



Citizen Advisory Committee

South St. Petersburg Community Redevelopment Area

January 6, 2020

5:00 pm, Sunshine Center Auditorium
330 5th Street North, St. Petersburg, Florida

- I. Citizen Advisory Committee and Staff Introductions**
- II. Elect Chair and Vice-Chair (Vote)**
- III. Approval of December 3, 2019, CAC Meeting Minutes (Vote)**
- IV. Amendment to Redevelopment Microloan Program (Vote)**
- V. FY2020 Housing & Commercial Program Roll-out (Information)**
- VI. Public Comment and Correspondence (3 minutes per speaker)**
- VII. New Business**
- VIII. Next Meeting –Tuesday, February 4, 2020**
- IX. 2020 Regular Meeting Dates and Content**

January 6 th	February 4 th	March 3 rd
April 7 th	May 5 th	June 2 nd
July 7 th	August 4 th	September 1 st
October 6 th	November 2 nd	December 1 st
- X. Four Hours of Required Ethics Training (Reminder)**
- XI. Adjourn**



**CITY OF ST. PETERSBURG
CITIZEN ADVISORY COMMITTEE (CAC)
SOUTH ST. PETERSBURG COMMUNITY REDEVELOPMENT AREA
PUBLIC MEETING**

**330 5th Street North
Sunshine Center**

**December 03, 2019
Tuesday, 5:00 p.m.**

MINUTES

Members Present:

Dr. Ricardo Davis, Chair
Deborah Figgs-Sanders, Vice-Chair
Karl Nurse
Motez Robinson, Jr.
Kelly Kirschner
Shawntavia Turner

Staff Present:

Kanika Tomalin, Deputy Mayor
Rob Gerdes, Neighborhood Affairs Administrator
Nikki Gaskin-Capehart, Director of Urban Affairs
Leah McRae, Education Director
Michael Dema, Assistant City Attorney
Sophia Sorolis, Director, Economic & Workforce Development
Rick Smith, Manager, Economic & Workforce Development
Luis Garcia, Housing Development Specialist
Stephanie M. Lampe, Senior Housing Development Coordinator
Jessica Eilerman, Manager, Small Business Liaison
George Smith, ED Coordinator, Economic & Workforce Development
Anthony Chan, ED Specialist, Economic & Workforce Development
Tracey Smith, ED Coordinator, Greenhouse

The meeting was called to order at 5:00 p.m., a quorum was present.

I. Citizens Advisory Committee and Staff Introductions

Introductions were made by each Committee Member (CM) and City Staff member.

II. Approval of November 04, 2019, CAC Meeting Minutes (Vote)

CM Nurse moved, and Vice Chair Figgs-Sanders seconded a motion that the November 7, 2019 minutes approved as written by a consensus vote

III. FY2020 Budget for South St. Petersburg CRA (Vote)

Rick Smith summarizes history of the TIF spending in the CRA and presents the FY2020 budget for the CRA along with budget allocation and rollover amounts.

CM Nurse moved, and Vice Chair Figgs-Sanders seconded a motion to approve the FY2020 Budget for the South St Petersburg CRA approved as written by a consensus vote

IV. South St. Petersburg CRA Grant Review Criteria Amendments (Vote)

Rick Smith summarizes revisions the CRA Grant review criteria that will be included as part of review in the 2020 Grant cycle.

Vice Chair Figgs-Sanders moved, and CM Kirschner seconded a motion to approve the amendments to the CRA Grant Review Criteria approved as written by a consensus vote

V. Priority Commercial Corridors for Grant Review Criteria (Vote on 3 in order of priority)

- a. Dr. Martin L. King, Jr. Street South
- b. 16th Street South
- c. 22nd Street South
- d. 34th Street
- e. 49th Street
- f. Central Avenue Corridor
- g. 5th Avenue South
- h. 18th Avenue South

CM Kirschner moved, and Vice Chair Figgs-Sanders seconded, a motion to approve the following order as priority corridors:

#1	<i>Dr. Martin L. King, Jr. Street South</i>	<i>30 points</i>
#2	<i>18th Avenue South</i>	<i>15 points</i>
#3	<i>16th Street South</i>	<i>5 points</i>

and approved as written by a consensus vote

VI. Committee Volunteers

CMs discussed among each other to coordinate which committee each member would like to volunteer.

- a. Workforce Development RFP
CM S. Turner with CM Nurse as alternate
- b. Socioeconomic Impact Study RFP
Chair R. Davis with CM Kirschner as alternate
- c. Four Members to Serve on Grant Review Committee

CM Robinson
CM Kirschner
CM S. Turner
CM Nurse

VII. Four Hours of Ethics Training (Required by Florida Statute) (Vote)

Anthony Chan propose several options to comply with required Ethics training such as a visiting instructor on a Saturday and a free self-paced online class.

CM Nurse moved, and CM Robinson seconded a motion to take the online self-paced course approved as written by a consensus vote

VIII. Public Comment and Correspondence (3 minutes per speaker)

Veatrice Farrell, of Deuces Live reported on the Deuces/WADA finished project of repurposing the Dome Signs and announcing that the Royal Theatre movie on the second Saturday of the month will be a Christmas movie.

IX. New Business

No new business.

X. Next Meeting – January 6, 2020

XI. Potential 2020 Regular Meeting Dates

January 6th	February 4th	March 3rd
April 7th	May 5th	June 2nd
July 7th	August 4th	September 1st
October 6th	November 2nd	December 1st

Staff noted that meetings may be cancelled if there are no action items for the CAC to vote on.

XII. Adjourn

With no further items to come before the Committee, the meeting was adjourned at 6:07 p.m.



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 January 6, 2020

Sunshine Center Auditorium
330 5th St N, St. Petersburg, Florida

City File: SSPCRP-2020-5

Request

The Citizen Advisory Committee for the South St. Petersburg Community Redevelopment Area (CRA) recommends to the St. Petersburg Community Redevelopment Agency (Agency) that City Council approve the following amendments to the South St. Petersburg CRA “Redevelopment Microloan Program” (now “Redevelopment MicroFund Program”), that is funded with tax increment financing, or “TIF” (see Exhibit 1).

- Change name of program from “Redevelopment Microloan Program” to “Redevelopment MicroFund Program”;
- Convert from a forgivable loan program to one based on a grant award disbursed after completion of a required curriculum that includes educational workshops, business counseling and mentorship, and network building connections;
- Create both a current business track and a “pre-venture” track for start-up businesses in CRA with a total available grant award of up to \$5,000; and
- Increasing the grant funding available for “pre-venture” track awardees by an additional \$5,000 after demonstration of compliance by the owner with the conditions required by the Greenhouse.

Background on South St. Petersburg CRA TIF Programs

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 district and redevelopment trust fund for the entire 7.4-sq.mi. South St.

Petersburg CRA (Ord. #169-H). A major strategy of the South St. Petersburg Plan is to direct revenues generated from the South St. Petersburg tax increment financing district to provide direct assistance for private investment in residential and non-residential redevelopment in the form of grants, loans, property tax abatements or other vehicles to help leverage capital from diverse sources.

This approach to tax increment financing by the South St. Petersburg Plan is a distinct departure from practice in the City's other TIF districts, which focused on funding public improvement projects such as stadium development, parking garages, streetscaping, property acquisition and preparation and other capital improvements. The South St. Petersburg Plan TIF strategy is designed to encourage private enterprise in the CRA to the greatest extent possible in accordance with Section 163.345, FS.

Before funding projects and programs within the South St. Petersburg CRA with tax increment revenue, the Plan requires administrative procedures to be prepared for each tax increment financing program. The South St. Petersburg Citizen Advisory Committee and the St. Petersburg Community Redevelopment Agency shall review and make recommendations on these programs to City Council before approval. In addition, Pinellas County staff must review and comment on programs that contemplate use of Pinellas County tax increment revenue.

Background on Redevelopment Microloan Program

On December 6, 2018, City Council approved six new programs and eight amendments to existing TIF programs to fund investments in the CRA. Among these new programs included the "Redevelopment Microloan Program" which

provides funding to small businesses within the South St. Petersburg CRA in exchange for their successful completion of a business curriculum administered by The Greenhouse. The purpose of the program is to ensure that all businesses within the CRA can take advantage of the capital access initiative that is one of the hallmarks of the redevelopment plan. In addition, the program offers the opportunity for businesses to develop capacity through increased education, mentoring and networking experience and receive CRA funding to make targeted improvements without having to provide upfront capital as is required through the other CRA commercial grant programs.

As the program was then written, the microloan program envisioned as forgivable loan that could convert to a low-interest loan program upon the request of an applicant or with the failure to comply with the conditions of the loan agreement. In addition, the program was restricted to existing businesses thereby providing no capital access for start-up businesses within the CRA. Without this source of funding, smaller businesses and start-ups will not find

small amounts of capital which are not traditionally accessible in the current lending marketplace.

The proposed amendments to the program rectify these issues in several ways. First, by converting the program from a loan program to a grant program, the City will avoid the administrative costs of loan servicing in the event one of its clients elect to undertake a loan or fail to meet the compliance requirements of the Greenhouse.

Secondly, through a three-tiered delivery model, the newly named “Redevelopment MicroFund Program” will provide funding and resources to entrepreneurs at different stages of business growth, while still requiring performance standards be met. The business owner or entrepreneur must initially complete a business assessment. This will be the basis of a specific plan uniquely crafted for each participant based on their idea, stage of business development, and goals. The curriculum will include educational workshops, business counseling and mentorship, network building connections and metrics reporting. Funding will only be disbursed after completion of the curriculum path and execution of a grant agreement. A maximum of \$5,000 will be available for businesses going through this stage of the process.

Finally, the program will enable start-up businesses to access up to an additional \$5,000 in funding. For the pre-venture track, after completion of the compliance period, the business will be open to renew the agreement for one additional round if the business owner is in good standing as demonstrated by completion of the required training and mentorships, provision of reporting metrics specified by Greenhouse, and submission of invoices and proof of payment documenting the expenditure of loan proceeds on eligible costs. This will allow for needed additional support as the pre-venture participant evolves to a functioning startup.

Recommendation

Citizen Advisory Committee recommends to the Agency that St. Petersburg City Council approve amendments to the South St. Petersburg CRA “Redevelopment Microloan Program”, to be renamed the “Redevelopment MicroFund Program”.

Exhibit 1

Redevelopment MicroLoanFund Program

South St. Petersburg CRA Tax Increment Financing Program

I Description and Purpose

The Redevelopment MicroFund Program provides funding to small businesses within the South St. Petersburg Community Redevelopment Area (CRA) in exchange for their successful completion of business capacity training. The purpose of the program is to ensure that all businesses within the CRA can take advantage of the capital access initiative that is one of the hallmarks of the South St. Petersburg Community Redevelopment Plan (Plan). In addition, the program offers the opportunity for businesses to develop capacity through increased education, mentoring and building connections to receive CRA funding to make targeted and planful improvements without having to provide upfront capital as is required through the other CRA commercial grant programs. In fact, the **Redevelopment MicroLoanFund Program** has been specifically created to address the concerns of many small businesses that they are unable to meet other CRA commercial program requirements. In addition, the program will build on the network of partnerships that have been developed since the inception of the Greenhouse. Although the program is overseen by the Greenhouse, its many partners in the local business community will be leveraged to involve them in all facets of the MicroFund program, including curriculum development, business assessment, and mentoring.

II Consistency with the South St. Petersburg Redevelopment Plan

Lack of capital is one of the biggest challenges to growing and sustaining small businesses not only in the South St. Petersburg CRA but throughout Florida and the United States. The City of St. Petersburg's "Grow Smarter Strategy" finds that a lack of access to capital, equitable access and wealth creation are, in fact, opportunities in St. Petersburg. Potential priority strategies outlined within the initiative include expanding access to capital for individuals who lack access to traditional financing as a key way to move the needle on opportunity creation and entrepreneurial growth. The South St. Petersburg Plan continues the City's policy of creating and marketing business incentives and finance opportunities to meet the needs of our local business community. These include SBA Loans and Opportunity Zone tax incentives, but also develops lending programs using tax increment financing to increase CRA capital availability currently underserved in the market.

The South St. Petersburg Plan also notes the importance of supporting small businesses (less than 100 employees) in the CRA, which represent over 98 percent of all establishments, and 87 percent of its employment base. Improving the growth opportunities for small businesses in the CRA will lead to greater job creation.

Exhibit 1

Redevelopment MicroLoanFund Program

South St. Petersburg CRA Tax Increment Financing Program

The Redevelopment MicroLoanFund is consistent with the South St. Petersburg Plan, which proposes a funding program that can be used to provide a range of capital options meeting the needs of the entrepreneurs in the CRA, such as funding for building renovation and rehabilitation, ~~working capital~~, loan guarantees, and other investments in business capacity and growth. The MicroLoanFund Program is also consistent with the Plan by encouraging “networking, mentoring and community outreach” by the St. Petersburg Area Chamber of Commerce and other regional stakeholders as well as maintaining and expanding “support services to start-ups and entrepreneurs, especially women and minority enterprises, through the Greenhouse in business plan development, feasibility analysis, marketing, mentoring and networking opportunities.” Finally, the Redevelopment MicroLoanFund Program implements the Plan’s call to “increase outreach and continue to connect South St. Petersburg businesses with sources of technical assistance, such as the Greenhouse, CareerSource, and the Department of Labor Job Corps facility to improve small businesses’ access to capital and labor pools.”¹

III Program Requirements and Compliance

To receive funding through this program, an applicant must be ~~a resident and~~ either a current business owner, or a start-up business within the South St. Petersburg CRA ~~who has been in business for one year from the date of application and complete a year long training and mentoring period. The business owner must initially complete a sixth-month business capacity building curriculum developed by the Greenhouse. The curriculum will include educational workshops, business counseling and metrics reporting. Funding will be disbursed after completion of the curriculum and execution of a loan agreement. Throughout the year long training and mentoring period, the Greenhouse will provide mandatory one-on-one mentoring sessions for the business owner as well as monthly group cohort sessions. As a partner in the Greenhouse, the St. Petersburg Area Chamber of Commerce will also provide a year-long membership for the business owners. Through a three-tiered delivery model, the Redevelopment MicroFund Program will provide funding and resources to entrepreneurs at different stages of business growth. The business owner or entrepreneur must initially complete a business assessment. This will be the basis of a specific plan uniquely crafted for each participant based on their idea, stage of business development, and goals. The curriculum will include educational workshops, business counseling and mentorship, network building connections and metrics reporting. Funding will be disbursed after completion of the curriculum path and execution of a grant agreement. The program~~

¹ See Chapter Three “Action Plan for South St. Petersburg” in the South St. Petersburg Community Redevelopment Plan.

Exhibit 1

Redevelopment MicroLoanFund Program

South St. Petersburg CRA Tax Increment Financing Program

will have two components: one geared for pre-venture businesses and the other for existing businesses.

~~After completion of the year long program, the loan will be forgiven if the business owner is in good standing as demonstrated by completion of the mentorships, provision of reporting metrics specified by Greenhouse and submission of invoices documenting the expenditure of loan proceeds on eligible costs. These are non-recurring costs that include physical improvements to the interior or exterior of the building, purchase of capital equipment such as computers, cash registers, display cases, checkout counters or other items that specifically support the operation of the business.~~

Eligible, non-recurring costs include but are not limited to code-compliant physical improvements to the interior or exterior of the building; start-up costs including licensing and permitting; purchase of ~~machinery~~; furniture, fixtures and equipment; inventory (as defined by program guidelines), ~~and furniture~~; and other soft costs that specifically support the operation of the business (e.g. business management software, intellectual property protection, etc). Soft costs do not include salaries, benefits or other employee costs, rental or mortgage payments, insurance, property and business taxes or other similar recurring costs.

For the pre-venture track, after completion of the compliance period, the business will be open to renew the agreement for one additional round if the business owner is in good standing as demonstrated by completion of the required training and mentorships, provision of reporting metrics specified by Greenhouse, and submission of invoices and proof of payment documenting the expenditure of loan proceeds on eligible costs. This will allow for needed additional support as the pre-venture participant evolves to a functioning startup.

IV Funding Source

The Redevelopment MicroLoanFund Program utilizes City of St. Petersburg contributions to the South St. Petersburg TIF district to pay for ~~loans grants~~ to eligible small businesses ~~ranging between \$2,500 and \$5,000~~. Funding caps for the pilot pre-venture track will be established annually by City Administration based on the budget approved for the program established by City Council. Pre-venture applicants may be funded at \$5,000 with an additional compliance period renewal for up to \$10,000 total. During the FY2020 cycle, total funding available to pre-venture applicants will be limited to \$50,000, thus no more than five applicants will be eligible to participate in this track. In future years, City Administration will determine annually the total funding available to pre-venture applicants based on the adopted South St. Petersburg CRA

Exhibit 1

Redevelopment Micro~~Loan~~Fund Program

South St. Petersburg CRA Tax Increment Financing Program

budget as well as program demand. The existing business track will have grants available up to \$5,000 per business. This capital amount is traditionally not accessible in the current lending marketplace.