



MEMORANDUM

Citizen Advisory Committee for the South St. Petersburg CRA

Prepared by the Economic and Workforce Development Department

For Public Hearing and Executive Action at 5:00 pm on December 7, 2021

Request

City Administration is requesting that the Citizen Advisory Committee (CAC) for the South St. Petersburg Community Redevelopment Area recommend to the Community Redevelopment Agency that City Council approve the following amendments to the FY22 South St. Petersburg CRA budget:

- 1) Reallocate **\$1.2 million** in CRA funding from the “CRA Communications, Evaluation and Operations” budget to the “CRA Housing and Neighborhood Revitalization” budget;
- 2) Maintain **\$300,000** in the “Deuces/WADA Improvements” line item of the “CRA Communications, Evaluation and Operations” budget;
- 3) Allocate **\$1.2 million** in the “CRA Housing and Neighborhood Revitalization” budget to the following line items:

Property Acquisition and Site Preparation	\$600,000
Affordable Housing Redevelopment Loan Program	\$300,000
Affordable Residential Incentive Program	\$300,000

- 4) Allocate the estimated **\$13,009,038** in CRA revenue for use in the FY22 South St. Petersburg CRA Budget according to the following categories:

Workforce Development and Education	\$2,697,022
Housing & Neighborhood Revitalization	\$3,050,660
Business and Commercial Development	\$5,115,634
CRA Communications, Operations and Evaluation	\$2,145,722
Total	\$13,009,038

Background on the South St. Petersburg CRA Budget Amendment

On November 9, 2021, City Council approved the estimated **\$13.01 million** FY22 South St. Petersburg CRA budget, which included a Housing and Neighborhood Revitalization” budget of **\$1.850 million**, with the understanding that City Administration would be bringing back an amendment package to increase funding for affordable housing.

The proposed amendment is designed to increase funding for affordable housing and concerns moving **\$1.2 million** of the **\$1.5 million** in funding from the “CRA Communications, Operations and Evaluation” budget to the “Housing and Neighborhood Revitalization” budget. The funding will be pulled from the “Deuces/WADA Improvements” line item, which includes two parks located on 22nd Street South as well as the installation of a “festival” street from 9th Avenue South to 11th Avenue South. City Administration is proposing to use the City’s share of funding from the American Recovery Plan Act (ARPA) approved by Congress to pay for the festival street improvements. The remaining \$300,000 for the project in the “CRA Communications, Evaluation and Operations” budget will be used to cover construction cost inflation and engineering design services.

In summer 2021, the City received approximately \$45.4 million in ARPA funding. The City will receive two installments of \$22.71 million, the first disbursed in July with the second to be received in summer 2022. In late July, City Administration held three workshops to identify the priorities of City citizens from five broad categories. A total of 557 citizens ranked their priorities with “1” being the highest and “5” being the lowest. Below are the results calculated as a weighted average score.

Housing Affordability and Support	2.25
Health and Social Equity	2.66
Infrastructure	2.82
Economic Recovery/Resilience	3.41
Public Health/Safety	3.86

Based on this input, City Administration is recommending to City Council the following allocation of ARPA resources:

Housing Affordability and Support	\$20,000,000 ¹
Health and Social Equity	\$11,110,365
Infrastructure	\$8,082,774
Economic Recovery/Resilience	\$5,568,830
Public Health and Safety	\$5,568,830
	\$45,413,869

Under “Economic Recovery and Resiliency”, City Administration is recommending four transportation and public-realm related projects with a total cost of **\$5,568,830**. This would include **\$1.6 million** for improvements to 22nd St S for the “Deuces Live Festival Street” from 9th Ave S to 11th Ave S that raises the street and sidewalks to be flush with businesses, which would allow for the street to be turned into an outdoor gathering space for routine community events, pop-up commerce, and economic development.²

At the November 29, 2021, Committee of the Whole (COW) meeting, City Administration presented the proposed ARPA allocations. The discussions among members of the COW did indicate support for using ARPA funding for the “Deuces Live Festival Street”. Based on these discussions, City Administration is requesting City Council to reduce CRA funding for this project from **\$1.5 million** to **\$300,000** in the “CRA Communications, Evaluations and Operations” budget and move **\$1.2 million** in funding to the “Housing and Neighborhood Revitalization” budget. (The remaining \$300,000 for the project will be used to cover construction cost inflation and engineering design services.) This move will increase the CRA housing investment to **\$3.05 million**, which is 23.5% of the total budget. Table 1 below shows the changes to the two categories, while Tables 2 and 4 of Exhibit 1 in the resolution show the detailed changes made to the CRA budget.

Table 1: Impact of Amendments on FY22 CRA Budget Allocations

Budget Category	\$ Allocation	% Allocation
Education, Job Readiness and Workforce	\$2,697,022	20.7%
Housing & Neighborhood Revitalization	\$1,850,660 <u>\$3,050,660</u>	14.2% <u>23.5%</u>
Business and Commercial Development	\$5,115,634	39.3%
CRA Communications, Evaluations & Operations	\$3,345,722 <u>\$2,145,722</u>	25.7% <u>16.5%</u>
Uses	\$13,009,038	100.0%

¹ City Administration is proposing the \$20 million in housing funding be split in the following manner: 1) \$6.5 million for the Deuces Rising housing component; 2) \$3.5 million for homelessness services, including scattered site family shelter and permanent supportive housing services; and 3) \$10 million for future multi-family housing projects for households at 60% AMI and less.

² Other projects include “complete street” improvements for 18th Avenue South (\$2.7 million); Dr. M.L. King, Jr. Street South bikeway (\$600,000); and 40th Street South Sidewalk (\$668,830).

Recommendation

The Citizen Advisory Committee for the South St. Petersburg Community Redevelopment Area recommends to the Community Redevelopment Agency that the St. Petersburg City Council approve the amended FY22 budget for the South St. Petersburg Redevelopment Trust Fund as reflected in Exhibit 1.

Attachment Exhibit 1 – FY22 Budget for the South St. Petersburg CRA Redevelopment Trust Fund, Tables 2 and 4

Exhibit 1

Tables 2 and 4 of the FY22 Budget Plan
South St. Petersburg CRA Redevelopment District Fund

Exhibit 1

FY22 Budget Plan

South St. Petersburg CRA Redevelopment Fund

Table 2. FY22 CRA Housing and Neighborhood Revitalization Budget

Commitments	<u>1,83,050,660</u>
Property Acquisition and Site Preparation	<u>600,000</u>
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	25 35,000
Provides funding through a variety of loan products to support affordable housing.	
Affordable Residential Property Improvement	47 89,660
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

FY22 Budget Plan

South St. Petersburg CRA Redevelopment Fund

Table 4. FY22 CRA Communications, Evaluation and Operations Budget

Commitments	3,32,145,722
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	1,530,000
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	