MEMORANDUM

TO: The Honorable Charlie Gerdes, Esq., Chair and Members of City Council

THRU: Rob Gerdes, Neighborhood Affairs Administrator

FROM: Joshua A. Johnson, Director, Housing and Community Development

DATE: Meeting of June 13, 2019

SUBJECT: Ordinance to Amend Current Housing Capital Improvement Ordinance - Summary

In 1991, the City Council passed Ordinance 2127-F, which 1) created a housing program to implement the housing element of the St. Petersburg Comprehensive Plan, 2) sought to create a program to eliminate substandard housing in the City, 3) sought to provide safe housing for persons of Very Low, Low, Moderate and Middle-Income, and 4) set up an administrative fund to support City efforts in this regard, among other actions.

The City’s Housing and Community Development Department (HCD) as it is currently known, has continued to work toward these goals, using the established fund and other funding mechanisms, since inception. The need for safe and affordable housing remains throughout the City. The City now seeks to update the existing ordinance and fund to better reflect the breadth of services provided by the Housing and Community Development Department through amending or superseding the provisions of the original Ordinance.

The purpose of this update is to clarify the existing uses of City funds and services provided by HCD, which are created administratively or by City Council. In addition, the update would clarify the purpose of the fund and add new restrictions to the fund, including strong limitations on the removal of money from the fund.

The Housing and Community Development department is currently tasked with:

- Assisting developers with the construction or preservation of multi-family affordable housing.
- Working with developers to construct new single-family affordable housing.
- Assisting with the preservation of single-family affordable housing, including providing down-payment assistance, funding repairs, and working with contractors and City staff to facilitate physical construction work.
- Assisting subrecipient agencies to help the homeless population obtain affordable housing.
- Continuing to seek federal, state and other available funding for the production and preservation of affordable housing.
- Maintaining existing programs to balance availability with generating program income to reinvest.
- Working with public service agencies to assist the City’s low-income residents obtain needed services.
- Assisting agencies/subrecipients providing services to the City’s low/mod populations with
Public Facility and Improvements.

- Providing Community and Economic Development opportunities for the City’s low/mod population.
- Providing Fair Housing and Equal Opportunity for the City’s low/mod population.
- Facilitate and maintain homeless-prevention programs.
- Research and develop new programs to further the goals of City’s housing plan.
- Communicate and cooperate with other local, state, and federal agencies, non-profits, and for-profit entities to further the goals of the City’s assistance programs while advising others to achieve the same.
- Administer various other related programs.

The purpose and restrictions of the updated fund are as follows:

- The City shall establish a new St. Petersburg Housing Fund (SPHF).
- The City commits to continue to undertake activities authorized by Ordinance in order to improve the condition of housing, to improve neighborhoods, to increase property values in neighborhoods, and to provide housing which persons and families can afford in the City.
- To the extent that funds are available for general or unrestricted use, such funds shall be deposited into the St. Petersburg Housing Fund (SPHF).
- Money deposited in the SPHF may only be used for the purpose of assisting in ensuring housing is available to those who are Extremely Low, Very Low, Low, Moderate and Middle-Income, as defined by City Code.
- Money that is allocated into the SPHF may not be removed for any purpose other than those specifically enumerated by the SPHF Ordinance except by unanimous vote of the City Council and with the express consent of the Mayor.
- City revenues that are derived from Workforce Housing, current HCIP funds, and other funds from developer payments to the City shall be deposited into the SPHF.
- City shall continue to retain sufficient legal and actual control over the use of all funds under the Housing Program to ensure that the Housing Program shall be used by Extremely Low, Very Low, Low, Moderate and Middle-Income households.
- City shall budget funding in the amount of no more than 10 percent of allocated funding for Legal and Administrative cost to implement the housing programs.
- The provisions of this Ordinance are supplemental and in addition to other housing programs or efforts of the City of St. Petersburg.
- The provisions of this ordinance shall only supersede City Codes or Ordinances in effect on its effective date (July 11, 2019) to the extent deemed necessary to avoid conflict.
- The provisions of this ordinance shall be deemed to be severable and the invalidity of any provision shall not affect the remaining provisions.

Administration is requesting the Committee of the Whole to consider moving the amended Ordinance to full City Council for approval.
ORDINANCE NO. _______

AN ORDINANCE SUPPLEMENTING AND AMENDING THE
ESTABLISHED ADMINISTRATIVE FUND CREATED FOR
IMPLEMENTING THE HOUSING ELEMENT OF THE ST.
PETERSBURG COMPREHENSIVE PLAN; CLARIFYING THE
ADMINISTRATION OF THE CITY HOUSING DEPARTMENT;
AND PROVIDING AN EFFECTIVE DATE.

THE CITY OF ST. PETERSBURG DOES ORDAIN:

WHEREAS, in 1991, the City Council passed Ordinance
2127-F, which (1) made findings related to the need for affordable
housing; (2) created a housing program to implement the housing
element of the St. Petersburg Comprehensive Plan, (3) sought to
create a program to eliminate substandard housing in the City, (4)
provide safe housing for persons of Very Low, Low, Moderate and
Middle Income levels, and (5) set up a fund to support City efforts
in this regard, among other actions; and

WHEREAS, the City Housing and Community Development
Department ("Housing Department"), as it is currently known, has
continued to work toward these goals, using the established fund
and other funding mechanisms, since inception; and

WHEREAS, the need for safe and affordable housing remains
throughout much of the City; and

WHEREAS, the City now seeks to update the existing ordinance
and fund to better reflect the breadth of services provided by the
Housing and Community Development Department through amending or
superseding the provisions of this ordinance.

The City of St. Petersburg does ordain:

Section 1. The recitals to this ordinance are expressly made
a part of this ordinance.

Section 2. Findings of fact:

a. The City finds that the foregoing recitals are true
and correct and that it is necessary and in fulfillment of a
paramount public purpose for the City to continue to undertake
the activities authorized by this chapter (ordinance) in
order to improve the condition of housing, to improve
neighborhoods, increase the property values in
neighborhoods, and provide housing which persons and families
can afford within the City.

   b. The City finds that there is an ongoing need to continue to identify and develop other local sources of funding to assist with the development of newly constructed affordable housing, and the preservation of affordable housing, as well as allocate no more than 10% of these revenues for legal and administrative costs.

   c. The City finds there is a need to continue to retain sufficient legal and actual control over the use of all funds under the Housing Program to ensure that the Housing Program shall be used by extremely low, very low, low, moderate or middle-income households.

   d. The City finds there is a need to affirm the scope of operation of the Housing Department.

Section 3. The purpose of this ordinance is to supplement the provisions in the previous ordinance to explicitly affirm the existing uses of City funds and services provided by the Housing Department, which are created administratively or by City Council. Such programs and policies are specifically enumerated by administrative policy. The Housing Department is authorized to undertake the actions, including but not limited to:

   a. Administration of State and Federally established programs related to housing and homelessness.

   b. Creating, administering and maintaining programs for facilitating the construction of new units and preserving existing units.

   c. Creating, administering and maintaining programs that provide incentives to developers of affordable housing.

   d. Working with and supporting non-profit organizations that focus on housing and homelessness concerns.

Section 4. The City hereby declares, with respect to the previously created fund, the following:

   a. The current fund, currently referred to as the Housing Capital Improvement Program (“HCIP”) fund, shall be changed to be called the St. Petersburg Housing Fund (“SPHF”).

   b. The SPHF may be used by the Housing Department to
further any housing programs/strategies as approved by the Mayor and/or City Council.

c. The City recognizes that different funds and sources of income and revenue administered by the Housing Department are often governed by different restrictions, and may entail specific treatment for accounting and monitoring purposes. But to the extent that any funds are available for general or unrestricted use, such funds shall be deposited in the SPHF, which may or may not include several distinct funds for accounting purposes.

d. Money that is deposited in the SPHF may only be used for the purpose of assisting in ensuring housing is available to those of Extremely Low, Very Low, Low, Moderate, and Middle Income levels, as defined by City Code. Money that is deposited in or allocated into the SPHF may not be removed or be used for any other purpose except as specifically enumerated for the SPHF except by unanimous vote of the City Council and with the express consent of the Mayor.

Section 5. The provisions of this ordinance are supplemental and in addition to other housing programs or efforts of the City of St. Petersburg.

Section 6. The provisions of this ordinance shall only supersede City Codes or ordinances in effect on its effective date (June 6, 2019) to the extent deemed necessary to avoid conflict. In the event of conflict, this ordinance shall govern.

Section 7. The provisions of this ordinance shall be deemed to be severable and the invalidity of any provision shall not affect the remaining provisions.

Section 8. This ordinance shall become effective as forth in the City Charter.

LEGAL:  ADMINISTRATION:

__________________________________________  ________________________________
Ordinance Amending The Current Housing Capital Improvement (HCIP) Fund Ordinance
The current Housing Capital Improvement Program (HCIP) Ordinance established the following:

• City to provide housing or rentals at prices which Very Low, Low, Moderate and Middle-Income households can afford.

• Eliminate substandard housing.

• Improve and prevent the decline of neighborhoods.

• Increase property values and the tax base.

• Conserve energy and environmental resources.

• The ordinance was intended to supplement other housing programs currently in existence.
Current HCIP Ordinance

The HCIP funding included strategies to assist with the development of affordable housing by including the following:

- A program to construct new and preserve existing housing.
- Develop ongoing programs to eliminate substandard housing.
- Seek federal and state funding, or otherwise provide local public funds for the demolition or rehabilitation of substandard housing.
Existing Uses of City Grant Funds

The Housing and Community Development Department (HCD) currently implements the following programs:

- Assist developers with the construction or preservation of multi-family affordable housing.
- Work with developers to construct new single-family affordable housing.
- Assist with the preservation of single-family affordable housing.
- Assist subrecipient agencies to help the homeless population obtain affordable housing.
- Continue to seek federal, state and other available funding for the production and preservation of affordable housing.
Existing Uses of City Grant Funds Continued

- Work with public services agencies to assist the City’s low income residents obtain needed services.
- Assist agencies/subrecipients providing services to the City’s low/mod populations with Public Facility Improvements.
- Provide Community and Economic Development opportunities for the City’s low/mod population.
- Provide Fair Housing and Equal Opportunity for the City’s low/mod population.
Amended Ordinance

The City seeks to update the existing ordinance and fund to better reflect the breadth of services provided by the Housing and Community Development Department (HCD) as follows:

- The City shall establish a new St. Petersburg Housing Fund (SPHF).

- The City commits to continue to undertake activities authorized by Ordinance in order to improve the condition of housing, to improve neighborhoods, to increase property values in neighborhoods, and to provide housing which persons and families can afford in the City.

- To the extent that funds are available for general or unrestricted use, such funds shall be deposited into the St. Petersburg Housing Fund (SPHF).

- Money deposited in the SPHF may only be used for the purpose of assisting in ensuring housing is available to those who are Extremely Low, Very Low, Low, Moderate and Middle-Income, as defined by City Code.
Amended Ordinance Continued

- Money that is allocated into the SPHF may not be removed for any other purpose as specifically enumerated for the SPHF except by unanimous vote of the City Council and with the express consent of the Mayor.

- City revenues that are derived from Workforce Housing, City’s General Fund contribution to affordable housing, current HCIP funds, and other funds from developer payments to the City shall be deposited into the SPHF.

- City shall continue to retain sufficient legal and actual control over the use of all funds under the Housing Program to ensure that the Housing Program shall be used by Extremely Low, Very Low, Low, Moderate and Middle-Income households.
Amended Ordinance Continued

- City shall budget 10 percent of allocated funding for Legal and Administrative cost to implement the housing programs.

- The provisions of this ordinance are supplemental and in addition to other housing programs or efforts of the City of St. Petersburg.

- The provisions of this ordinance shall only supersede City Codes or ordinances in effect on its effective date (July 11, 2019) to the extent deemed necessary to avoid conflict. In the event of conflict, this ordinance shall govern.

- The provisions of this ordinance shall be deemed to be severable and the invalidity of any provision shall not affect the remaining provisions.

- Administration is requesting the Committee of the Whole to consider moving the amended Ordinance to full City Council for approval.
Questions