelopment District Fund (1104) the following supplemental appropriation for FY 2022:

<u>South St. Petersburg Redevelopment District Fund (1104)</u>	
Economic and Workforce Development Department,	
Administration Division (375-2609)	\$8,299,957

BE IT FURTHER RESOLVED that the FY 2022 budget, which includes FY 2022 revenues and the aforementioned prior budget year's unencumbered funding for the South St. Petersburg CRA Redevelopment Trust Fund is depicted in Tables 1 through 4 of Exhibit 1 and summarized below:

Workforce Development and Education	\$2,697,022
Housing & Neighborhood Revitalization	\$1,850,660
Business and Commercial Development	\$5,115,634
<u>CRA Communications, Operations and Evaluation</u>	<u>\$3,345,722</u>
Total	\$13,009,038

This Resolution shall become effective immediately upon its adoption.

Adopted at a regular session of the City Council held on the 9th day of November 2021.



Ed Montanari, Chair-Councilmember
Presiding Officer of the City Council

TTEST ·



Chan Srinivasa, City Clerk



Exhibit 1

FY 2022 Budget Plan
South St. Petersburg CRA Redevelopment Fund

Exhibit 1

FY 2022 Budget Plan

South St. Petersburg CRA Redevelopment Fund

Table 1. FY 2022 CRA Workforce, Education and Job Readiness Budget

	Total
Commitments	2,697,022
Workforce Development (St. Pete Works)	1,250,000
Provides funding to educational and job training providers to prepare CRA residents for job opportunities with emerging St Petersburg jobs through training, education, job placement and mentoring.	
Early Childhood Education	450,000
CSP and St. Petersburg College will collaborate to provide certification training/maintenance and capital improvement grants to family day care centers, which are defined as in-home care for five or fewer unrelated children. Scholarships for qualified families may be funded through this program.	
Youth Job Readiness/Entrepreneurship	442,022
Provide workforce development and entrepreneurship opportunities for St. Petersburg's economically challenged youth between the ages of 14 and 21 years at the Enoch Davis Youth Farm. Will pay stipends for spring/summer and fall work on the site as well as operating expenses.	
Enoch Davis Farm Site Operations	45,000
Pays for recurring costs when the Farm becomes operational after completion of the site improvements. Includes lighting and electricity, water, farmer's markets	
Enoch Davis Farm and Curriculum Manager	180,000
City Administration will be releasing RFPs qualified persons to operate the Farm as well as manage the curriculum.	
Enoch Davis Farm Site Preparation Costs	230,000
Provides funding for construction of structures, fencing, lighting, providing utilities and signage to prepare urban farm for use.	
Child Daycare Business Development	100,000
Funds training and incentives for child care center directors to improve management/operating systems & grow their businesses.	

Exhibit 1

FY 2022 Budget Plan

South St. Petersburg CRA Redevelopment Fund

Table 2. FY 2022 CRA Housing and Neighborhood Revitalization Budget

Commitments	1,850,660
Property Acquisition and Site Preparation	0
Funds property acquisition and site preparation to support affordable housing in the CRA. Funding can be budgeted from the current year or appropriated from future budget.	
<i>Property Acquisition</i>	
Affordable Residential Incentive Programs	724,660
Affordable Housing Redevelopment Loan	235,000
Provides funding through a variety of loan products to support affordable housing.	
Affordable Residential Property Improvement	489,660
Funds renovations that upgrade vital building systems and sustain the economic life of a structure.	
Affordable Multifamily Housing Development	TBD
Annual incentive up to 15-years for developers to renovate/construct new affordable housing in CRA.	
Single Family Residential Programs	1,126,000
Affordable Single-Family Homeownership	700,000
Provides CRA funding to support affordable homeownership for income-eligible households.	
Single-Family Façade Improvement Grant	344,000
Funds income-eligible owner-occupants to upgrade and refresh the exterior of their properties.	
“Paint Your Heart Out”	82,000
Funds City’s Neighborhood Team to help property owners in CRA refurbish and refresh the exterior of their properties.	

Exhibit 1

FY 2022 Budget Plan

South St. Petersburg CRA Redevelopment Fund

Table 3. FY 2022 CRA Business and Commercial Development Budget

	Total
Commitments	5,115,634
Property Acquisition and Site Preparation Funds property acquisition and site preparation to support the City's business development in the CRA. Funding can be budgeted from either current year or from future budget.	2,500,000
<i>22nd Street South Utility Undergrounding</i>	<i>700,000</i>
<i>Tangerine Plaza Commercial Buildout</i>	<i>1,500,000</i>
<i>Sankofa Commercial Buildout (annual)</i>	<i>300,000</i>
<i>Property Acquisition</i>	<i>0</i>
South St. Petersburg CRA Loan Consortium Provides funding to a South St. Petersburg loan pool to support the lending efforts by the City's financial partners.	TBD
Redevelopment MicroFund Program Provides funding to support the lending efforts in the CRA to small and micro businesses.	1,350,000
Emergency Grant Provides funding for businesses that close due to unforeseen circumstances.	25,000
Environmental Cleanup of 22 nd Street South lots Funds clean-up of two City-owned vacant residential lots.	100,000
Commercial Matching Grant Program Funds Commercial Site Improvement and Commercial Building Interior and Tenant Improvement grant programs.	890,634
<i>FY21 CRA Grant Cycle (current)</i>	<i>440,634</i>
<i>FY22 CRA Grant Cycle</i>	<i>450,000</i>
Commercial Revitalization Program Provides grant awards between \$50,000 and \$100,000 to commercial projects in the CRA	250,000

Exhibit 1

FY 2022 Budget Plan

South St. Petersburg CRA Redevelopment Fund

Table 4. FY 2022 CRA Communications, Evaluation and Operations Budget

Commitments	3,345,722
Salary/Benefits for CRA Personnel	388,554
Funds position to administer the operations of the CRA including amendments to the redevelopment plan, writing/amending programs, research/analysis, & implementing grant agreements. Also includes funding of four staff members to support the N-Team's efforts in the CRA to remedy code violations and effect minor repair for homeowners.	
<i>Two CRA Coordinators</i>	210,000
<i>N-Team Employees (4 employees)</i>	178,554
Deuces/WADA Improvements	1,500,000
Funds the construction of improvements envisioned by the Deuces/Warehouse Arts District Plan developed in 2018. Includes two parks located on 22 nd Street South at 5 th Avenue South and 9 th Avenue South as well as festival street improvements from 9 th Avenue South to 13 th Avenue South.	
Community Safety Innovations	300,000
The Florida Community Redevelopment Act encourages communities to develop innovative strategies to improve the safety of residents and businesses in community redevelopment areas. These strategies can include but are not limited to community mobilization, neighborhood block watch, citizen patrol, citizen contact patrol, foot patrol, neighborhood storefront police stations, field interrogation, or intensified motorized patrol.	
CRA Personnel Travel, Training and Education	12,000
Conferences and workshops related to obtaining and maintaining professional credentials related to redevelopment.	
CRA Marketing, Notices, and Grant Administration	400,000
Pays for CRA communications and administrative costs associated with notification of property owners of CRA programs as well as administrative costs related to preparing review of grant applications. This will include costs associated with marketing the CRA to property owners and business owners including handouts, ads to the Weekly Challenger and St. Pete Bulletin, signage promoting projects receiving CRA funding and other marketing collateral.	
Redevelopment Planning Expenses	745,168
Expenses allowed by Florida Statute Section 163.387(6)(c)2 for studies, construction documents, fiscal reports, market studies, etc.	
Triennial CRA Socioeconomic Survey	150,000
Community Redevelopment Plan Update	0
Match for Federal Transportation Grant	10,000
Commercial Corridor Plans	585,158
16 th Street South	
Dr. M.L. King, Jr. Street South	
34 th Street South (3 rd Avenue S to 30 th Avenue)	
Grand Central	
Future Plans	