

FAQ Sheet

Southside St. Petersburg Community Redevelopment Area and Proposed Redevelopment Plan

In 2013, the City of St. Petersburg designated a portion of Southside St. Petersburg as a community redevelopment area (CRA) and is currently developing a Community Redevelopment Plan to revitalize the area, an effort that will last throughout the remainder of 2014 and carry into 2015 (see attached map). The process will involve preparation of reports and implementation plans and include several opportunities for input from stakeholders and the public. What follows are answers to several questions that may arise during the process.

What is a “community redevelopment area” and how is it designated? The Community Redevelopment Act (Act), Chapter 163, Part III of the Florida Statutes, provides authority for local governments to overcome the economic burdens of blighted areas within their boundaries. The Act outlines a comprehensive program that provides the legal framework and financing mechanisms with which local governments can undertake the highly complex task of redeveloping Florida's cities.

To take advantage of these increased powers authorized by the Act, a local government must follow procedures for declaring areas in need of redevelopment through a blight study, making a finding of necessity demonstrating evidence of blight, establishing redevelopment powers, preparing a redevelopment plan, instituting a trust fund and designating a tax increment financing district.

What are the boundaries for the Southside St. Petersburg Community Redevelopment Area? The Southside St. Petersburg study area is generally bounded by 2nd Avenue North, Interstate 275, Interstate 175 and Booker Creek on the north; 4th Street South on the east; 30th Avenue South on the south; and 49th Street on the west (see attached map). Its nearly 4,700 acres are comprised of the Greater Childs Park Strategic Planning Area, most of the Midtown Strategic Planning Area, more than twenty neighborhood and business associations, four existing community redevelopment areas, and two Florida Main Street Districts. Approximately 34,000 people reside within the CRA.

Why is the City of St. Petersburg designating Southside St. Petersburg a community redevelopment area? Local stakeholders such as Agenda 2010, the NAACP, Urban League, neighborhood groups, and city council members have all expressed interest in the last couple of years to increase the tools available to the City to revitalize Southside St. Petersburg. This interest took tangible form on September 6, 2012, when St. Petersburg City Council approved Resolution 2012-416 which requested feedback from the Pinellas County Board of County Commissioners concerning the establishment of a community redevelopment area as well as a tax increment financing district to “improve the quality of life for St. Petersburg residents living in at-risk communities with a high concentration of poverty.” This resolution was driven by community concerns regarding the findings of Pinellas County’s May 17, 2012, study entitled

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“The Economic Impact of Poverty”, which identified a large area of St. Petersburg with 25 percent of its population living at or below the Federal Poverty Level.

What are the benefits of designation as a community redevelopment area (CRA)?

Creating the Southside St. Petersburg CRA will potentially allow the City to establish a special financing program known as “tax increment financing” (TIF) that will fund land acquisition and capital improvements to support economic development projects. (See the question below for an explanation of tax increment financing.) An example of projects that can be funded with TIF include developing affordable housing, constructing or extending sewer and water facilities to accommodate new commercial development, building a regional stormwater management facility, or constructing a public parking garage or lot.

CRA status will also allow the City to sell land that it owns at less-than-market prices to promote economic development opportunities such as job creation, developing affordable housing or providing needed community services. Lowering the price that developers pay for land and reduces total project costs making it easier for them to secure financing.

Finally, when approved, the Southside St. Petersburg Community Redevelopment Plan will integrate into one document the best policies and practices from the existing plans in the 7.4-sq. mile area, such as Childs Park and the Tangerine Avenue redevelopment plan, update and improve outdated approaches, and create targeted policies adopted by ordinance that will guide City investment for the next several decades.

What is a tax increment financing (TIF) district? Tax increment financing, or TIF, is a public financing method that is used for redevelopment, infrastructure, and other community-improvement projects throughout Florida and in most US states. In Florida, communities are authorized to establish a tax increment financing district generally by Sec. 163.385 and Sec. 163.387 of Florida’s Community Redevelopment Act. Under current Florida law, TIF districts must expire after forty years.

In short, tax increment financing directs all future increases in St. Petersburg and Pinellas County property tax revenues generated within a TIF district into a special redevelopment trust fund. This increased revenue, known as the “increment”, is then used to fund eligible redevelopment projects within the boundaries of the TIF district. Projects can be funded on a “pay-as-you-go” basis or financed through redevelopment bonds where the annual increment is used to pay down the bond debt. Projects that use redevelopment bonds, such as a parking garage, require large upfront capital and thus need to be financed.

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Where are the proposed TIF districts in the Southside St. Petersburg CRA? The City is proposing two TIF districts – one for the 34th Street corridor and one in the greater Melrose-Mercy/Pine Acres neighborhood (see attached map). The 34th Street TIF covers 371 acres and extends from 5th Avenue North to 30th Avenue South, generally following the commercial zoning line along the corridor. The 356-acre Melrose-Mercy TIF is bounded generally by 22nd Street South, 20th Avenue South, 9th Avenue South, and Dr. Martin Luther King, Jr. Street South.

Will there always be “positive” tax increment revenue for the proposed 34th Street and Melrose-Mercy TIF districts? No. To realize “positive” tax increment revenue, the total taxable property value within the TIF districts in future years must exceed the total taxable value the year the TIF districts are established. If not, then no TIF revenue is realized in that tax year. It is important to note that it took at least ten years for both the Bayboro Harbor and Intown West TIF districts to realize any positive growth in its increment revenue. Nevertheless, establishing a TIF district after an economic recession, when property values are low, improves the likelihood that there will be increased TIF revenue when the economy recovers and property values rise.

Who decides how TIF funds are used within the proposed Southside St. Petersburg CRA? Both St. Petersburg City Council and the Pinellas County Board of County Commission have important roles in deciding what types of projects will be funded with TIF. St. Petersburg is responsible for undertaking the planning effort and administering the plan, but Florida Statutes require Pinellas County to grant authority to St. Petersburg before the City can undertake redevelopment planning or use TIF funds. In addition, Pinellas County has created policy guidelines for how TIF funds can be used by its municipalities, which currently limit TIF revenue to capital projects, land acquisition or developing affordable housing.

The uses of TIF to fund redevelopment will be established in a list of projects in the proposed community redevelopment plan that is expected to be adopted in 2013. As part of the planning process, the community will have an opportunity to provide input on the projects it wishes to see implemented. Since City Council will approve the redevelopment plan by ordinance, the list of redevelopment projects can only be changed by ordinance. Any change to the redevelopment plan or list of projects must also be approved by Pinellas County.

What is the current taxable value of the properties in the proposed 34th Street and Melrose-Mercy TIF districts? The 2013 taxable property value in the 34th Street is \$101.04 million, which is a decline from 2007 of approximately \$5.7 million. The same figure for Melrose-Mercy is \$33.1 million, which is a decline of \$54 million from 2007.

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Will my taxes go up as result of the tax increment financing district? No. Your property will retain the millage rates that are established for all properties within St. Petersburg by City Council and the Pinellas County Board of County Commissioners. In addition, the Pinellas County Property Appraiser will assess your property based on current market conditions, not its location within a tax increment financing district.

Will designation of Southside St. Petersburg as a community redevelopment area impact what I can do with my property? No. Your ability to develop and use your property is governed by the City's zoning and land development regulations as well its building code. The community redevelopment plan that will be adopted in 2015 is a policy document that may make recommendations about changing the zoning for a parcel or a larger area. However, to make this happen, the City would undertake a separate process approving the zoning change, which would involve enhanced notification for the property owner(s) and their neighbors. Ultimately, City Council would have to approve any change by ordinance at public hearing.

Will the City be using eminent domain to promote economic development, i.e., taking or "condemning" land and conveying it to a private developer? St. Petersburg, like other Florida communities, is restricted by state law from using eminent domain for public "purposes" such as economic development. Land condemned by the City can only be conveyed to a private developer after ten years have lapsed since City acquisition. The City can still use eminent domain for public "uses" such as acquiring land for road rights-of-way, public parking, parkland, and stormwater management.

When will public workshops be held to develop the proposed Southside St. Petersburg Community Redevelopment Plan? There are five scheduled public workshops through the remainder of 2014 to be held at 6 p.m. on the following dates:

- July 15th Manhattan Casino (642 22nd Street South)
- August 18th Childs Park Recreation Center (4301 13th Avenue South)
- September 16th Childs Park YMCA (691 43rd Street South)
- October 13th Manhattan Casino (642 22nd Street South)
- December 8th Manhattan Casino (642 22nd Street South)

The public workshops will be convened by the Southside St. Petersburg CRA Ad Hoc Planning Committee, who will guide the planning process.

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What is the Southside St. Petersburg CRA “Ad Hoc Planning Committee?” The Ad Hoc Planning Committee is a group of nearly twenty Southside stakeholders appointed by Mayor Kriseman. The Committee is expected to serve until winter 2014/2015 after which it will be replaced by a permanent nine-member Citizens Advisory Committee that will advise the City of St. Petersburg on issues and policies within Southside St. Petersburg CRA.

When will public hearings be held to approve the proposed Southside St. Petersburg Community Redevelopment Plan? While no dates have been set yet, the following describes the general timing and path that the draft redevelopment plan will take for official approval. In January 2015, the Citizens Advisory Committee (see above) and the City’s Community Planning and Preservation Commission will make separate recommendations on the draft Redevelopment Plan to City Council, who is expected to take action on the plan by spring 2015. The Pinellas County Board of County Commissioners, which as a “home rule” county has final authority to approve or deny the community redevelopment plan, is expected to take action by early June 2015. The City will be providing updates on the approval process as well as dates, times and locations of meetings on the [Southside St. Petersburg CRA Webpage](#).

Please note that all City Council meetings concerning the proposed Southside St. Petersburg Community Redevelopment Plan will be held in **Council Chambers at City Hall, 175 Fifth Street North, St. Petersburg, FL, beginning at 6:00 p.m. or thereafter.**

Why isn’t the City mailing notices to every property owner in the Southside St. Petersburg CRA about the planning effort? Florida Statutes do not require notification by mail when localities undertake a community redevelopment planning effort, only by legal advertisement in a local newspaper of record. In redevelopment planning efforts in the past, the City of St. Petersburg would go the extra mile and notify effected property owners by mail. However, there were at most fewer than 1,000 property owners needing to be contacted, and usually fewer than 100. In this instance, there are nearly 15,000 properties within the proposed Southside St. Petersburg CRA, making individual mailings logistically and financially prohibitive. Nevertheless, the City is making a concerted effort to contact the many stakeholders within the proposed CRA to ensure as much public input as possible. The City is also working with local media to print public notices, and with community groups to share the notice electronically with their members.

If you have any questions, contact Rick D. Smith at 727-893-7106 or rick.smith@stpete.org.

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