

**City of St. Petersburg**  
**Committee of the Whole**  
Meeting of October 25, 2018 @ 2:30 p.m.  
City Hall - Room 100

**A. Call to Order – Council Chair Lisa Wheeler-Bowman**

**B. Discussion Item**

- a. South St Petersburg CRA Programs**  
**Rick Smith, Manager Economic and Workforce Dev. Dept.**

**C. Next Meeting – November 29, 2018 @ 3:00 p.m.**  
**Consent Order**

**D. Adjournment**

**Attachments:**

- 1. Memo – Rick Smith, Manager Economic and Workforce Development Dept**
- 2. CRA Programs**
- 3. Commercial Matching Grant Program**
- 4. S. St. Petersburg CRA Program/Process Changes**
- 5. S. St. Petersburg FY2018/2019 Budget Discussion**



**COMMITTEE OF THE WHOLE**  
Meeting of October 25, 2018

**TO** The Honorable Lisa Wheeler-Bowman, Chair and Members of the Committee

**FROM** Rick D. Smith, Manager, Economic and Workforce Development Department

**SUBJECT** Materials for the October 25<sup>th</sup> Workshop on the South St. Petersburg Community Redevelopment Area

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Please find attached materials related to the South St. Petersburg CRA grant program and FY2018/2019 budget that will be discussed at the October 25<sup>th</sup> Committee of the Whole meeting. These materials include

- Amended and new CRA programs funded through tax increment financing
- Draft amendments to Grant Review Criteria for Commercial Matching Grants
- August 2017 Grant Review Committee debriefing notes
- Draft Budget Scenarios for FY2018/2019 CRA Budget

The COW will first discuss proposals for new and amended CRA programs funded with TIF. The CRA programs below are the primary vehicles by which the City reinvests TIF to alleviate poverty and blight in South St. Petersburg. The revitalization strategy for the South St. Petersburg rests on a “three-legged stool” of Housing and Neighborhood Revitalization, Commercial Corridor Revitalization and Business Development and Education, Job Readiness and Workforce Development. With these new and amended CRA programs, the City can begin investing in each component of the “three-legged stool” to reduce poverty and alleviate blight in South St. Petersburg. (Note: Pinellas County has approved use of its TIF contribution for the programs in bold.)

***Housing and Neighborhood Revitalization Programs***

- **AFFORDABLE HOUSING REDEVELOPMENT LOAN PROGRAM (NEW)**
- AFFORDABLE SINGLE-FAMILY FAÇADE IMPROVEMENT GRANT PROGRAM (NEW)
- **AFFORDABLE SINGLE-FAMILY HOMEOWNERSHIP PROGRAM (NEW)**
- **AFFORDABLE MULTIFAMILY HOUSING DEVELOPMENT PROGRAM (AMENDMENT)**
- **AFFORDABLE RESIDENTIAL PROPERTY IMPROVEMENT GRANT PROGRAM (AMENDMENT)**
- “PAINT YOUR HEART OUT” PROGRAM (AMENDMENT)

***Commercial Corridor Revitalization and Business Development Programs***

- **COMMERCIAL SITE IMPROVEMENT GRANT (AMENDMENT)**
- COMMERCIAL BUILDING INTERIOR AND TENANT IMPROVEMENT GRANT (AMENDMENT)
- **CRA COMMERCIAL REVITALIZATION PROGRAM (AMENDMENT)**
- REDEVELOPMENT MICROLOAN PROGRAM (NEW)
- **CRA PROPERTY ACQUISITION AND SITE IMPROVEMENT PROGRAM (AMENDMENT)**

***Education, Job Readiness and Workforce Development Programs***

- WORKFORCE READINESS AND DEVELOPMENT PROGRAM (AMENDMENT)
- EARLY CHILDHOOD EDUCATION (NEW)
- TEEN JOB READINESS AND ENTREPRENEURIAL DEVELOPMENT (NEW)

On August 30<sup>th</sup>, staff presented the CRA's expanded affordable housing programs to the Housing, Land Use and Transportation committee, which requested another committee meeting to discuss the approach. Comments from the HLUT committee were incorporated into the attached program documents. In addition, the Citizen Advisory Committee for the South St. Petersburg CRA (CAC) provided direction on all the attached programs at its September 11<sup>th</sup> workshop.

Also included for discussion at the COW meeting are draft amendments to the Grant Review Criteria that are used to evaluate and rank applications to the Commercial Matching Grant programs. These criteria were first approved by City Council in May 2017, and the amendments proposed reflect comments from the community, CAC and City Council during the process as well as staff's assessment of the first two rounds of the grant cycle. For background, detailed notes from the August 2017 Grant Review Committee debriefing meeting are attached. (Note: The Grant Review Committee is made up of five CAC members and four City Councilmembers who met on August 11, 2017, to score and rank over seventy grant applications for the FY2017 grant cycle. These rankings were forwarded to City Council for approval on September 21, 2017.)

Finally, at the COW, staff will initiate discussion on the FY2018/2019 CRA budget, focusing on proposed funding allocations for the major budget categories of Housing, Commercial Revitalization and Education and Job Readiness. In addition, staff will discuss the use of TIF to fund both a new CRA staff position as well as an ongoing triennial socioeconomic impact study of the South St. Petersburg CRA using independent third-party investigators. This study will help the City assess the effectiveness of its policies in remedying poverty through more detailed and targeted data gathering than existing data sources can provide. Pinellas County is committed to funding one-half of the CRA study and has expressed interest in partnering with the City to conduct a similar study in the Lealman Community Redevelopment Area.

After the October 25<sup>th</sup> COW meeting, Administration will be taking the CRA programs, amended Grant Review Criteria and a proposed budget recommendation to the CAC on November 6<sup>th</sup> for a formal recommendation to City Council. City Council will be asked to act on the same items at its November 15<sup>th</sup> public meeting.

Attachments



## 2018 New Program

### Affordable Housing Redevelopment Loan Program

#### South St. Petersburg CRA Tax Increment Financing Program

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## I Description and Purpose

The Affordable Housing Redevelopment Loan Program (Program) provides funding through a variety of loan products such as bridge loans, loan guarantees, and low-interest or forgivable loans to support affordable housing developments in the South St. Petersburg Community Redevelopment Area. The intention is to utilize the Program to provide funding for affordable housing developments that require public assistance to leverage federal, state or other funding vehicles.

Where not otherwise defined by an applicable grant funding program, developments must meet the City's definition of "affordable housing", which is defined as housing meeting the needs of households whose income is 120 percent and below the area median household income. The maximum income and rent levels for this program are based on the Florida Housing Finance Corporation's SHIP Program, which are periodically adjusted (see attachment for the current income and rent levels).

## II Consistency with the South St. Petersburg Redevelopment Plan

The South St. Petersburg Redevelopment Plan notes that housing affordability is a serious issue throughout St. Petersburg, but it is particularly stark in South St. Petersburg. The 2012 Pinellas County Poverty Report, which helped drive the creation of the South St. Petersburg CRA, asserted that "historically, housing expenditures exceeding 30 percent of household income have been an indicator of a housing affordability problem." In 2016, the percentage of households with housing costs exceeding 30 percent of income was 53 percent in South Petersburg and 38.6 percent in the city, both rising sharply from 2000, when the comparable figures were 41 percent and 31 percent respectively. Not surprisingly, renter households in both the CRA and city were highly likely to be paying more than 30 percent of their income in housing costs – 68.5 percent and 53.1 percent respectively.<sup>1</sup>

An important source of affordable housing is larger multifamily complexes that can keep costs (and rents) lower due to the economies of scale with constructing and maintaining higher density units. Multifamily units also have the potential to lower transportation costs when located on transit corridors as well as increase the purchasing power of a neighborhood to sustain local businesses. However, there is a lack of multifamily housing in South St. Petersburg.

Throughout St. Petersburg, nearly 31 percent of all dwelling units are in complexes with five or more units, and 16 percent are in complexes with 20 or more units. In contrast,

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<sup>1</sup> U.S. Census Bureau. 2000 Census. Table DP-4-Profile of Selected Housing Characteristics. U.S. Census Bureau. American Community Survey, 2012-2016 5-Year Estimates. DP04: Selected Housing Characteristics.

## 2018 New Program

### Affordable Housing Redevelopment Loan Program South St. Petersburg CRA Tax Increment Financing Program

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South St. Petersburg has fewer than 11 percent of its total dwelling units in multifamily complexes larger five units and larger, and only 5 percent in 20-unit or larger complexes. By the same token, almost 80 percent of South St. Petersburg housing is single-family, and nearly 90 percent of its units are in four-unit buildings or smaller, compared with 64 percent of the city's units.<sup>2</sup> Increasing the availability and quality of multifamily units would help to alleviate the serious housing affordability issues facing renters in South St. Petersburg.

The Affordable Housing Redevelopment Loan Program is consistent with the South St. Petersburg Community Redevelopment Plan by providing incentives to increase the supply of affordable housing in the CRA. The Redevelopment Program and Funding Strategy calls for the City to use TIF to "assist renovation of existing multifamily and single-family units and build new multifamily developments..." and to continue to work with developers, nonprofits and federal, state and county agencies to provide affordable single-family and multi-family housing to families below 120 percent of the area's median income. The Plan states that the City will use TIF to assist renovation of existing multifamily and single-family units and build new multifamily developments as well as assist programs that provide single-family homeownership opportunities. (The Redevelopment Plan, in recognizing the dearth of multifamily units, also calls for the City to evaluate strategic zoning and land use amendments to increase the supply of land suitable for multifamily zoning.)

### III Funding Source

The City of St. Petersburg and Pinellas County may allocate revenue annually from its TIF contributions to support the loan program. Any developments requesting \$100,000 or more in funding through this Program will first require City Council approval. Depending on the size of the project and its potential impact on the revitalization of South St. Petersburg, City Council may at its discretion appropriate funding from future year(s) budget to fund the loan.

### IV Program Goals and Objectives

The Affordable Housing Redevelopment Loan Program uses TIF funds for bridge loans, subordinated long-term debt, loan guarantees, forgivable loans and other financial vehicles to close financing gaps for affordable housing projects. The focus will be to provide TIF funding to affordable housing developments that need public funding to leverage other federal, state and/or other sources of funding, such as Florida's Low-Income Housing Tax Credit Program. However, funding from this Program can be also

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<sup>2</sup> U.S. Census Bureau. American Community Survey, 2012-2016 5-Year Estimates. DP04 – Selected Housing Characteristics.

## 2018 New Program

### Affordable Housing Redevelopment Loan Program

#### South St. Petersburg CRA Tax Increment Financing Program

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utilized to purchase land, fund construction, buy-down interest rates, reduce development fees or other strategies designed to lower the delivery costs of affordable housing.

## V Eligible Projects

The Affordable Housing Redevelopment Loan Program is available to fund construction of affordable housing in the South St. Petersburg CRA. To be eligible, a developer must construct or substantially renovate<sup>3</sup> residential units that meet the City's definition of "affordable". Adaptive reuse projects that convert nonresidential buildings to residential use are eligible for the program. Mixed-income projects that provide both affordable and market-rate units are also eligible for the program with the annual incentive based on the number of affordable units in the project. City Council has the final authority to approve the loan type and amount taking into consideration the impact on current and/or future year's budget, commitment to comply with the affordability requirements mandated by this program, financial need based on the project's pro forma, number and location of units to be constructed, leverage from other funding sources, applicant's creditworthiness as well as other factors.

## V Submission Procedures and Requirements

Applications for the Affordable Housing Redevelopment Loan Program are accepted throughout the year with the final award made by City Council. They are to be submitted in an 8"x10" envelope or larger with the project's name and location and the applicant's name and address. Applications must be submitted to the Economic and Workforce Development Department (or successor department) on the 9<sup>th</sup> Floor of the Municipal Services Building, which is located at 1 Fourth Street North, St. Petersburg, Florida, 33701.

For more information, please contact

Mr. Anthony Chan  
Economic Development Specialist  
727-551-3279  
tony.chan@stepete.org

The applications must include the following:

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<sup>3</sup> "Substantial" renovation is defined as construction costs in excess of 50 percent of the assessed value of the building according to the records of the Pinellas County Property Appraiser's Office.

## 2018 New Program

### Affordable Housing Redevelopment Loan Program

#### South St. Petersburg CRA Tax Increment Financing Program

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- Completed and signed application form
- \$35 application fee paid in check or money order
- Documentation of property ownership or written consent from property owner giving permission to conduct the identified improvements. The property owner will be required to sign the Grant Agreement to assume responsibility to maintain the affordable housing units for the duration of the Agreement.
- Confirmation the project complies with the City's land development regulations.
- A five-year financial pro forma to demonstrate the viability of the project
- Confirmation that mortgage, property insurance and property tax payments are current and in good standing.
- Legal description and survey of project site
- Digital photographs of existing conditions of the project site
- Written description of project improvements including number of units, size and bedroom/bathroom configuration and rental rates per unit type
- Sketches or conceptual drawings of improvements that will be funded by the program.
- Written affirmation that applicant will abide by the terms of the loan agreement including restrictions on leasing or selling to eligible families at affordable rents or prices and maintain the properties according to the City's code requirements.

Failure to provide the above information will delay the review and approval process.

Note, applicants meeting any of the following disqualifying criteria may be ineligible for funding:

- Code enforcement liens over \$2,500
- Special assessment liens over \$500
- Pending judgment or foreclosure
- Felony conviction for financial mismanagement within the last five years
- Mortgage payments three months in arrears
- Unpaid property taxes
- Unpaid property insurance

## 2018 New Program

### Affordable Housing Redevelopment Loan Program

#### South St. Petersburg CRA Tax Increment Financing Program

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## VI Review and Approval Process

Loan applications will be reviewed by staff from the following departments: Housing and Community Development, Planning and Development Services, and Economic and Workforce Development. Staff will make a recommendation to the Mayor on whether the project should be funded. A recommendation of approval by the Mayor will be forwarded to City Council for final action if the requested amount exceeds \$100,000.

City Council will review and approve the loan amount based on the number of units that will be constructed, the current and projected fiscal impact that the loan will have on the on the budget of the South St. Petersburg CRA Redevelopment Trust Fund, the period of time in which the units will remain affordable, the potential catalyst that the development might provide on the surrounding neighborhood, and other relevant factors described above.

## VII Compliance Requirements for Approved Developments

Successful applicants to the Program must sign a Loan Agreement with the Mayor or designee which specifies their obligations and rights upon issuance of the loan. Applicants shall have no more than 180 days from City Council approval to execute the loan agreement that defines performance obligations, otherwise the City will revoke the awards. The Mayor at his or her discretion may waive the revocation upon demonstration of good cause.

To receive the loan, the applicant must agree to certify annually for a period of fifteen years that it meets the affordable housing criteria that were the basis for the initial approval as well as the SHIP household income and rent limits that are applicable in that year. Failing this, the loan will be revoked and will be repaid to the City plus interest by the applicant or successor.

## 2018 New Program

### Affordable Housing Redevelopment Loan Program

South St. Petersburg CRA Tax Increment Financing Program

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#### Attachment 1

#### 2018 Income and Rent Limits for Affordable Housing Projects

##### Income Limit by Number of Persons in Household

	Percentage of Area Median Household Income			
	<u>30%</u>	<u>50%</u>	<u>80%</u>	<u>120%</u>
1	\$13,450	\$22,400	\$35,800	\$53,760
2	\$16,460	\$25,600	\$40,900	\$61,440
3	\$20,780	\$28,800	\$46,000	\$69,120
4	\$25,100	\$31,950	\$51,100	\$76,680
5	\$29,420	\$34,550	\$55,200	\$82,920
6	\$33,740	\$37,100	\$59,300	\$89,040
7	\$38,060	\$39,650	\$63,400	\$95,160
8	\$42,200	\$42,200	\$67,500	\$101,280
9		\$44,730	\$71,568	\$107,352
10	Refer to HUD	\$47,286	\$75,658	\$113,486

##### Rental Limit by Number of Persons in Household

0	\$336	\$560	\$895	\$1,344
1	\$373	\$600	\$958	\$1,440
2	\$519	\$720	\$1,150	\$1,728
3	\$681	\$831	\$1,328	\$1,995
4	\$843	\$927	\$1,482	\$2,226
5	\$1,003	\$1,023	\$1,636	\$2,455

Source: Florida Housing Finance Corporation State Housing Initiatives Partnership (SHIP) Program "2018 Income Limits and Rent Limits" for Pinellas County (March 30, 2018). Limits are revised annually.  
<https://www.floridahousing.org/owners-and-managers/compliance/rent-limits>

## 2018 New Program

### Single-Family Residential Façade Improvement Program

South St. Petersburg CRA Tax Increment Financing Program

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#### I Description and Purpose

The Single-Family Residential Façade Improvement Grant Program provides CRA funding to income-eligible owner-occupants of single-family homes to upgrade and refresh the exterior of their properties. For the purposes of this program, “income-eligible” is defined as households whose income is 120 percent and below the area median income (AMI). The maximum income levels for this program are based on the Florida Housing Finance Corporation’s SHIP Program, which are annually adjusted (see attachment).

#### II Consistency with the South St. Petersburg Redevelopment Plan

The South St. Petersburg Community Redevelopment Plan (CRP) recognizes that successful revitalization programs improve the investment climate of a neighborhood by removing blight, enhancing its image and leveraging the efforts of citizens and nonprofit organizations to accomplish these ends. The Single-Family Residential Façade Improvement Grant Program is consistent with the intent of the South St. Petersburg CRP by creating “an incentive program that will provide façade improvement grants or loans to residential property owners.” The CRP also encourages upgrades to the exteriors of properties along commercial corridors and calls for the City to develop incentive programs to serve this end. Among other programs designed to implement this strategy, the Redevelopment Program and Funding identifies a program providing small grants to property owners that paint their property.

#### III Type and Amount of Award

An applicant may receive a grant from the City of St. Petersburg up to \$8,000. Homeowners with household incomes at 80 percent AMI or less are eligible for a grant up to \$8,000. Those between 80 percent and 120 percent AMI are eligible for a grant of up to \$5,000. To be eligible for this program, the applicant must be a homesteader and have lived in the property for at least one year.

#### IV Funding Source

The City of St. Petersburg may allocate funding annually from its TIF contributions to the South St. Petersburg CRA Redevelopment Trust Fund to support the Single-Family Residential Façade Improvement Grant Program. The funding amount will be determined annually by St. Petersburg City Council and by budget amendment if necessary.

## 2018 New Program

### Single-Family Residential Façade Improvement Program

South St. Petersburg CRA Tax Increment Financing Program

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## V Eligible Projects

The Single-Family Residential Façade Improvement Grant Program is available to fund exterior improvements to owner-occupied single-family housing in the South St. Petersburg CRA.

### 1. Eligible Improvements

- Exterior painting of all exterior elevations on residence
- Re-siding and/or cleaning of exterior walls on all elevations
- Masonry and/or stucco repair and replacement on all elevations
- Installation, replacement or repair of awnings or shutters on principal elevation(s)<sup>1</sup>
- Repairing doors and windows on principal elevation(s) of residence
- Repairing or reconstructing front porches and/or stoops
- Remedying exterior code enforcement violations on principal elevation(s) of residence
- Repair or replace fencing
- Constructing or repairing accessibility ramps

### 2. Ineligible Improvements

- Installation of aluminum or vinyl siding where not previously existing
- Painting unpainted masonry
- Work performed by an unlicensed contractor
- New porch enclosures
- Permitting and development review fees
- Improvements performed prior to approval of the grant application
- Constructing new heated/cooled living space
- Reducing or enclosing existing window openings
- Improvements to buildings constructed within the last 5 years
- Equipment, mechanical and HVAC systems
- Security systems (including metal roll down gates, window bars, cameras)
- Any interior work
- Any improvements to secondary or accessory buildings (i.e., garages, sheds, garage apartments, carports)
- Improvements in progress or completed prior to preliminary approval
- Routine maintenance

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<sup>1</sup> A "principal" elevation is one facing one or more public streets (not alleys).

## 2018 New Program

### Single-Family Residential Façade Improvement Program

South St. Petersburg CRA Tax Increment Financing Program

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## VI Submission Procedures, Requirements and Review Process

Applications for the Single-Family Residential Façade Improvement Grant Program are accepted throughout the year on a first-come, first-served basis with the final award decision made by a committee comprised of staff from the Housing and Community Development and Economic and Workforce Development departments. They are to be submitted in an 8"x10" envelope or larger with the project's name and location and the applicant's name and address. Applications must be submitted to the Economic and Workforce Development Department (or successor department) on the 9<sup>th</sup> Floor of the Municipal Service Building, which is located at 1 Fourth Street North, St. Petersburg, Florida, 33701.

For more information, please contact

Mr. Anthony Chan  
Economic Development Specialist  
727-551-3279  
[tony.chan@stpete.org](mailto:tony.chan@stpete.org)

The applications must include the following:

- Completed and signed application form
- \$35 application fee paid in check or money order, refundable if not awarded grant
- Documentation of property ownership and homestead exemption. The property owner will be required to sign the Grant Agreement to assume responsibility to maintain occupancy and homestead exemption for one year after the completion of the project.
- Confirmation the project complies with the City's land development regulations.
- Confirmation that mortgage, property insurance and property tax payments are current and in good standing.
- Legal description and survey of project site
- Digital photographs of existing conditions of the project site
- Written description of project improvements
- Sketches or conceptual drawings of improvements that will be funded by the Grant.

Failure to provide the above information will delay the review and approval process.

## 2018 New Program

### Single-Family Residential Façade Improvement Program

South St. Petersburg CRA Tax Increment Financing Program

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Note: applicants meeting any of the following disqualifying criteria may be ineligible for funding:

- Code enforcement liens over \$2,500
- Special assessment liens over \$500
- Pending judgment or foreclosure
- Felony conviction for financial mismanagement within the last five years
- Mortgage payments three months in arrears
- Unpaid property taxes
- Unpaid property insurance, unless owner has satisfied mortgage

## VII Compliance Requirements for Approved Projects

Awardees must sign a Grant Agreement with the Mayor or designee which specifies their obligations and rights upon issuance of the Grant. To ensure timely commencement and completion of the Project, the Applicant shall abide by the following deadlines:

- a. Within 60 days of execution of the Grant Agreement, file a "Notice of Commencement" pursuant to the requirements of the City's Construction Services and Permitting Department.
- b. Within 6-12 months of execution of the Grant Agreement, request a "Review of Completed Work" from the City of St. Petersburg. (Length of time will vary based on size of project.)

Applicants shall have no more than 90 days from City Council approval of awards to execute grant agreements, otherwise the City will revoke the awards. At the discretion of the Mayor, the revocation may be waived upon demonstration of good cause. Applicants requiring the execution of a Grant Agreement to secure additional financing will be allowed 90 days from the execution date to do so before the above deadlines will commence. Absent approval of an extension of these deadlines by the City, failure to comply will result in the cancellation of the TIF Agreement and rescission of the incentive.

## 2018 New Program

### Single-Family Residential Façade Improvement Program

South St. Petersburg CRA Tax Increment Financing Program

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#### Attachment 1

#### 2018 Income Limits for Affordable Housing Projects

##### Income Limit by Number of Persons in Household

	Percentage of Area Median Household Income			
	30%	50%	80%	120%
1	\$13,450	\$22,400	\$35,800	\$53,760
2	\$16,460	\$25,600	\$40,900	\$61,440
3	\$20,780	\$28,800	\$46,000	\$69,120
4	\$25,100	\$31,950	\$51,100	\$76,680
5	\$29,420	\$34,550	\$55,200	\$82,920
6	\$33,740	\$37,100	\$59,300	\$89,040
7	\$38,060	\$39,650	\$63,400	\$95,160
8	\$42,200	\$42,200	\$67,500	\$101,280
9		\$44,730	\$71,568	\$107,352
10	Refer to HUD	\$47,286	\$75,658	\$113,486

Source: Florida Housing Finance Corporation State Housing Initiatives Partnership (SHIP) Program "2018 Income Limits and Rent Limits" for Pinellas County (March 30, 2018). Limits are revised annually.

<https://www.floridahousing.org/owners-and-managers/compliance/rent-limits>

## 2018 New Program

### Affordable Single-Family Homeownership Program

#### South St. Petersburg CRA Tax Increment Financing Program

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## I Description and Purpose

The Affordable Single-Family Homeownership Program provides CRA funding to support affordable homeownership for income-eligible households in the South St. Petersburg Community Redevelopment Area through direct financial assistance programs that are presently administered by the City's Housing and Community Development Department. The current programs include: (1) down payment and closing cost assistance to first time homebuyers; (2) rehabilitation assistance for owner-occupied properties; (3) barrier free mitigations and (4) homebuyer education, credit counseling, foreclosure assistance and other programs to ensure sustainable homeownership. For the purposes of this program, "income-eligible" is defined as households whose income is 140 percent and below the area median household income. The maximum income levels for this program are based on the Florida Housing Finance Corporation's SHIP Program, which are adjusted annually (see attachment). This program may also be used to fund homeowner education, credit counseling, foreclosure assistance and other strategies that ensure the ownership success for low-income homebuyers.

## II Consistency with the South St. Petersburg Redevelopment Plan

The South St. Petersburg Redevelopment Plan notes that housing affordability is a serious issue throughout St. Petersburg, but it is particularly stark in South St. Petersburg. The 2012 Pinellas County Poverty Report, which helped drive the creation of the South St. Petersburg CRA, asserted that "historically, housing expenditures exceeding 30 percent of household income have been an indicator of a housing affordability problem." In 2016, the percentage of households with housing costs exceeding 30 percent of income was 53 percent in South Petersburg and 38.6 percent in the city, both rising sharply from 2000, when the comparable figures were 41 percent and 31 percent respectively. Not surprisingly, renter households in both the CRA and city were highly likely to be paying more than 30 percent of their income in housing costs – 68.5 percent and 53.1 percent respectively.<sup>1</sup> A program promoting affordable homeownership for renters will help lower their housing costs while also help build wealth through housing equity.

The South St. Petersburg Community Redevelopment Plan (CRP) calls for increasing homeownership through a range of strategies such as providing homebuyer counseling and long-term credit repair and increased educational programs. In addition, the CRP calls for working with the St. Petersburg Housing Authority to identify potential candidates for homeownership from its pool of Section 8 voucher recipients. Finally, the CRP encourages the establishment and funding of a "Role-Model Homeowner Program"

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<sup>1</sup> U.S. Census Bureau. 2000 Census. Table DP-4-Profile of Selected Housing Characteristics. U.S. Census Bureau. American Community Survey, 2012-2016 5-Year Estimates. DP04: Selected Housing Characteristics.

## 2018 New Program

### Affordable Single-Family Homeownership Program

#### South St. Petersburg CRA Tax Increment Financing Program

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designed to attract employees of nearby public agencies, faith-based institutions and/or anchor institutions to purchase homes in the South St. Petersburg CRA.

### III Type and Amount of Award

Applicants may be eligible up to the following assistance amount: (1) down payment and closing cost assistance up to \$20,000 with the award amounts based on the following income tiers:

80% AMI or below	up to \$20,000
>80% AMI to 120% AMI	up to \$10,000
>120% AMI to 140%	up to \$5,000

(2) rehabilitation assistance up to \$45,000; and (3) barrier free mitigation up to \$16,000. Awards are in the form of loans with a term of 5, 10 or 15 years Term limits are based on the amount of funding awarded.

### IV Funding Source

The City of St. Petersburg and Pinellas County may allocate funding annually from their TIF contributions to support the **Affordable Single-Family Homeownership Program**. The funding amount will be determined annually and by budget amendment if necessary. The CRA funding will be used to augment and combined with the City's current homeowner assistance programs but with a requirement that the TIF funding be expended to support income-eligible homeownership within the South St. Petersburg CRA.

## 2018 New Program

### Affordable Single-Family Homeownership Program

South St. Petersburg CRA Tax Increment Financing Program

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#### Attachment 1

#### 2018 Income and Rent Limits for Affordable Housing Projects

##### Income Limit by Number of Persons in Household

	Percentage of Area Median Household Income				
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3	\$20,780	\$28,800	\$46,000	\$69,120	\$80,640
4	\$25,100	\$31,950	\$51,100	\$76,680	\$89,460
5	\$29,420	\$34,550	\$55,200	\$82,920	\$96,740
6	\$33,740	\$37,100	\$59,300	\$89,040	\$103,880
7	\$38,060	\$39,650	\$63,400	\$95,160	\$111,020
8	\$42,200	\$42,200	\$67,500	\$101,280	\$118,160
9		\$44,730	\$71,568	\$107,352	\$125,244
10	Refer to HUD	\$47,286	\$75,658	\$113,486	\$132,401

Source: Florida Housing Finance Corporation State Housing Initiatives Partnership (SHIP) Program "2018 Income Limits and Rent Limits" for Pinellas County (March 30, 2018). Limits are revised annually.

<https://www.floridahousing.org/owners-and-managers/compliance/rent-limits>

## 2018 AMENDMENTS

### Affordable Multifamily Housing Development Program

South St. Petersburg ~~Community Redevelopment Area CRA Tax Increment Financing Program~~

#### I Description and Purpose

The Affordable Multifamily Housing Development Program provides an annual ~~rebate incentive to developers on increases in ad valorem taxes for all applicable Pinellas County taxing authorities for developers of affordable multifamily housing to construct new affordable multifamily housing~~ in the South St. Petersburg Community Redevelopment Area (CRA).

#### II Consistency with South St. Petersburg Redevelopment Plan

Housing affordability is a serious issue throughout St. Petersburg, but it is particularly stark in South St. Petersburg. Housing is considered unaffordable if 30 percent or more of household income is devoted to shelter. Based on 2012 American Community Survey data, the percentage of all households with housing costs in excess of 30 percent of income was 55.0 percent in South Petersburg and 45.2 percent in the city, both rising sharply from 2000. Housing affordability is an even more dire issue for renter households where 73 percent pay more than 30 percent of their income in housing costs.

Multifamily housing is an important element in improving affordability, but there is a substantial deficit of this housing type in the CRA. Throughout St. Petersburg, nearly 31 percent of all dwelling units are in complexes with five or more units, and 16 percent are in complexes with 20 or more units. In contrast, South St. Petersburg has fewer than 11 percent of its total dwelling units in multifamily complexes five units and larger, and only 5 percent in 20-unit or larger complexes. By the same token, almost 80 percent of South St. Petersburg housing is single-family, and nearly 90 percent of its units are in four-unit buildings or smaller, compared with 64 percent of the city's units.<sup>1</sup> Retaining and increasing the availability and quality of multifamily units would help to alleviate the serious housing affordability issues facing renters in South St. Petersburg.

The **Affordable Multifamily Housing Development Program** is consistent with the South St. Petersburg Community Redevelopment Plan by providing incentives to increase the supply of affordable housing in the CRA. The Redevelopment Program and Funding Strategy calls for the City to use TIF to "assist renovation of existing multifamily and single-family units and build new multifamily developments..." (The CRP, in recognizing the dearth of multifamily units, calls for the City to evaluate strategic zoning and land use amendments to increase the supply of land suitable for multifamily zoning.) The CRP also calls for the City to develop a TIF program that provides annual ~~rebates incentives to~~ developers of affordable housing for a period up to 15 years. ~~The rebate would be based~~

<sup>1</sup> U.S. Census Bureau. American Community Survey, 2012-2016 5-Year Estimates. DP04 – Selected Housing Characteristics.

## 2018 AMENDMENTS

### Affordable Multifamily Housing Development Program

South St. Petersburg ~~Community Redevelopment Area~~ CRA Tax Increment Financing Program

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~~on the increase in ad valorem taxes for all taxing authorities in the first year the project goes on the tax rolls.~~

### III Type and Amount of Award

The Affordable Multifamily Housing Development Program is an annual ~~rebate incentive~~ for up to 15 years ~~on increases in ad valorem taxes from all applicable Pinellas County taxing authorities resulting from~~ to promote the development of affordable housing for ~~working families and households~~ in the South St. Petersburg CRA. The ~~rebate incentive~~ will be based on ~~the increase in ad valorem taxes in the first year the completed project goes on the tax rolls~~ the following:

<u>4 to 30 units</u>	<u>up to \$1,000/unit</u>
<u>31 units to 99 units</u>	<u>up to \$750/unit</u>
<u>100 units or more</u>	<u>up to \$500/unit</u>

~~There is no maximum award is \$50,000 per project per year for the program to ensure that catalytic affordable housing projects are able to take full advantage of the program. However, but to ensure that the cumulative impact of projects utilizing the incentive does not constrain the CRA budget in future years, the City will generally limit its obligation to fund the multiyear incentive in any given year to no more than 20 percent of the annual budget for the South St. Petersburg CRA. City Council may waive this limitation on a project-by-project basis.~~

~~The award amount will be based on the project's pro forma demonstrating that "but for" the incentive the project cannot be built. An increase in the annual incentive may be provided to a project that is based on factors such as the increase in CRA taxable property values or growth in the consumer price index from the prior year. For the purposes of this program, "affordable housing" is defined as housing meeting the needs of working-age families and households whose income is ~~80~~ 120 percent and below the area median household income. The maximum income and rent levels for this program are based on the Florida Housing Finance Corporation's SHIP Program, which are ~~periodically~~ annually adjusted (see attachment).~~

### IV Funding Source

City of St. Petersburg and Pinellas County TIF contributions.

## 2018 AMENDMENTS

### Affordable Multifamily Housing Development Program

South St. Petersburg ~~Community Redevelopment Area~~ CRA Tax Increment Financing Program

#### V Eligible Projects

The Affordable Multifamily Housing Development Program is available to fund construction of affordable multifamily housing in the South St. Petersburg CRA. To be eligible, a multifamily developer must construct a minimum of ~~10~~ 4 new residential units that meet the City's definition of "affordable". ~~In the case of a renovation of an existing multifamily building, the ad valorem rebate incentive will be based on the difference between the taxable building value in the first year after Project completion and the year prior to the Project's commencement.~~ Adaptive reuse projects that convert nonresidential buildings to residential use are eligible for the ~~rebate incentive, which will be based partly on the taxable building value of the project in the first year after completion.~~ Mixed-income projects that provide both affordable and market-rate units are also eligible for the program with the annual ~~rebate of ad valorem taxes incentive~~ based on the ~~percentage share number~~ of affordable units in the project. ~~City Council has the final authority to approve the ultimate annual amount granted to the awardee, taking into consideration the impact on future year's budget, the awardee's maintenance and upkeep of the property, compliance with the affordability requirements mandated by this program and expected property taxes as well as existing projects that have received this incentive.~~

#### VI Submission Procedures and Requirements

Applications for the Affordable Multifamily Housing Development Program are accepted throughout the year, ~~evaluated by the Grant Review Committee~~ with the final award made by City Council. They are to be submitted in an 8"x10" envelope or larger with the project's name and location and the applicant's name and address. Applications must be submitted to the ~~Planning and~~ Economic ~~and Workforce~~ Development Department (~~or successor department~~) on the 9<sup>th</sup> Floor of the Municipal Service Building, which is located at 1 Fourth Street North, St. Petersburg, Florida, 33701.<sup>2</sup> ~~Enter through the door on the far left after exiting the elevator. Before leaving the envelope containing the application at the above location, please ensure that the date and time of submission has been recorded on the envelope by City staff~~

For more information, please contact

~~Mr. Rick D. Smith, AICP and CEcD  
Community Redevelopment Coordinator~~

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<sup>2</sup>Original version adopted on February 4, 2016, was administratively amended on March 2, 2017, to reflect the City's new grant review process.

## 2018 AMENDMENTS

### Affordable Multifamily Housing Development Program

South St. Petersburg Community Redevelopment Area CRA Tax Increment Financing Program

~~727-893-7106~~

~~[rick.smith@stpete.org](mailto:rick.smith@stpete.org)~~

Mr. Anthony Chan

Economic Development Specialist

727-551-3279

[tony.chan@stepete.org](mailto:tony.chan@stepete.org)

The applications must include the following:

- Completed and signed application form
- ~~\$35 application fee paid in check or money order, refundable if not awarded grant~~
- Documentation of property ownership or written consent from property owner giving permission to conduct the identified improvements. The property owner will be required to sign the Grant Agreement to assume responsibility to maintain the affordable housing units for the duration of the Agreement.
- ~~Estimated taxes for proposed project based on three comparable affordable residential projects in St. Petersburg.<sup>3</sup> (Annual ad valorem taxes will be estimated based on this information.)~~
- Confirmation the project complies with the City's land development regulations.
- Confirmation that mortgage, property insurance and property tax payments are current and in good standing.
- Legal description and survey of project site
- Digital photographs of existing conditions of the project site
- Written description of project improvements including number of units, size and bedroom/bathroom configuration and rental rates per unit type
- Sketches or conceptual drawings of improvements that will be funded by the Grant.
- Written affirmation that applicant will abide by the terms of the grant agreement including restrictions on leasing to eligible families at affordable rents and maintain the properties according to the City's code requirements.

Failure to provide the above information will delay the review and approval process.

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<sup>3</sup>Original version adopted on February 4, 2016, was administratively amended on August 8, 2016, to improve methodology for estimating taxes on residential projects.

## 2018 AMENDMENTS

### Affordable Multifamily Housing Development Program

South St. Petersburg Community Redevelopment Area CRA Tax Increment Financing Program

Note, applicants meeting any of the following disqualifying criteria may be ineligible for funding:

- Code enforcement liens over \$2,500
- Special assessment liens over \$500
- Pending judgment or foreclosure
- Felony conviction for financial mismanagement within the last five years
- Mortgage payments three months in arrears
- Unpaid property taxes
- Unpaid property insurance

#### VII Review and Approval Process<sup>4</sup>

Because the incentive involves a multiyear ~~rebate incentive of ad valorem taxes from all applicable Pinellas County taxing authorities~~, City Council will review and approve the project and award amount, which will be based ~~among other factors~~ on its current and projected fiscal impact on the "Housing and Neighborhood Revitalization" budget of the South St. Petersburg CRA Redevelopment Trust Fund. ~~In order for City Council to assess the fiscal impact of the rebate during its review and approval process, it will be necessary to estimate the annual rebate of a Project. To that end, City Administration will utilize the taxable values from comparable affordable housing projects in St. Petersburg to estimate the annual tax per dwelling unit that can then be applied to the project.~~<sup>5</sup> Ultimately, the ad valorem rebate will be based on the taxable building value of the Project assigned by the Pinellas County Property Appraiser's Office in the first year after completion, provided it is less than the rebate approved by City Council. ~~In no case will the amount of the rebate exceed the amount approved by City Council. City Council will also take into consideration budgetary and revenue projections for the South St. Petersburg CRA Redevelopment Trust Fund when awarding the incentive, may reduce the incentive when annual revenue projections for the CRA decline, revoke the incentive if the awardee fails to abide by the requirements of an executed grant agreement, and claw-back prior year(s) incentive if awardee is in default.~~

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<sup>4</sup>Original version adopted on February 4, 2016, was administratively amended on March 2, 2017, to reflect the City's new grant review process.

<sup>5</sup>Original version adopted on February 4, 2016, was administratively amended on August 8, 2016, to improve methodology for estimating taxes on residential projects.

## 2018 AMENDMENTS

### Affordable Multifamily Housing Development Program

South St. Petersburg Community Redevelopment Area CRA Tax Increment Financing Program

#### VIII Compliance Requirements for Approved Projects

Successful applicants must sign a Grant Agreement with the Mayor or designee which specifies their obligations and rights upon issuance of the Grant. To ensure timely commencement and completion of the Project, the Applicant shall abide by the following deadlines:

- a. Within 60 days of execution of the Grant Agreement, file a "Notice of Commencement" pursuant to the requirements of the City's Construction Services and Permitting Department.
- b. Within 6-18 months of execution of the Grant Agreement, request a "Review of Completed Work" from the City of St. Petersburg. (Length of time will vary based on size of project.)

Applicants shall have no more than 180 days from City Council approval of awards to execute grant agreements, otherwise the City will revoke the awards. The Mayor at his or her discretion may waive the revocation upon demonstration of good cause.

Applicants requiring the execution of a Grant Agreement to secure additional financing will be allowed 90 days from the execution date to do so before the above deadlines will commence. Absent approval of an extension of these deadlines by the City, failure to comply will result in the cancellation of the TIF Agreement and rescission of the rebate incentive.<sup>6</sup>

The Affordable Multifamily Housing Development Program is a multi-year program that pays rebates an incentive annually for a period of up to fifteen years. To be awarded the rebate incentive, a project must be annually certified that it meets the affordable housing criteria that were the basis for the initial approval as well as the SHIP household income and rent limits that are applicable in that year. Failing this, the rebate incentive will be revoked and all previous rebates incentives repaid to the City by the applicant or successor.

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<sup>6</sup> Amended on November 19, 2016, to remove reference to "grant" award, which is not applicable to this program.

## 2018 AMENDMENTS

### Affordable Multifamily Housing Development Program

South St. Petersburg Community Redevelopment Area CRA Tax Increment Financing Program

#### 2016 Income and Rent Limits for Affordable Housing Projects

South St. Petersburg CRA TIF Program

		Percentage of Area Median Household Income		
		30%	50%	80%
<b>Income Limit by Number of Persons in Household</b>	1	\$12,450	\$20,750	\$33,150
	2	\$16,020	\$23,700	\$37,900
	3	\$20,160	\$26,650	\$42,650
	4	\$24,300	\$29,600	\$47,350
	5	\$28,440	\$32,000	\$51,150
	6	\$32,580	\$34,350	\$54,950
	7	\$36,730	\$36,730	\$58,750
	8	\$39,100	\$39,100	\$62,550
	9		\$41,440	\$66,304
	10	Refer to HUD	\$43,808	\$70,093
<b>Rent Limit by Number of Bedrooms in Unit</b>	0	\$311	\$518	\$828
	1	\$355	\$555	\$888
	2	\$504	\$666	\$1,066
	3	\$659	\$770	\$1,231
	4	\$814	\$858	\$1,373
	5	\$947	\$948	\$1,516

Source: Florida Housing Finance Corporation State Housing Initiatives Partnership (SHIP) Program "2016 Income Limits and Rent Limits" for Pinellas County (March 31, 2016). Limits are revised annually. [Link to Florida SHIP Income and Rent Limits](#)

**2018 AMENDMENTS**  
**Affordable Multifamily Housing Development Program**

South St. Petersburg Community Redevelopment Area CRA Tax Increment Financing Program

2018 Income and Rent Limits for Affordable Housing Projects

Income Limit by Number of Persons in Household

	<u>Percentage of Area Median Household Income</u>			
	<u>30%</u>	<u>50%</u>	<u>80%</u>	<u>120%</u>
<u>1</u>	<u>\$13,450</u>	<u>\$22,400</u>	<u>\$35,800</u>	<u>\$53,760</u>
<u>2</u>	<u>\$16,460</u>	<u>\$25,600</u>	<u>\$40,900</u>	<u>\$61,440</u>
<u>3</u>	<u>\$20,780</u>	<u>\$28,800</u>	<u>\$46,000</u>	<u>\$69,120</u>
<u>4</u>	<u>\$25,100</u>	<u>\$31,950</u>	<u>\$51,100</u>	<u>\$76,680</u>
<u>5</u>	<u>\$29,420</u>	<u>\$34,550</u>	<u>\$55,200</u>	<u>\$82,920</u>
<u>6</u>	<u>\$33,740</u>	<u>\$37,100</u>	<u>\$59,300</u>	<u>\$89,040</u>
<u>7</u>	<u>\$38,060</u>	<u>\$39,650</u>	<u>\$63,400</u>	<u>\$95,160</u>
<u>8</u>	<u>\$42,200</u>	<u>\$42,200</u>	<u>\$67,500</u>	<u>\$101,280</u>
<u>9</u>		<u>\$44,730</u>	<u>\$71,568</u>	<u>\$107,352</u>
<u>10</u>	<u>Refer to HUD</u>	<u>\$47,286</u>	<u>\$75,658</u>	<u>\$113,486</u>

Rental Limit by Number of Persons in Household

<u>0</u>	<u>\$336</u>	<u>\$560</u>	<u>\$895</u>	<u>\$1,344</u>
<u>1</u>	<u>\$373</u>	<u>\$600</u>	<u>\$958</u>	<u>\$1,440</u>
<u>2</u>	<u>\$519</u>	<u>\$720</u>	<u>\$1,150</u>	<u>\$1,728</u>
<u>3</u>	<u>\$681</u>	<u>\$831</u>	<u>\$1,328</u>	<u>\$1,995</u>
<u>4</u>	<u>\$843</u>	<u>\$927</u>	<u>\$1,482</u>	<u>\$2,226</u>
<u>5</u>	<u>\$1,003</u>	<u>\$1,023</u>	<u>\$1,636</u>	<u>\$2,455</u>

Source: Florida Housing Finance Corporation State Housing Initiatives Partnership (SHIP) Program "2018 Income Limits and Rent Limits" for Pinellas County (March 30, 2018). Limits are revised annually.

<https://www.floridahousing.org/owners-and-managers/compliance/rent-limits>

## 2018 AMENDMENTS

### **Affordable Residential Property Improvement Grant Program**

South St. Petersburg Community Redevelopment Area CRA Tax Increment Financing Program

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#### **I Description and Purpose**

The Affordable Residential Property Improvement Grant program can be used as a rebate for exterior and/or interior improvements on affordable or market rate residential housing in the South St. Petersburg Community Redevelopment Area. Emphasis will be placed on funding substantial renovations that upgrade vital building systems and sustain and extend the economic life of a structure, such as plumbing, structural improvements, energy efficiency, HVAC and electrical wiring. The grant program supplements the City's annual investment in the "Rebates for Residential Rehabilitation" (RRR), which is oriented toward single-family residential renovations, but is focused on incentivizing the substantial renovation of both affordable single-family and multifamily housing (defined as three or more units in a building or property) by increasing the total grant award allowed for these projects. The program will be administered through the existing RRR process to ensure that the minimum building systems, products and materials required by the RRR program are utilized for this program. Funding from this program can also be used to supplement the annual funding allotted to the RRR program from the General Fund but only to ensure the renovation of single-family units for income eligible families consistent with the affordability requirements of this program. For the purposes of this program, "affordable housing" is defined as housing meeting the needs of households whose income is 120 percent and below the area median household income. The maximum income and rent levels for this program are based on the Florida Housing Finance Corporation's SHIP Program, which are annually adjusted (see Attachment 1).

#### **II Consistency with South St. Petersburg Redevelopment Plan**

Housing rehabilitation is vitally important in the CRA where new construction is faced with a significant gap in the cost to build versus the price for which units can be sold. The housing stock is substantially older in South St. Petersburg than the City at-large. Residential units built before 1970 represent 76 percent of the stock in the CRA, but only 55 percent of the City. With critical housing systems such as roofs, plumbing, HVAC and electrical in need of replacement every 15-20 years, houses of this age generally will have gone through at least their third generation of upgrades, if properly maintained.

There is also a substantial deficit of multifamily housing in South St. Petersburg. Throughout St. Petersburg, nearly 31 percent of all dwelling units are in complexes with five or more units, and 16 percent are in complexes with 20 or more units. In contrast, South St. Petersburg has fewer than 11 percent of its total dwelling units in multifamily complexes five units and larger, and only 5 percent in 20-unit or larger complexes. By the

## 2018 AMENDMENTS

### **Affordable Residential Property Improvement Grant Program**

#### **South St. Petersburg ~~Community Redevelopment Area~~ CRA Tax Increment Financing Program**

same token, almost 80 percent of South St. Petersburg housing is single-family, and nearly 90 percent of its units are in four-unit buildings or smaller, compared with 64 percent of the city's units.<sup>1</sup> Retaining and increasing the availability and quality of multifamily units would help to alleviate the serious housing affordability issues facing renters in South St. Petersburg.

The **Affordable Residential Property Improvement Grant** program is designed to counteract these issues by promoting rehabilitation of **affordable single-family and multifamily units** ~~that are either affordable or market rate~~. The program is consistent with the South St. Petersburg Community Redevelopment Plan by implementing several strategies identified in the "Housing and Neighborhood Revitalization" section of the Action Plan. This section calls for developing TIF Incentive Programs that:<sup>2</sup>

- assists rental residential property owners in renovating their properties;
- expands the City's successful "Rebates for Residential Rehab" program to provide a consistent source of annual funding support **but with a focus on meeting the critical affordable housing needs of the South St. Petersburg CRA and the City; and**
- increases the supply of affordable housing for both homeownership and rental opportunities; ~~and~~
- ~~provides incentives for developers of market rate housing in the CRA.~~

### **III Type and Amount of Award**

An applicant may receive a reimbursable grant equaling ~~the lesser of~~ up to **240** percent of the pre-construction value of eligible improvements ~~or up to \$10,000 per unit~~. There **is no** maximum award for a ~~multifamily~~ project ~~is \$90,000 awarded funding under this grant program, but any award exceeding \$60,000 must first be approved by City Council.~~ **Depending on the size of the project and its potential impact on the revitalization of South St. Petersburg, City Council may at its discretion appropriate funding from future year(s) budget to fund the incentive.** The program requires a minimum investment of \$10,000 toward eligible improvements per residential unit. ~~In order to utilize Pinellas County TIF contributions for this program, p~~projects must meet the City's definition of affordable. For the purposes of this program, "affordable housing" is defined as housing meeting the needs of households whose income is ~~80~~ **120** percent and below the area

<sup>1</sup> U.S. Census Bureau. American Community Survey, 2012-2016 5-Year Estimates. DP04 – Selected Housing Characteristics.

<sup>2</sup> ~~Administratively modified on April 7, 2017, to emphasize that multifamily housing is the focus of the program.~~

## 2018 AMENDMENTS

### **Affordable Residential Property Improvement Grant Program**

South St. Petersburg ~~Community Redevelopment Area~~ CRA Tax Increment Financing Program

median household income. The maximum income and rent levels for this program are based on the Florida Housing Finance Corporation's SHIP Program, which are periodically adjusted ([see Attachment 1](#)).

#### **IV Funding Source**

City of St. Petersburg and Pinellas County TIF contributions to the South St. Petersburg Redevelopment Trust Fund. ~~(Pinellas County TIF can only be spent on affordable housing when used with this program.)~~

#### **V Eligible Properties and Improvements**

Exterior and/or interior improvements on affordable ~~or market rate~~ residential housing ~~with a focus on renovations of multifamily housing (defined as three or more units per building)~~. Eligible improvements include<sup>3</sup>

- Structural repairs ([i.e., foundations, piers, load bearing walls](#))
- Roofing (no roof-overs)
- [Replacement of all windows](#)
- Electrical upgrades, [including GFCI, service upgrades, and rewiring](#)
- HVAC replacement, [air handler and condensing units, duct replacements,](#) and insulation upgrades
- Plumbing upgrades
- Kitchen and bath upgrades
- [Insulation upgrades with City specified R-values for ceiling walls and floors](#)

Mixed-use projects with a residential component are eligible for the grant [as are adaptive reuse projects that convert nonresidential buildings to residential use](#). [Mixed-income projects that provide both affordable and market-rate units are also eligible for the program, although only the affordable units are eligible for funding from this program.](#)

#### **VI Submission and Approval Requirements**

Applications [for the Affordable Residential Property Improvement Grant program](#) will be processed through the City's RRR program and abide by its established time frames for

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<sup>3</sup> ~~Administratively amended on November 2, 2016, to include information submitted as part of application. See Attachment 2 for list of eligible repairs for the RRR program.~~

## 2018 AMENDMENTS

### **Affordable Residential Property Improvement Grant Program**

#### **South St. Petersburg Community Redevelopment Area CRA Tax Increment Financing Program**

completion. All projects must be approved for funding under this program prior to beginning construction. However, applicants requiring a demonstration of the City's intent to provide TIF funding to secure additional financing will be allowed 90 days from the date of an approved RRR application to do so. Any projects requesting \$60,000 or more in funding through this program will first require City Council approval. Depending on the size of the project and its potential impact on the revitalization of South St. Petersburg, City Council may at its discretion appropriate funding from future year(s) budget to fund the incentive. Projects funded with Pinellas County's TIF contribution must be affordable and submit documentation that the units for which funding is sought meet the City's definition of affordable (see above).

The applications must include the following:<sup>4</sup>

- Completed and signed application form
- If necessary, a letter requesting an extension of ninety days to seek additional financing if TIF funding application is approved
- Documentation of property ownership or written consent from property owner giving permission to conduct the identified improvements. If seeking TIF funding for affordable units, the property owner will be required to maintain the affordable housing units for the duration of the Grant Agreement.
- Confirmation the project complies with the City's land development regulations.
- Confirmation that mortgage, property insurance and property tax payments are current and in good standing.
- Legal description and survey of project site
- Digital photographs of existing conditions of the project site
- Written description of project improvements including number of units, size and bedroom/bathroom configuration and rental rates per unit type
- Submission of the project cost worksheet found in Attachment 2
- Sketches or conceptual drawings of improvements that will be funded by the Grant
- Written affirmation that applicant will abide by the terms of the grant agreement including restrictions on leasing to eligible families at affordable rents and maintain the properties according to the City's code requirements.

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<sup>4</sup> Administratively amended on November 2, 2016, to include information submitted as part of application.

## 2018 AMENDMENTS

### **Affordable Residential Property Improvement Grant Program**

South St. Petersburg ~~Community Redevelopment Area~~ CRA Tax Increment Financing Program

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Failure to provide the above information will delay the review and approval process.

Note: applicants meeting any of the following disqualifying criteria may be ineligible for funding:

- Code enforcement liens over \$2,500
- Special assessment liens over \$500
- Pending judgment or foreclosure
- Felony conviction for financial mismanagement within the last five years
- Mortgage payments three months in arrears
- Unpaid property taxes
- Unpaid property insurance

### **VIII Compliance Requirements for Approved and Completed Projects**

Successful applicants must execute a Grant Agreement with the Mayor or designee which specifies their obligations and rights upon issuance of the Grant. To ensure timely commencement and completion of the Project, the Applicant shall abide by the following deadlines:

- a. Within 60 days of execution of the Grant Agreement, file a "Notice of Commencement" pursuant to the requirements of the City's Construction Services and Permitting Department.
- b. Within 6-18 months of execution of the Grant Agreement, request a "Review of Completed Work" from the City of St. Petersburg. (Length of time will vary based on size of project.)

Applicants shall have no more than 90 days from City Council approval of awards to execute grant agreements, otherwise the City will revoke the awards. At the discretion of the Mayor, the revocation may be waived upon demonstration of good cause. Applicants requiring the execution of a Grant Agreement to secure additional financing will be allowed 90 days from the execution date to do so before the above deadlines will commence. Absent approval of an extension of these deadlines by the City, failure to comply will result in the cancellation of the TIF Agreement and rescission of the incentive.

## 2018 AMENDMENTS

### **Affordable Residential Property Improvement Grant Program**

South St. Petersburg ~~Community Redevelopment Area~~ CRA Tax Increment Financing Program

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All projects funded through this program must comply with the requirements of the City's "Rebates for Residential Rehabilitation" program. Affordable units must be maintained for at least ~~five~~ ten years. The applicant is required to submit documentation annually for ~~five~~ ten years that the Project continues to provide affordable housing in accordance with the City's definition. Failure to do so will result in repayment of the rebate(s) to the City plus interest.

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## 2018 AMENDMENTS

### **Affordable Residential Property Improvement Grant Program**

South St. Petersburg Community Redevelopment Area CRA Tax Increment Financing Program

#### 2016 Income and Rent Limits for Affordable Housing Projects

South St. Petersburg CRA TIF Program

		Percentage of Area Median Household Income		
		30%	50%	80%
<b>Income Limit by Number of Persons in Household</b>	1	\$12,450	\$20,750	\$33,150
	2	\$16,020	\$23,700	\$37,900
	3	\$20,160	\$26,650	\$42,650
	4	\$24,300	\$29,600	\$47,350
	5	\$28,440	\$32,000	\$51,150
	6	\$32,580	\$34,350	\$54,950
	7	\$36,730	\$36,730	\$58,750
	8	\$39,100	\$39,100	\$62,550
	9		\$41,440	\$66,304
	10	Refer to HUD	\$43,808	\$70,093
<b>Rent Limit by Number of Bedrooms in Unit</b>	0	\$311	\$518	\$828
	1	\$355	\$555	\$888
	2	\$504	\$666	\$1,066
	3	\$659	\$770	\$1,231
	4	\$814	\$858	\$1,373
	5	\$947	\$948	\$1,516

Source: Florida Housing Finance Corporation State Housing Initiatives Partnership (SHIP) Program "2016 Income Limits and Rent Limits" for Pinellas County (March 31, 2016). Limits are revised annually. [Link to Florida SHIP Income and Rent Limits](#)

## 2018 AMENDMENTS

### **Affordable Residential Property Improvement Grant Program**

South St. Petersburg Community Redevelopment Area CRA Tax Increment Financing Program

#### Attachment 1

#### 2018 Income and Rent Limits for Affordable Housing Projects

##### Income Limit by Number of Persons in Household

	<u>Percentage of Area Median Household Income</u>			
	<u>30%</u>	<u>50%</u>	<u>80%</u>	<u>120%</u>
<u>1</u>	<u>\$13,450</u>	<u>\$22,400</u>	<u>\$35,800</u>	<u>\$53,760</u>
<u>2</u>	<u>\$16,460</u>	<u>\$25,600</u>	<u>\$40,900</u>	<u>\$61,440</u>
<u>3</u>	<u>\$20,780</u>	<u>\$28,800</u>	<u>\$46,000</u>	<u>\$69,120</u>
<u>4</u>	<u>\$25,100</u>	<u>\$31,950</u>	<u>\$51,100</u>	<u>\$76,680</u>
<u>5</u>	<u>\$29,420</u>	<u>\$34,550</u>	<u>\$55,200</u>	<u>\$82,920</u>
<u>6</u>	<u>\$33,740</u>	<u>\$37,100</u>	<u>\$59,300</u>	<u>\$89,040</u>
<u>7</u>	<u>\$38,060</u>	<u>\$39,650</u>	<u>\$63,400</u>	<u>\$95,160</u>
<u>8</u>	<u>\$42,200</u>	<u>\$42,200</u>	<u>\$67,500</u>	<u>\$101,280</u>
<u>9</u>		<u>\$44,730</u>	<u>\$71,568</u>	<u>\$107,352</u>
<u>10</u>	<u>Refer to HUD</u>	<u>\$47,286</u>	<u>\$75,658</u>	<u>\$113,486</u>

##### Rental Limit by Number of Persons in Household

<u>0</u>	<u>\$336</u>	<u>\$560</u>	<u>\$895</u>	<u>\$1,344</u>
<u>1</u>	<u>\$373</u>	<u>\$600</u>	<u>\$958</u>	<u>\$1,440</u>
<u>2</u>	<u>\$519</u>	<u>\$720</u>	<u>\$1,150</u>	<u>\$1,728</u>
<u>3</u>	<u>\$681</u>	<u>\$831</u>	<u>\$1,328</u>	<u>\$1,995</u>
<u>4</u>	<u>\$843</u>	<u>\$927</u>	<u>\$1,482</u>	<u>\$2,226</u>
<u>5</u>	<u>\$1,003</u>	<u>\$1,023</u>	<u>\$1,636</u>	<u>\$2,455</u>

Source: Florida Housing Finance Corporation State Housing Initiatives Partnership (SHIP) Program "2018 Income Limits and Rent Limits" for Pinellas County (March 30, 2018). Limits are revised annually.

<https://www.floridahousing.org/owners-and-managers/compliance/rent-limits>

## 2018 AMENDMENTS

### **Affordable Residential Property Improvement Grant Program**

South St. Petersburg Community Redevelopment Area CRA Tax Increment Financing Program

#### Attachment 2

#### Eligible Costs Worksheet for RRR Program

Eligible Improvements

<u>Structural Repairs</u>	\$ _____
<u>Roofing</u>	\$ _____
• <u>No roof-overs</u>	
• <u>Code Compliant for Insurance Cost Reduction (SWB)</u>	
<u>Windows (must replace all windows if any are replaced)</u>	\$ _____
<u>Electrical Upgrades</u>	
<u>Arc fault in bedrooms</u>	\$ _____
<u>GFCI</u>	\$ _____
<u>Service upgrades</u>	\$ _____
<u>Rewires</u>	\$ _____
<u>Other</u>	\$ _____
<u>HVAC Replacement</u>	
<u>Complete equipment upgrades (air handler and condensing units)</u>	\$ _____
<u>Duct replacement</u>	\$ _____
<u>Other</u>	\$ _____
<u>Plumbing Upgrades</u>	
<u>Water closet low water use</u>	\$ _____
<u>Shower head water flow reduction</u>	\$ _____
<u>Dishwasher with high energy efficiency/low water use</u>	\$ _____
<u>Sanitary and potable water line upgrades</u>	\$ _____
<u>High efficiency water heater upgrades</u>	\$ _____
<u>Other</u>	\$ _____
<u>Kitchen and Bath Upgrades</u>	
<u>Upgrade electrical to GFCI and LED</u>	\$ _____
<u>Low maintenance counters</u>	\$ _____
<u>New appliances</u>	\$ _____
<u>Other</u>	\$ _____
<u>Insulation Upgrades</u>	
<u>Ceiling (min R-30 when space allows)</u>	\$ _____
<u>Walls (R-13 when walls exposed)</u>	\$ _____
<u>Floors (R-19 where accessible)</u>	\$ _____
<u>Other Improvements (describe)</u>	\$ _____
<u>Total Approved</u>	\$ _____

# 2018 AMENDMENTS

## Commercial Site Improvement Grant

South St. Petersburg ~~Community Redevelopment Area~~ CRA Tax Increment Financing Program

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### I Description and Purpose

The Commercial Site Improvement Grant provides matching grants to commercial property owners that upgrade their building façades, landscaping, lighting, loading and service areas and other features of their sites visible from the public right-of-way.

### II Consistency with South St. Petersburg Redevelopment Plan

The Commercial Site Improvement Grant program is consistent with the South St. Petersburg Community Redevelopment Plan by promoting revitalization of commercial corridors in the CRA by improving their appearance and upgrading building stock.

The South St. Petersburg Redevelopment Plan recognizes the importance of the CRA's commercial corridors in growing existing businesses and attracting new ones. In the Action Plan, under "Business Development and Job Creation", one strategy calls for working with owners along "primary commercial corridors in the CRA to maintain and upgrade their properties", while another specifically instructs the City to develop a TIF program that will "provide incentives to owners of land and buildings along the CRA's primary commercial corridors."

These strategies are reinforced in the Redevelopment Program and Funding Strategy, which details the implementation approach of the Plan and redevelopment programs that will carry it out. Improving the image and identity of South St. Petersburg to remedy blighting influences and encourage investment is a key feature of the Plan and TIF programs are to be designed for façade and site improvements for both residential and nonresidential properties. The Plan specifically states that "the main commercial corridors within the CRA will be a particular focus for this effort because they represent the front-doors to most neighborhoods and their appearance will drive or reduce investment." To that end, the Plan identifies among its CRA Business Programs a "Commercial Site Improvement Grant" that will provide matching grants to commercial property owners that upgrade their building façades, landscaping, lighting, loading and service areas and other features of their sites visible from the public right-of-way.

### III Type and Amount of Award

An applicant may receive a ~~one for one~~ matching grant of up to \$20,000. To receive the full award from the City, eligible project costs must exceed \$40,000. Applicants with properties listed on the Local Register of Historic Places may be eligible for an increase in

## 2018 AMENDMENTS

### Commercial Site Improvement Grant

South St. Petersburg ~~Community Redevelopment Area~~ CRA Tax Increment Financing Program

~~the~~ matching grant of up to \$40,000 ~~provided the award will be used to renovate the historic portion of the property and if~~ the approved work is found compliant with the City of St. Petersburg Historic Preservation Ordinance. ~~In awarding a historic property bonus, under no circumstance will the City contribute more than 50 percent of the total eligible project costs. Therefore, to receive the full \$40,000 eligible project costs for a historic project must exceed \$80,000.~~ The TIF contribution will be reimbursable to the applicant upon completion of work.

An applicant may also be awarded additional funding for projects that ~~meet specified job creation and hiring requirements as well as those which~~ utilized SBE contractors or allowed occupancy of a building by a targeted industry user identified in the Grow Smarter Strategy. These industries are Financial Services, Specialized Manufacturing, Marine and Life Sciences, Data Analytics, and Creative Arts and Design. The recommended awards are as follows:

- ~~Number of new full-time jobs created~~ ————— ~~\$1,000 per job~~
- ~~Retention and/or hiring of CRA residents~~ ————— ~~\$1,500 per retained job/\$3000/new hire~~
- Using contractor with City SBE certification      \$105,000 bonus
- Grow Smarter Initiative                                      \$105,000 bonus

~~To receive the bonus award, the applicant will need to demonstrate that the jobs or employees were maintained for a year after the completion of the project. Emphasis will be placed on rewarding companies that employ hard-to-hire CRA residents such as ex-offenders and the unemployed as well as pay more than the minimum wage.~~ To receive the bonus for the SBE contractor, an applicant must first complete the work and document use of the contractor through invoices and payments. To receive the bonus for the Grow Smarter incentive, the applicant must document that the commercial space funded by the CRA grant is occupied by a targeted industry within one year of completion of the project.<sup>‡</sup> ~~Only one (1) bonus award per type shall be given for each property. To receive the full \$5,000 bonus for the SBE contractor and Grow Smarter bonuses, total project costs must equal or exceed \$50,000. This will ensure that the City will contribute no more than one-half the total project cost. If the final project costs total between \$40,000 and \$50,000 then the City will reimburse the applicant the \$20,000 maximum award allowed plus 50 percent of the remaining costs up to \$5,000.~~

## IV Funding Source

~~<sup>‡</sup> Underscored section must be approved by City Council, which is proposed to hear the amendment on May 4, 2017.~~

## 2018 AMENDMENTS

### Commercial Site Improvement Grant

South St. Petersburg ~~Community Redevelopment Area~~ CRA Tax Increment Financing Program

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City of St. Petersburg may allocate funding annually to this program from Pinellas County and/or City TIF contributions.

## V Eligible Properties and Improvements

The Commercial Site Improvement Grant program is available to fund eligible exterior improvements on commercial, industrial and mixed-use properties. TIF funding priority will be given for applications for properties located within one or more of the following commercial corridors in the South St. Petersburg CRA:

- Dr. Martin Luther King, Jr. Street South
- 16<sup>th</sup> Street South
- 22<sup>nd</sup> Street South
- 34<sup>th</sup> Street North/South
- 49<sup>th</sup> Street North/South
- Central Avenue Corridor (including 1<sup>st</sup> Avenues North and South)
- 5<sup>th</sup> Avenue South
- 18<sup>th</sup> Avenue South

The Citizen Advisory Committee for the South St. Petersburg CRA will determine annually the priority corridors for determining grant scoring. Please see the map on page 6 for the corridor boundary limits.

### 1. Eligible Improvements

- Exterior painting, re-siding, and/or cleaning
- Masonry repairs
- Removal of architecturally inappropriate or incompatible exterior finishes and materials
- Restoration of significant architectural details or removal of materials that cover said architectural details
- Site improvement features such as landscaping, fencing, parking lots, lighting, dumpster enclosures and buffer walls provided such features do not collectively exceed more than 25 percent of the eligible project costs
- Construction of pedestrian and bicycle amenities such as benches, shelters, bike racks and bike lockers<sup>2</sup>

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<sup>2</sup> Administratively amended on April 7, 2017, to support St. Petersburg's sustainability and bike trail initiatives.

## 2018 AMENDMENTS

### Commercial Site Improvement Grant

South St. Petersburg Community Redevelopment Area CRA Tax Increment Financing Program

- Installation or repair of exterior signage, including wall, window, hanging, and monument signs advertising the business name and identity provided such features do not collectively exceed more than 25 percent of the eligible project costs
  - Awnings and canopies installation or repair
  - Doors and windows
  - Roof repairs that attach to a new or renovated façade
  - Exterior lighting attached to an existing building
  - Demolition of obsolete accessory structures and partial demolition of exterior walls made necessary for renovation or expansion
  - Window and cornice flashing and repair
  - Remediation of environmental contamination on the exterior site such as lead, petroleum or asbestos
  - Architectural and engineering fees as well as permitting and development review fees not to exceed 10 percent of the total eligible project costs
  - A contingency reserve of up to 10 percent to be used by the applicant in the event material and labor costs of approved budget items increase between the time of the original estimate and the commencement of the project. The reserve can only be used to pay for construction items described in the budget of the executed grant agreement.
2. Ineligible Improvements
- Installation of aluminum or vinyl siding
  - Work performed by an unlicensed contractor
  - ~~Permitting and development review fees~~
  - Improvements performed prior to approval of the TIF application
  - New building construction
  - Reducing or enclosing existing storefront windows
  - Improvements to buildings constructed within the last 5 years
  - Equipment, mechanical and HVAC systems
  - Minor roof repairs (other than those portions that directly attach to a new or renovated façade)
  - Security systems (including metal roll down gates, window bars, cameras)
  - Any interior work
  - Any improvements not visible from the public right-of-way to secondary or accessory buildings (i.e., garages, sheds, garage apartments, carports)
  - Improvements in progress or completed prior to preliminary approval
  - Routine maintenance

## 2018 AMENDMENTS

### Commercial Site Improvement Grant

South St. Petersburg ~~Community Redevelopment Area~~ CRA Tax Increment Financing Program

- Improvements to buildings ~~solely~~ primarily used for residences, which is defined as more than 50 percent of the building in residential use

## VI Submission Procedures and Requirements

Applications are to be submitted in an 8"x10" envelope or larger with the project's name and location, the applicant's name and address and the name of the TIF funding program for which the application is being made to the ~~Planning and~~ Economic ~~and Workforce~~ Development Department (~~or successor department~~) on the 9<sup>th</sup> Floor of the Municipal Service Building, which is located at 1 Fourth Street North, St. Petersburg, Florida, 33701. ~~Enter through the door on the far left after exiting the elevator. Before leaving the envelope containing the application at the above location, please ensure that the date and time of submission has been recorded on the envelope by City staff~~

For more information, please contact

Anthony Chan  
Economic Development Specialist  
727-551-3279  
[tony.chan@stepete.org](mailto:tony.chan@stepete.org)

Application packages must include the following information:

- Completed and signed application form
- \$35 application fee paid in check or money order, refundable if not awarded grant
- Copy of current business tax certificate
- Confirmation that mortgage, property insurance and property tax payments are current and in good standing.
- Documentation of property ownership or written consent from property owner giving permission to conduct the identified improvements. (The property owner will be required to sign the Grant Agreement to assume responsibility for maintenance of improvements funded by the Grant.)
- Legal description and survey of project site (not from Pinellas County Property Appraiser records)
- Proposed use is consistent with the City's Land Development Regulations
- Digital photographs of existing conditions of the project site
- Sketches or conceptual drawings of improvements that will be funded by the Grant.
- Written description of project improvements

## 2018 AMENDMENTS

### Commercial Site Improvement Grant

South St. Petersburg ~~Community Redevelopment Area~~ CRA Tax Increment Financing Program

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Failure to provide required information will delay the review and/or approval process with the potential for the application being declined.

Program applicants and their related interests, including officers in a corporation or investment partners, will be evaluated on the basis of their financial character and can be determined ineligible for the TIF program based on the following criteria:

- a. Code enforcement liens over \$2,500
- b. Special assessment liens over \$500
- c. Pending judgment or foreclosure
- d. Felony conviction for financial mismanagement within the last five years
- e. Mortgage payments three months in arrears
- f. Unpaid property taxes
- g. Unpaid property insurance

### VII Review and Approval Process<sup>3</sup>

Projects will be awarded TIF funding based on a competitive grant scoring system. The ~~one for one matching grant~~ reimbursement for the project will not be made until ~~the all~~ project components identified in the grant agreement budget ~~has~~ve been completed, inspected and issued a Certificate of Occupancy by the City.

### VIII Compliance Requirements

Successful applicants must sign a Grant Agreement with the Mayor or designee which specifies their obligations and rights upon issuance of the Grant. To ensure timely commencement and completion of the Project, the Applicant shall abide by the following deadlines:

- a. Within 60 days of execution of the Grant Agreement, file a "Notice of Commencement" pursuant to the requirements of the City's Construction Services and Permitting Department.
- b. Within 6-18 months of execution of the Grant Agreement, request a "Review of Completed Work" from the City of St. Petersburg. (Length of time will depend on the nature of work to be performed.)

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~~<sup>3</sup>Section administratively amended on March 5, 2017, to reflect the expected establishment of a Grant Review Committee and evaluation criteria.~~

## 2018 AMENDMENTS

### Commercial Site Improvement Grant

South St. Petersburg ~~Community Redevelopment Area~~ CRA Tax Increment Financing Program

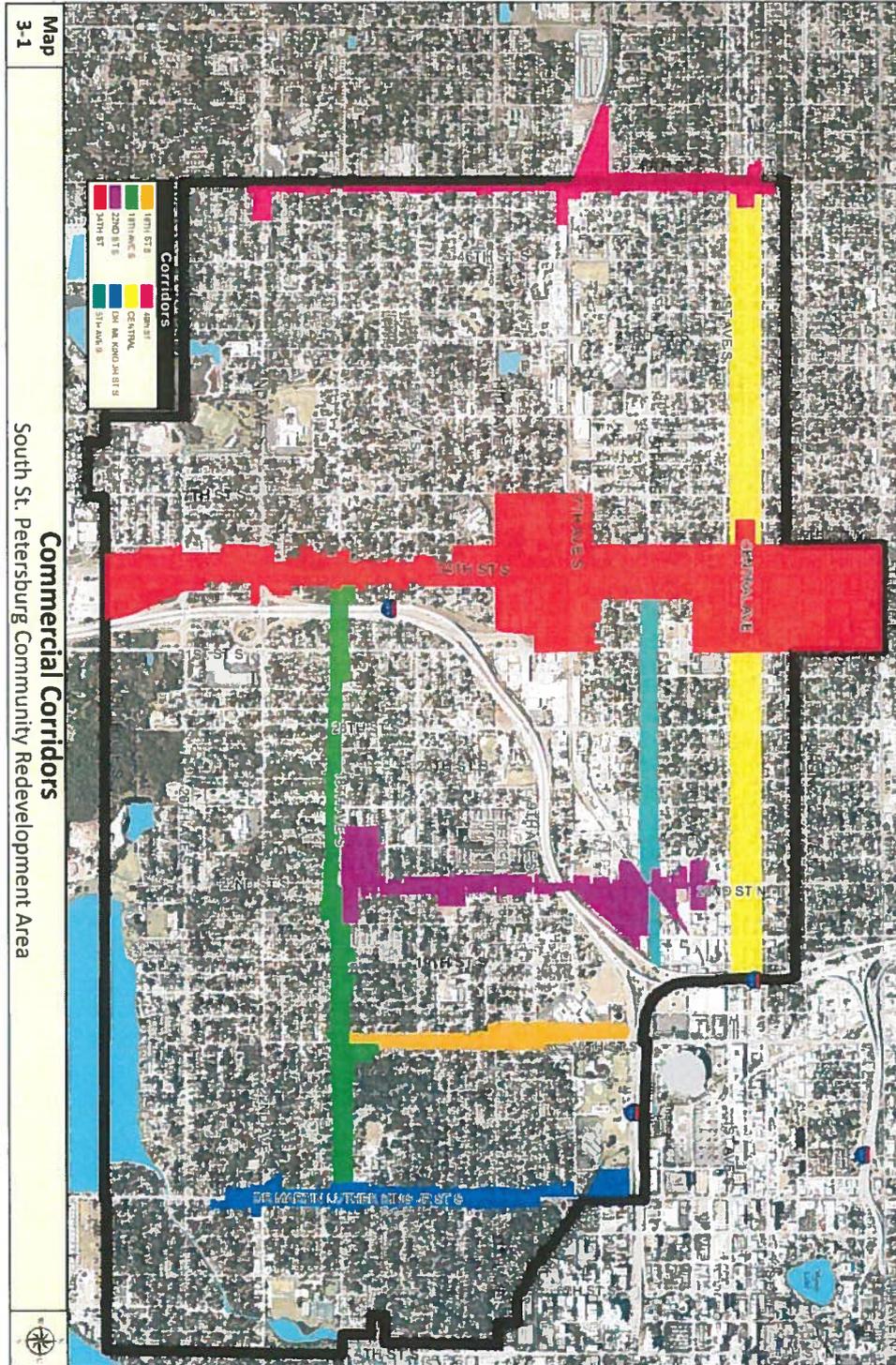
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Applicants shall have no more than 90 days from City Council approval of awards to execute grant agreements, otherwise the City will revoke the awards. Applicants shall have no more than 90 days from City Council approval of awards to execute grant agreements, otherwise the City will revoke the awards. At the discretion of the Mayor the revocation may be waived upon demonstration of good cause. Applicants requiring the execution of a Grant Agreement to secure additional financing will be allowed 90 days from the execution date to do so before the above deadlines will commence. Absent approval of an extension of these deadlines in VIII.a. and VIII.b by the City, failure to comply will result in the cancellation of the TIF Agreement, rescission of the Grant Award and return of the earmarked funding to the South St. Petersburg Redevelopment Trust Fund. The applicant must maintain the improvements in accordance with the terms of the Grant Agreement as well as the City's Code of Ordinances.

# 2018 AMENDMENTS

## Commercial Site Improvement Grant

South St. Petersburg ~~Community Redevelopment Area~~ CRA Tax Increment Financing Program



## 2018 AMENDMENTS

### Commercial Building Interior and Tenant Improvement Grant

South St. Petersburg ~~Community Redevelopment Area~~ CRA Tax Increment Financing Program

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#### I Description and Purpose

The Commercial Building Interior and Tenant Improvement Grant provides matching grants to commercial property owners for interior upgrades with a focus on projects that remedy degraded building systems and extend the economic viability of the building.

#### II Consistency with South St. Petersburg Redevelopment Plan

The Commercial Building Interior and Tenant Improvement Grant program is consistent with the South St. Petersburg Community Redevelopment Plan (CRP) by promoting revitalization of commercial corridors in the CRA by improving and upgrading building stock. This program is a companion to the Commercial Site Improvement Grant, which focuses on exterior improvements, by helping extend the economic viability of commercial buildings through upgrades to critical interior building systems.

The South St. Petersburg CRP recognizes the importance of the CRA's commercial corridors in growing existing businesses and attracting new ones. In the Action Plan, under "Business Development and Job Creation", one strategy calls for working with owners along "primary commercial corridors in the CRA to maintain and upgrade their properties", while another specifically instructs the City to develop a TIF program that will "provide incentives to owners of land and buildings along the CRA's primary commercial corridors." A further strategy calls for the adaptive reuse of underutilized buildings.

These strategies are reinforced in the Redevelopment and Funding Program, which details the implementation approach of the CRP and redevelopment programs that will carry it out. Improving the image and identity of South St. Petersburg to remedy blighting influences and encourage investment is a key feature of the Plan.

#### III Type and Amount of Award

An applicant may receive a ~~one-for-one~~ matching grant of up to \$20,000. To receive the full award from the City, eligible project costs must exceed \$40,000. Applicants with properties listed on the Local Register of Historic Places may be eligible for an increase in the matching grant of up to \$40,000 provided the award will be used to renovate the historic portion of the property and if the approved work is found compliant with the City of St. Petersburg Historic Preservation Ordinance. In awarding a historic property bonus, under no circumstance will the City contribute more than 50 percent of the total eligible project costs. Therefore, to receive the full \$40,000 eligible project costs for a historic

## 2018 AMENDMENTS

### Commercial Building Interior and Tenant Improvement Grant

South St. Petersburg ~~Community Redevelopment Area~~ CRA Tax Increment Financing Program

project must exceed \$80,000. The TIF contribution will be reimbursable to the applicant upon completion of work.

An applicant may also be awarded additional funding for projects that ~~meet specified job creation and hiring requirements as well as those which~~ utilized SBE contractors or allowed occupancy of a building by a targeted industry user identified in the Grow Smarter Strategy. These industries are Financial Services, Specialized Manufacturing, Marine and Life Sciences, Data Analytics, and Creative Arts and Design. The recommended awards are as follows:

- ~~Number of new full time jobs created~~ ————— ~~\$1,000 per job~~
- ~~Retention and/or hiring of CRA residents~~ ————— ~~\$1,500 per retained job/\$3000/new hire~~
- Using contractor with City SBE certification      \$105,000 bonus
- Grow Smarter Initiative                                      \$105,000 bonus

~~To receive the bonus award, the applicant will need to demonstrate that the jobs or employees were maintained for a year after the completion of the project. Emphasis will be placed on rewarding companies that employ hard to hire CRA residents such as ex-offenders and the unemployed as well as pay more than the minimum wage. To receive the bonus for the SBE contractor, an applicant must first complete the work and document use of the contractor through invoices and payments. To receive the bonus for the Grow Smarter incentive, the applicant must document that the commercial space funded by the CRA grant is occupied by a targeted industry within one year of completion of the project.<sup>‡</sup> Only one (1) bonus award per type shall be given for each property. To receive the full \$5,000 bonus for the SBE contractor and Grow Smarter bonuses, total project costs must equal or exceed \$50,000. This will ensure that the City will contribute no more than one-half the total project cost. If the final project costs total between \$40,000 and \$50,000 then the City will reimburse the applicant the \$20,000 maximum award allowed plus 50 percent of the remaining costs up to \$5,000.~~

#### IV Funding Source

The City of St. Petersburg may allocate funding annually from its TIF contributions to support this program.

#### V Eligible Properties and Improvements

~~<sup>‡</sup> Underscored section must be approved by City Council, which is proposed to hear the amendment on May 4, 2017.~~

## 2018 AMENDMENTS

### Commercial Building Interior and Tenant Improvement Grant

South St. Petersburg ~~Community Redevelopment Area~~ CRA Tax Increment Financing Program

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The Commercial Building Interior and Tenant Improvement Grant program is available to fund eligible interior improvements on commercial, industrial and mixed-use properties. TIF funding priority will be given for applications for properties located within one or more of the following commercial corridors in the South St. Petersburg CRA:

- Dr. Martin Luther King, Jr. Street South
- 16<sup>th</sup> Street South
- 22<sup>nd</sup> Street South
- 34<sup>th</sup> Street North/South
- 49<sup>th</sup> Street North/South
- Central Avenue Corridor (including 1<sup>st</sup> Avenues North and South)
- 5<sup>th</sup> Avenue South
- 18<sup>th</sup> Avenue South

The Citizen Advisory Committee for the South St. Petersburg CRA will determine annually the priority corridors for determining grant scoring. Please see the map on page 6 for the corridor boundary limits.

#### 1. Eligible Improvements

- Fixed capital equipment at a minimum cost of \$3,000 to include stationary equipment such as kitchen equipment, mechanicals and HVAC systems
- Structure stabilization (repair/replacement of foundations, footers, load bearing walls, roofing systems)
- Room/space reconfiguration, wall relocations
- Plumbing and electrical
- Energy efficiency improvements (window upgrades, insulation, hot water heater, HVAC systems)
- Electronic security systems
- Remediation of environmental contamination on the interior of the building such as lead or asbestos
- Architectural and engineering fees as well as permitting and development review fees not to exceed 10 percent of the total eligible project cost
- Partial demolition of interior spaces made necessary for renovation or expansion
- A contingency reserve of up to 10 percent to be used by the applicant in the event material and labor costs of approved budget items increase between the time of the original estimate and the commencement of the project. The reserve can only be used to pay for construction items described in the budget of the executed grant agreement.

## 2018 AMENDMENTS

### Commercial Building Interior and Tenant Improvement Grant

South St. Petersburg ~~Community Redevelopment Area~~ CRA Tax Increment Financing Program

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#### 2. Ineligible Improvements

- Work performed by an unlicensed contractor
- ~~Permitting fees~~
- Improvements performed prior to approval of the TIF application
- Any exterior work not made necessary by interior improvements (i.e., windows, air handlers, roofing systems)
- Routine maintenance
- Improvements in progress or completed prior to preliminary approval
- Painting when not associated with other improvements
- New building construction (additions to existing structures are permitted)
- ~~Any improvements to secondary or accessory buildings (i.e., garages, sheds, garage apartments, carports)~~
- Improvements to any building primarily used for residences, including those in mixed-use projects, which is defined as more than 50 percent of the building in residential use. (Commercial space associated with mixed use projects is eligible for funding)
- ~~Improvements made to secondary or accessory buildings on the property~~
- Improvements to buildings constructed within the last 5 years
- ~~Demolitions of more than 50 percent of existing building square footage~~

## VI Submission Procedures and Requirements

Applications are to be submitted in an 8"x10" envelope or larger with the project's name and location, the applicant's name and address and the name of the TIF funding program for which the application is being made to the ~~Planning and~~ Economic ~~and Workforce~~ Development Department (or successor department) on the 9<sup>th</sup> Floor of the Municipal Service Building, which is located at 1 Fourth Street North, St. Petersburg, Florida, 33701. ~~Enter through the door on the far left after exiting the elevator. Before leaving the envelope containing the application at the above location, please ensure that the date and time of submission has been recorded on the envelope by City staff~~

For more information, please contact

Anthony Chan  
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727-551-3279  
[tony.chan@stepete.org](mailto:tony.chan@stepete.org)

## 2018 AMENDMENTS

### Commercial Building Interior and Tenant Improvement Grant

South St. Petersburg ~~Community Redevelopment Area~~ CRA Tax Increment Financing Program

Application packages must include the following information:

- Completed and signed application form
- \$35 application fee paid in check or money order, refundable if not awarded grant
- Copy of current business tax certificate
- Confirmation that mortgage, property insurance and property tax payments are current and in good standing.
- Documentation of property ownership or written consent from property owner giving permission to conduct the identified improvements. (The property owner will be required to sign the Grant Agreement to assume responsibility for maintenance of improvements funded by the Grant.)
- Legal description and survey of project site (not from Pinellas County Property Appraiser records)
- Use must be consistent with the City's land development regulations
- Digital photographs of existing conditions of the project site
- Written description of project improvements
- Sketches or conceptual drawings of improvements that will be funded by the Grant.

Failure to provide required information will delay the review and/or approval process with the potential for the application being declined.

Program applicants and their related interests, including officers in a corporation or investment partners, will be evaluated on the basis of their financial character and can be determined ineligible for the TIF program based on the following criteria:

- a. Code enforcement liens over \$2,500
- b. Special assessment liens over \$500
- c. Pending judgment or foreclosure
- d. Felony conviction for financial mismanagement within the last five years
- e. Mortgage payments three months in arrears
- f. Unpaid property taxes
- g. Unpaid property insurance

## VII Review and Approval Process<sup>2</sup>

Projects will be awarded TIF funding based on a competitive grant scoring system. The matching grant reimbursement for the project will not be made until ~~the~~ all project

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<sup>2</sup>~~Section administratively amended on March 5, 2017, to reflect the expected establishment of a Grant Review Committee and evaluation criteria.~~

## 2018 AMENDMENTS

### Commercial Building Interior and Tenant Improvement Grant

South St. Petersburg ~~Community Redevelopment Area~~ CRA Tax Increment Financing Program

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components identified in the grant agreement budget have been completed, inspected and issued a Certificate of Occupancy by the City.

### VIII Compliance Requirements

Successful applicants must sign a Grant Agreement with the Mayor or designee which specifies their obligations and rights upon issuance of the Grant. To ensure timely commencement and completion of the Project, the Applicant shall abide by the following deadlines:

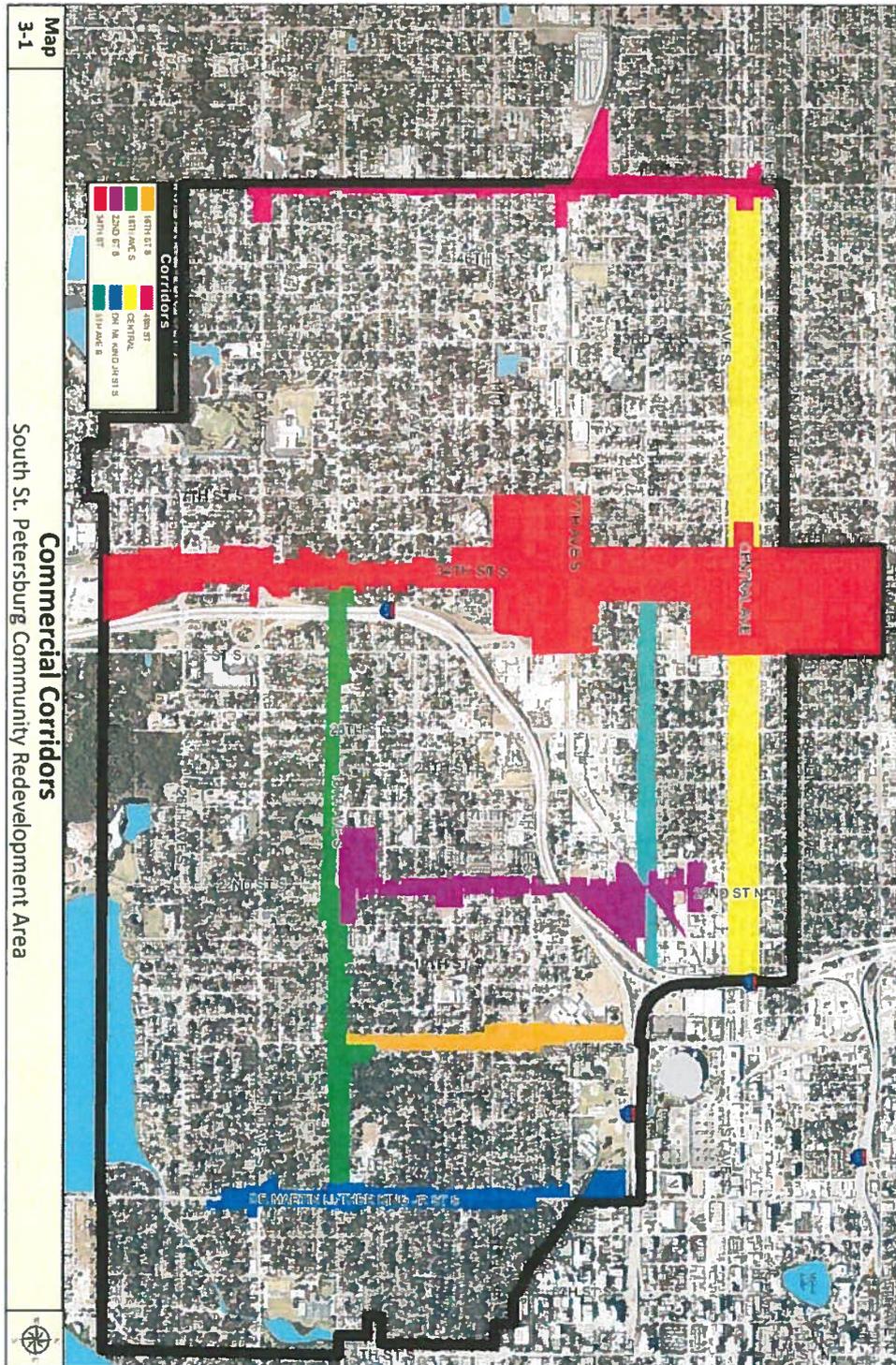
- a. Within 60 days of execution of the Grant Agreement, file a "Notice of Commencement" pursuant to the requirements of the City's Construction Services and Permitting Department.
- b. Within 6-18 months of execution of the Grant Agreement, request a "Review of Completed Work" from the City of St. Petersburg. (Length of time will depend on the nature of work to be performed.)

Applicants shall have no more than 90 days from City Council approval of awards to execute grant agreements, otherwise the City will revoke the awards. At the discretion of the Mayor the revocation may be waived upon demonstration of good cause. Applicants requiring the execution of a Grant Agreement to secure additional financing will be allowed 90 days from the execution date to do so before the above deadlines will commence. Absent approval of an extension of these deadlines in VIII.a. and VIII.b by the City, failure to comply will result in the cancellation of the TIF Agreement, rescission of the Grant Award and return of the earmarked funding to the South St. Petersburg Redevelopment Trust Fund. The applicant must maintain the improvements in accordance with the terms of the Grant Agreement as well as the City's Code of Ordinances.

# 2018 AMENDMENTS

## Commercial Building Interior and Tenant Improvement Grant

South St. Petersburg Community Redevelopment Area CRA Tax Increment Financing Program



# 2018 AMENDMENTS

## Commercial Revitalization Program

South St. Petersburg ~~Community Redevelopment Area~~ CRA Tax Increment Financing Program

### I Description and Purpose<sup>1</sup>

The Commercial Revitalization Program (CRP) provides grant awards to projects<sup>2</sup> in the South St. Petersburg CRA that improve established business districts by redeveloping properties, decreasing vacancy rates, adding to the tax base, creating jobs, leveraging private sector investment, and improving the quality of life for surrounding neighborhoods through removal of blight<sup>3</sup> including properties declared a public nuisance by the city's Nuisance Abatement Board, and revitalizing vacant underutilized properties. The CRP combines into one grant program the intent of two existing CRA programs - the "Commercial Site Improvement" and "Commercial Building Interior and Tenant Improvement" grants – to support larger economic development projects in South St. Petersburg, while also incentivizing new construction.

### II Consistency with South St. Petersburg Redevelopment Plan

The Commercial Revitalization Program is consistent with the South St. Petersburg Community Redevelopment Plan (CRP) by promoting revitalization of commercial corridors in the CRA, improving their appearance and upgrading their building stock.

The South St. Petersburg CRP recognizes the importance of the CRA's commercial corridors in growing existing businesses and attracting new ones. In the Action Plan, under "Business Development and Job Creation", one strategy calls for working with owners along "primary commercial corridors in the CRA to maintain and upgrade their properties", while another specifically instructs the City to develop a TIF program that will "provide incentives to owners of land and buildings along the CRA's primary commercial corridors." A further strategy calls for the adaptive reuse of underutilized buildings.

These strategies are reinforced in the Redevelopment Program and Funding Strategy, which details the implementation approach of the Plan and redevelopment programs that will carry it out. Improving the image and identity of South St. Petersburg to remedy blighting influences and encourage investment is a key feature of the Plan and TIF programs are to be designed for façade and site improvements for both residential and

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<sup>1</sup> Section administratively amended on March 3, 2017, to be consistent with the program description for the citywide Commercial Revitalization Program.

<sup>2</sup> "Project" is defined as work on new or existing commercial development.

<sup>3</sup> "Blight" is defined as a condition that results in substantial diminution of property values of one or more properties in the same block or in a block adjacent to the block in which the condition is located, or a condition that endangers life or property.

## 2018 AMENDMENTS

### Commercial Revitalization Program

#### South St. Petersburg ~~Community Redevelopment Area~~ CRA Tax Increment Financing Program

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nonresidential properties. The Plan specifically states that “the main commercial corridors within the CRA will be a particular focus for this effort because they represent the front-doors to most neighborhoods and their appearance will drive or reduce investment.”

### III Type and Amount of Award

This program works in conjunction with the City-wide “Commercial Revitalization Program” (CRP) but is focused on projects located within the South St. Petersburg CRA. Applicants may receive up to ~~\$5100,000~~ as a grant award for an approved project. ~~Fifty percent of the funding amount awarded to a project in the CRA under this program may be comprised of tax increment financing up to \$25,000, or half of the \$50,000 awarded under the City-wide program. City Council must approve a funding award under this program predicated upon the project analysis provided recommendation provided by the South St. Petersburg grant review committee, if the economic impact of the project warrants an increased investment. The Mayor may approve an award of funding in excess of \$50,000 predicated upon the project analysis provided by the review committee, if the economic impact of the project warrants an increased investment. For these projects located within the CRA, no more than 50 percent of the excess award up to \$50,000 in total project award amount may come from tax increment financing.~~ Also, non-profit organizations who are eligible for the City’s “Social Action Funding” program are not eligible for this program.

### IV Funding Source

City of St. Petersburg TIF contributions to the South St. Petersburg Redevelopment Trust Fund and General Fund budget allocations made to the citywide Commercial Revitalization Program.<sup>4</sup> ~~In addition, Pinellas County contributions can be utilized if the project components are used in compliance with its February 6, 2017, policy governing their use. These include the following project types as well as the improvements identified in Attachment A:~~

- Brownfield Remediation
- Commercial Façade Grants
- Economic Development

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<sup>4</sup>Administrative amendment made on March 3, 2017, to clarify the source of General Fund allocation.

## 2018 AMENDMENTS

### Commercial Revitalization Program

South St. Petersburg ~~Community Redevelopment Area~~ CRA Tax Increment Financing Program

#### V Eligible Projects<sup>5</sup>

The Commercial Revitalization Program will be made available to support future projects in the South St. Petersburg CRA, that provide visible improvements to a building or site, decrease vacancy rates of the area, provide missing retail or service opportunities, retain or create jobs, and/or create new commercial space. The intent of the Commercial Revitalization Program is business development, thus the applicant should be an occupant of the building or a property owner that can demonstrate evidence that the building will be occupied by a business. Additionally, eligible projects must demonstrate that “but for” city investment, the project would not occur.

Mixed-use residential projects are eligible for the Commercial Revitalization Program provided the commercial component of the project comprises more than 51% of the gross square footage of the development and meets the minimum capital improvement threshold of \$100,000. Eligible projects must have completed the conceptual planning stage and have sufficient documentation to submit for the city’s Construction Services and Permitting Division review.

TIF funding priority will be given for applications for properties located within one or more of the following commercial corridors in the South St. Petersburg CRA:

- Dr. Martin Luther King, Jr. Street South
- 16<sup>th</sup> Street South
- 22<sup>nd</sup> Street South
- 34<sup>th</sup> Street North/South
- 49<sup>th</sup> Street North/South
- Central Avenue Corridor (including 1<sup>st</sup> Avenues North and South)
- 5<sup>th</sup> Avenue South
- 18<sup>th</sup> Avenue South

The Citizen Advisory Committee for the South St. Petersburg CRA will determine annually the priority corridors for determining grant scoring. Please see the map on page 9 for the corridor boundary limits.

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<sup>5</sup>This section was reformatted on November 2, 2016, to include “financial character” criteria that was located in a later part of the program description. It was also amended to specify that the program only applied to commercial projects within the South St. Petersburg CRA.

## 2018 AMENDMENTS

### Commercial Revitalization Program

South St. Petersburg ~~Community Redevelopment Area~~ CRA Tax Increment Financing Program

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Furthermore, program applicants and their related interests, including officers in a corporation or investment partners, will be evaluated on the basis of their financial character and can be determined ineligible for the TIF program based on the following criteria:

- a. Unpaid code enforcement liens
- b. Unpaid special assessment liens over \$500
- c. Pending judgment or foreclosure
- d. Felony conviction for financial mismanagement within the last five years
- e. Mortgage payments three months in arrears
- f. Unpaid property taxes
- g. Unpaid property insurance

## VI Evaluation and Approval Process<sup>6</sup>

Applicants will submit the required Commercial Revitalization Program application and attachments to the city's Economic and Workforce Development office Department. Staff will mentor and assist applicants throughout the process and will provide information regarding additional resources and partnerships, including The Greenhouse, Tampa Bay Black Business Investment Corporation (TBBIC), and the city's Brownfields Program, as well as other resources. Considerable attention will be devoted to the business plan.

Application packages will be reviewed by an internal review committee and final approval of projects that will evaluate the strengths and weaknesses of the applications relative to

- the location of the project on a priority commercial corridor identified by the Citizen Advisory Committee of the South St. Petersburg CRA,
- creation of new commercial space through new construction or renovation of a previously vacant and blighted building,
- the number of jobs to be created and/or retained by the proposal,
- the number of CRA residents employed by the applicant at the time of application submittal,
- the capital investment by the applicant and the leverage provided by the City funding, and
- the use of environmentally sustainable materials and practices recommended by the City's Office of Sustainability and Resiliency (OSR).

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<sup>6</sup> This section was administratively revised on November 2, 2016, to be consistent procedurally with the city-wide Commercial Revitalization Program.

## 2018 AMENDMENTS

### Commercial Revitalization Program

#### South St. Petersburg ~~Community Redevelopment Area~~ CRA Tax Increment Financing Program

~~After receiving the evaluation from the review committee, a recommendation and a priority list will be made by the Mayor to the St. Petersburg City Council. Funding of \$50,000 or more will also require approval of St. Petersburg City Council has the final authority to approve CRP applications funded entirely or partially with South St. Petersburg TIF funding, an action~~ which will add 6 to 8 weeks to the approval process.

Applicants will be informed of their approval by email. ~~within 45 days of submittal of all requested information, unless the project requires City Council approval in which case the approval notice will occur within 120 days~~ At this point, applicants may begin with the design and permitting phase of their projects. Eligible soft costs (architectural, engineering, and design fees) incurred after approval notice may be submitted for reimbursement under the grant. After the grant agreement is executed, construction may begin on the project and all eligible project costs may be submitted for reimbursement. Projects must commence within 180 days of grant agreement execution.

## VII Minimum Selection Criteria

The Commercial Revitalization Program has two maximum funding thresholds, depending on the scope and impact of the proposed project.

#### Project Funding Criteria for up to \$50,000 Grant Award

Projects will be awarded funding based the ability to meet the following criteria. If the project is multi-phased, it may be eligible for a renewal of funding in the subsequent fiscal year.

- Must be located in one of the following zoning districts: CCS-1, CCS-2, CCT-1, CCT-2, CRS-1, CRS-2, CRT-1, CRT-2, RC-1, IT, IS, and IC;
- Capital investment (excluding land) by applicant represents must be at least \$100,000;<sup>7</sup>
- Rehabilitates and returns to service a vacant commercial structure or adds new commercial square footage to a building or a business district through new construction or adaptive reuse of a building formerly used for non-commercial purposes, or removes blight or a declared public nuisance;<sup>8</sup>
- Visibly improves exterior building, site, and/or essential interior building systems such as plumbing, electrical, HVAC, and energy efficiency improvements;

<sup>7</sup>This section was administratively revised on November 2, 2016, to be consistent procedurally with the city-wide Commercial Revitalization Program.

<sup>8</sup>This section was administratively revised on November 2, 2016, to be consistent procedurally with the city-wide Commercial Revitalization Program.

## 2018 AMENDMENTS

### Commercial Revitalization Program

#### South St. Petersburg ~~Community Redevelopment Area~~ CRA Tax Increment Financing Program

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- Remediation of environmental contamination on the exterior site such as lead, petroleum or asbestos
- Architectural and engineering fees as well as permitting and development review fees not to exceed 10 percent of the total eligible project costs
- Work must be performed by licensed contractors;
- Business must occupy space that is improved or constructed (no speculative development); and.
- Creates at least two jobs, or retains at least five jobs, or facilitates the relocation of a company with five or more employees to the South St. Petersburg CRA. At least 50 percent of the job creation requirement must be met by residents of the CRA.

#### Project Funding Criteria for up to \$100,000 Grant Award<sup>9</sup>

The project meets the minimum requirements for a \$50,000 grant award, plus the following additional criteria:

- Capital investment (excluding land) by applicant must be at least \$500,000.
- Creates at least ten jobs, or retains at least 10 jobs ~~OR~~ or facilitates the relocation of a company with 10 or more employees to the South St. Petersburg CRA. At least 50 percent of the job creation requirement must be met by residents of the CRA.

## VIII Submission Requirements

Applications are to be submitted in an 8"x10" envelope or larger with the project's name and location, the applicant's name and address and the name of the TIF funding program for which the application is being made to the Economic and Workforce Development Department (or successor department) on the 9<sup>th</sup> Floor of the Municipal Service Building, which is located at 1 Fourth Street North, St. Petersburg, Florida, 33701. For more information, please contact

Anthony Chan  
Economic Development Specialist  
727-551-3279  
tony.chan@stepete.org

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<sup>9</sup> This section was administratively revised on November 2, 2016, to be consistent procedurally with the city-wide ~~Commercial Revitalization Program.~~

## 2018 AMENDMENTS

### Commercial Revitalization Program

South St. Petersburg ~~Community Redevelopment Area~~ CRA Tax Increment Financing Program

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Application packages must include documentation that illustrates the impact of the project and its cost. Failure to provide all required information will delay the review and approval process. Applications must include the following attachments:

- Complete application form
- Submit \$35 check or money order for background check per officer/principal.
- Five-year Bbusiness pro forma
- Documentation of property ownership or written consent from property owner giving permission to conduct identified improvements and evidence of a lease agreement. The property owner will be required to sign the Grant Agreement to assume responsibility for maintenance of improvements funded by the Grant
- Detailed cost estimates of work by input (labor, materials, etc.) and project component (signage, landscaping, painting, carpentry, etc.)
- Digital photographs of existing conditions of project, both interior and exterior
- Written description of project with drawings as appropriate
- Three signed bids from licensed contractors itemizing the estimated cost of improvements to be funded by the Commercial Revitalization Program and private capital
- Sketches or conceptual drawings of improvements that will be funded by the Commercial Revitalization Program
- Documentation of required private investment of a minimum of \$100,000 or more, dependent on the amount of grant funding requested.
- Copy of current business license.
- Copy of current property insurance.
- Encumbrance and title reports demonstrating that owner has clear title and the status of any encumbrances on the property.
- Documentation of all other properties owned by applicant demonstrating that those properties are in good condition and in good standing with the city – no Code Enforcement liens or Special Assessments, etc.
- Legal description and survey of project site.
- Documentation that proposed use is consistent with the City's Land Development Regulations.

## 2018 AMENDMENTS

### Commercial Revitalization Program

South St. Petersburg ~~Community Redevelopment Area~~ CRA Tax Increment Financing Program

#### IX Disbursement of Funds and Compliance Requirements<sup>10</sup>

Upon approval of the project by the Mayor, and subject to City Council if applicable, the applicant will enter into a grant agreement with the city as evidence of the city's commitment to the project. Construction may not commence on the project until after execution of the grant agreement. Funding will be disbursed by the city after project completion and receipt of Certificate of Occupancy. Projects must be completed within 18 months or the Grant Agreement will be terminated and earmarked funding will be released for another project.

Applicants shall have no more than 90 days from City Council approval of awards to execute grant agreements, otherwise the City will revoke the awards. Applicants shall have no more than 90 days from City Council approval of awards to execute grant agreements, otherwise the City will revoke the awards. At the discretion of the Mayor the revocation may be waived upon demonstration of good cause. Applicants requiring the execution of a Grant Agreement to secure additional financing will be allowed 90 days from the execution date to do so before the above deadlines will commence. Absent approval of an extension of the deadlines by the City, failure to comply will result in the cancellation of the TIF Agreement, rescission of the Grant Award and return of the earmarked funding to the South St. Petersburg Redevelopment Trust Fund. The applicant must maintain the improvements in accordance with the terms of the Grant Agreement as well as the City's Code of Ordinances.

To ensure that the job creation and retention measures of the Commercial Revitalization Program are met, the City will retain 25 percent of the award until six months after the completion of the project. The retainage will be released to the applicant upon submission of appropriate documentation.

After project completion, Economic Development staff will continue to provide guidance and mentorship. Assisted businesses will be visited at least semi-annually to continue to assist and ensure business success.

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<sup>10</sup> ~~This section was administratively revised on November 2, 2016, to be consistent procedurally with the city wide Commercial Revitalization Program.~~



## 2018 AMENDMENTS

### Commercial Revitalization Program

South St. Petersburg ~~Community Redevelopment Area~~ CRA Tax Increment Financing Program

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#### Attachment 1

#### CRP Project Components that can be funded with Pinellas County TIF

- Exterior painting, re-siding, and/or cleaning
- Masonry repairs
- Removal of architecturally inappropriate or incompatible exterior finishes and materials
- Restoration of significant architectural details or removal of materials that cover said architectural details
- Site improvement features such as landscaping, fencing, parking lots, lighting, dumpster enclosures and buffer walls provided such features do not collectively exceed more than 25 percent of the eligible project costs
- Construction of pedestrian and bicycle amenities such as benches, shelters, bike racks and bike lockers
- Installation or repair of exterior signage, including wall, window, hanging, and monument signs advertising the business name and identity provided such features do not collectively exceed more than 25 percent of the eligible project costs
- Awnings and canopies installation or repair
- Doors and windows
- Roof repairs that attach to a new or renovated façade
- Exterior lighting attached to an existing building
- Demolition of obsolete accessory structures
- Window and cornice flashing and repair
- Remediation of environmental contamination on the exterior site such as lead, petroleum or asbestos
- Architectural and engineering fees as well as permitting and development review fees not to exceed 10 percent of the total eligible project costs
- A contingency reserve of up to 10 percent to be used by the applicant in the event material and labor costs of approved budget items increase between the time of the original estimate and the commencement of the project. The reserve can only be used to pay for construction items described in the budget of the executed grant agreement.

## 2018 New Program

### Redevelopment Micro Loan Program

South St. Petersburg CRA Tax Increment Financing Program

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#### I Description and Purpose

The **Redevelopment Micro Loan Program** 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. In fact, the **Redevelopment Micro Loan Program** has been specifically created to address the concerns of many small businesses that they are unable to meet these other program requirements.

#### II Consistency with the South St. Petersburg Redevelopment Plan

Lack of capital is one of the biggest challenge to growing and sustaining small businesses not only in South St. Petersburg CRP but throughout Florida and the United States. The South St. Petersburg Community Redevelopment 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 CRP 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.

The **Redevelopment Micro Loan Program** is consistent with the South St. Petersburg CRP, which proposes a loan program that can be used to provide a range of loans meeting the needs of the CRA, such as construction loans, microloans, working capital, and loan guarantees. The Micro Loan Program is also consistent with the CRP by encouraging "networking, mentoring and community outreach" by the Chamber 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 Micro Loan Program implements the CRP's call to "increase outreach and continue to connect South St. Petersburg businesses with

## 2018 New Program

### Redevelopment Micro Loan Program

#### South St. Petersburg CRA Tax Increment Financing Program

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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."

### III Program Requirements and Compliance

To receive funding through this program, an applicant must be a resident and business owner within the South St. Petersburg CRA 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.

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.

### IV Funding Source

The **Redevelopment Micro Loan Program** utilizes City of St. Petersburg contributions to the South St. Petersburg TIF district to pay for loans to eligible small businesses ranging between **\$2,500** and **\$5,000**. This range is traditionally not accessible in the current lending marketplace.

## 2018 AMENDMENT

### CRA Property Acquisition and **Site** Preparation Program South St. Petersburg **CRA** Tax Increment Financing Program

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#### I Description and Purpose

The CRA Property Acquisition and **Site** Preparation Program utilizes City of St. Petersburg and Pinellas County TIF revenue contributions for the City to acquire properties and/or consolidate and prepare development sites within the South St. Petersburg **Community Redevelopment Area** to promote housing, economic development and revitalization of the CRA. TIF will also be used to fund costs related to acquisition and preparation such as surveying, appraisals and environmental reviews. When property acquisition would require the relocation of residents, TIF funding can be used to pay for the costs that are incurred in accordance with the City's relocation policy.

The land assembly effort may also involve purchasing of tax certificates and other financial instruments, demolition of existing structures, vacating streets, alleyways, and relocating and/or extending associated utilities such as water, sewer and stormwater facilities, and construction of other public improvements that support the development activities on the site. Site preparation work may also require the performance of preliminary environmental reviews to assess the extent of contamination on the site. The City may utilize funding for this program to pay for remediation or mitigation of environmental contamination on properties in its ownership identified by Phase I and/or Phase II environmental studies.

#### II Consistency with the South St. Petersburg Redevelopment Plan

Land assembly, consolidation, site preparation and conveyance are essential activities for encouraging residential, commercial and industrial development in the South St. Petersburg CRA. It is one of the core activities identified in the Community Redevelopment Act of 1969 for Florida cities to undertake in revitalizing their communities.

The CRA Property Acquisition and Preparation Program is consistent with activities described in the South St. Petersburg Community Redevelopment Plan (CRP). In both its Action Plan as well as Redevelopment Program, the South St. Petersburg CRP identifies acquisition and site preparation as important implementation approaches in the CRA. Under Business Development, the Action Plan calls for promoting business retention, expansion and relocation efforts through acquisition and disposition of land, with priority given to "facilitating the creation of larger holdings suitable for industrial and business use." The same approach is encouraged in Housing and Neighborhood Revitalization to purchase "residential property and convey to housing developers for less than fair value to lower development costs."

## 2018 AMENDMENT

### CRA Property Acquisition and **Site** Preparation Program South St. Petersburg **CRA** Tax Increment Financing Program

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The Redevelopment Program and Funding Strategy chapter identifies land assembly and site preparation as an important implementation strategy that will leave the City “well-positioned to facilitate new development as well as provide expansion opportunities for local businesses.” To assist in neighborhood revitalization, the City will also be acquiring properties within the CRA, including “nuisance properties whose activities, uses or appearance undermine the revitalization effort, or unforeseen opportunities that may arise which if capitalized on would help spur ongoing redevelopment.” To these ends, the Redevelopment Program calls for the City to use tax increment financing for “assembly and site preparation of property throughout South St. Petersburg to facilitate residential and nonresidential development.”

### III Funding Source and Amount

The City of St. Petersburg may allocate funding annually from both City and Pinellas County TIF contributions to support the CRA Property Acquisition and Preparation Program. The use of Pinellas County funding to support this program ~~will be~~ is consistent with the County’s ~~June 2014~~ February 6, 2017, policy governing use of its TIF revenue. The funding amount will be determined annually and by budget amendment if necessary. City Council may appropriate funding out of a future year’s budget to pay for the costs of projects funded through this program.

## 2018 Amendments

### “Paint Your Heart Out” Program

South St. Petersburg CRA Tax Increment Financing Program

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#### I Description and Purpose

The “Paint Your Heart Out” Program provides CRA funding to the City’s Neighborhood Team to help property owners in targeted areas of the CRA refurbish and refresh the exterior of their properties.<sup>1</sup> The Program encourages collaboration with volunteers and non-profit and for-profit entities such as the CRA’s neighborhood associations and Main Streets, Habitat for Humanity, Leadership St. Petersburg, Dream Center and other entities to leverage the City’s contribution. N-Team projects funded through this program shall be limited to income eligible homeowners in the CRA.

#### II Consistency with the South St. Petersburg Redevelopment Plan

The South St. Petersburg Community Redevelopment Plan recognizes that successful revitalization programs improve the investment climate of a neighborhood by removing blight and enhancing its image and leveraging the efforts of citizens and nonprofit organizations to accomplish these ends. The “Paint Your Heart Out” Program is consistent with the intent of the South St. Petersburg CRP by creating “an incentive program that will provide façade improvement grants or loans to residential property owners.” The CRP also encourages upgrades to the exteriors of properties along commercial corridors and calls for the City to develop incentive programs to serve this end. Among other programs designed to implement this strategy, the Redevelopment Program and Funding identifies a program providing small grants to property owners that paint their property.

In addition to physical improvements to properties, the South St. Petersburg CRP encourages collaboration and provides funding for the neighborhood revitalization activities of nonprofit organizations as well as involving neighborhood associations. The CRP calls for supporting volunteer initiatives, “such as Carefest, Scrubbin da ‘Burg, which connect various organizations such as neighborhood associations, faith-based groups, civic groups and schools.”

#### III Funding Source

The City of St. Petersburg may allocate funding annually from its TIF contributions to support the “Paint Your Heart Out” Program. The funding amount will be determined annually and by budget amendment if necessary. It is the intent of the program for the City to collaborate with other entities to better leverage its contribution.

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<sup>1</sup> The N-Team, as it is known, is comprised of City staff and volunteers and has as one of its several programs a “Paint Day” that utilizes 8 to 15 individuals to paint a house as a team in one day. The N-Team also provides a range of services to St. Petersburg homeowners who are elderly, disabled, or low-income including handicap access, minor roof and plumbing repair, code violation remedies and overgrowth removal.

# 2018 Amendment

## Workforce Readiness and Development Program South St. Petersburg CRA Tax Increment Financing Program

### I Description and Purpose

The Workforce Readiness and Development Program provides annual funding to accredited educational and job training providers, ~~such as Career Source, St. Petersburg College and Pinellas Technical College,~~ to prepare CRA residents for job opportunities with emerging St. Petersburg jobs through training, education and job placement.<sup>1</sup>

### II Existing Conditions and Statement of Need

South St. Petersburg has been identified as one of Pinellas County’s five most concentrated areas of poverty, and includes families who have seen generations of poverty. The social and economic impacts of poverty were clearly inventoried in the findings of Pinellas County’s May 17, 2012, study entitled “The Economic Impact of Poverty” (Report) that identified a large area of St. Petersburg as the largest of five Poverty Zones in Pinellas County. These five “at-risk” communities accounted for approximately 45 percent of the County’s total low-income population.<sup>2</sup>

The negative effects of concentrated poverty are magnified in the South St. Petersburg CRA by the presence of four underperforming public schools based on grades given by the State of Florida Department of Education. One is John Hopkins Middle School, while the other three are elementary schools - Campbell Park, Fairmount, and Melrose. These schools received failing grades in 2014 and 2015 (see Table below). Notably, Campbell Park, Melrose and John Hopkins are located less than one-half mile from one another, and all four schools are within or near Census block groups identified as pockets of high poverty where the poverty rate within the block group exceeds 31 percent (based on 2012 American Community Survey Five-Year estimates). While some improvement was made in these elementary school through 2017, Campbell Park and Lakeview Fundamental saw their grades decline to “F” and “D” respectively.

School Grades for Public Schools in South St. Petersburg (2008-2018)

School	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<u>Elementary Schools</u>											
<u>Campbell Park</u>	<u>B</u>	<u>C</u>	<u>C</u>	<u>C</u>	<u>D</u>	<u>F</u>	<u>F</u>	<u>F</u>	<u>C</u>	<u>C</u>	<u>F</u>
<u>Fairmount Park</u>	<u>B</u>	<u>C</u>	<u>F</u>	<u>D</u>	<u>D</u>	<u>F</u>	<u>F</u>	<u>F</u>	<u>D</u>	<u>F</u>	<u>D</u>
<u>D. Jamerson</u>	<u>A</u>	<u>A</u>	<u>B</u>	<u>A</u>	<u>A</u>	<u>A</u>	<u>A</u>	<u>A</u>	<u>A</u>	<u>B</u>	<u>B</u>
<u>Lakeview Fund.</u>	<u>A</u>	<u>A</u>	<u>A</u>	<u>A</u>	<u>A</u>	<u>A</u>	<u>B</u>	<u>A</u>	<u>A</u>	<u>A</u>	<u>C</u>
<u>Melrose</u>	<u>C</u>	<u>C</u>	<u>C</u>	<u>F</u>	<u>F</u>	<u>F</u>	<u>F</u>	<u>F</u>	<u>F</u>	<u>C</u>	<u>C</u>

<sup>1</sup> The CRA program was originally approved by City Council on February 4, 2016 (Res. 2016-47).

<sup>2</sup> The other communities are East Tarpon Springs, Clearwater’s North Greenwood, the Highpoint area west of St. Petersburg/Clearwater International Airport and north of Ulmerton Road, and the Lealman corridor.

## 2018 Amendment

### Workforce Readiness and Development Program South St. Petersburg CRA Tax Increment Financing Program

<u>Sanderlin (PK-8)</u>	<u>C</u>	<u>C</u>	<u>C</u>	<u>D</u>	<u>B</u>	<u>C</u>	<u>A</u>	<u>A</u>	<u>A</u>	<u>A</u>	<u>A</u>
<u>Perkins</u>	<u>B</u>	<u>A</u>	<u>B</u>	<u>A</u>	<u>A</u>	<u>A</u>	<u>A</u>	<u>A</u>	<u>A</u>	<u>B</u>	<u>B</u>
<u>Middle Schools</u>											
<u>John Hopkins</u>	<u>B</u>	<u>B</u>	<u>C</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>F</u>	<u>NA</u>	<u>D</u>	<u>C</u>	<u>D</u>
<u>Thurgood Marshall</u>	<u>B</u>	<u>A</u>	<u>B</u>	<u>A</u>	<u>A</u>	<u>A</u>	<u>A</u>	<u>A</u>	<u>A</u>	<u>A</u>	<u>A</u>
<u>High Schools</u>											
<u>Gibbs</u>	<u>D</u>	<u>F</u>	<u>C</u>	<u>B</u>	<u>C</u>	<u>B</u>	<u>C</u>	<u>C</u>	<u>D</u>	<u>C</u>	<u>C</u>
<u>Boca Ciega</u>	<u>D</u>	<u>D</u>	<u>D</u>	<u>C</u>	<u>A</u>	<u>A</u>	<u>B</u>	<u>B</u>	<u>C</u>	<u>C</u>	<u>C</u>
<u>Lakewood</u>	<u>D</u>	<u>D</u>	<u>C</u>	<u>B</u>	<u>B</u>	<u>A</u>	<u>B</u>	<u>B</u>	<u>C</u>	<u>C</u>	<u>C</u>

Finally, when compared to the state average, Pinellas County has an overall lower percent of adults whose highest education level is less than high school (12% Pinellas vs. 15% Florida). However, approximately 20% of the adults living in At-Risk communities did not complete high school, indicating lower educational attainment than the general population (American Community Survey, Five-Year Estimates for 2005-2009). According to the 2011-2015 American Community Survey, nearly 23 percent of South St. Petersburg CRA residents had less than a high school education. (This percentage was substantially lower than in 2000 when over one-third of CRA residents had less than a high school education.)

### III Consistency with the South St. Petersburg Redevelopment Plan

Poverty and unemployment underpin the blighted conditions of the CRA and the Workforce Readiness and Development Program is consistent with the South St. Petersburg Community Redevelopment Plan (CRP) by implementing a “people based” economic development strategy that prepares residents of the CRA for job opportunities. The CRP notes that “these programs are necessary to ensure that the Redevelopment Plan not only revitalizes South St. Petersburg as a place but also increases the economic prospects of the people living there allowing them to remain in the neighborhood without being displaced by successful redevelopment efforts.” Ultimately, the CRP intends to avail capital through tax increment financing to providers of early childhood, work readiness and workforce development programs that will facilitate opportunities for existing and future residents of South St. Petersburg.

The CRP Action Plan calls for the City to provide funding to accredited workforce development providers ~~such as Pinellas Technical College, St. Petersburg College and CareerSource Pinellas~~ to “train residents of South St. Petersburg for entry into the workforce as well as later career opportunities.” The Action Plan also encourages the development of a TIF incentive program that will pay for businesses to train residents of South St. Petersburg. Finally, a high priority of the CRP is supporting and helping fund workforce readiness programs that train youth and young adults in the CRA.

## 2018 Amendment

### Workforce Readiness and Development Program South St. Petersburg CRA Tax Increment Financing Program

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The CRP Redevelopment Program and Funding Strategy reinforces the Action Plan by emphasizing that a portion of tax increment revenue be used to “enhance the capacity of early education, work readiness and workforce development providers to improve ‘Cradle to Career’ opportunities for residents.” To that end, the CRP specifically calls for the development of an “urban apprenticeship” program that will fund the aforementioned workforce development providers to train residents of South St. Petersburg for entry into the workforce as well as later career opportunities. In addition, the Redevelopment Program understands the importance of workforce readiness for teens and young adults and proposes using TIF funding to support these efforts.

#### IV Funding Source

The City of St. Petersburg and Pinellas County may allocate tax increment financing revenue annually to support the workforce readiness and development efforts of accredited educational and job training entities and assist businesses and other organizations in training residents of the CRA.<sup>3</sup> The funding will be allocated to eligible entities through a competitive request for proposal process in accordance with City of St. Petersburg procurement requirements.

#### V Program Goals and Objectives

~~The Workforce Readiness and Development Program is focused on linking CRA residents with job opportunities that will be created in the St. Petersburg Commerce Park as well as throughout the CRA.~~

- ~~1. Identify 10 (ten) St. Petersburg companies to participate in the program and pledge to give the CRA residents first priority in job opportunities with their company.
  - ~~a. The Program will work to place 20 (twenty) CRA residents in jobs offered by the ten private sector participants.~~~~
- ~~2. The Program will work with other job training providers to recruit at least 30 (thirty) CRA residents for targeted job training supported by private sector participants.~~

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<sup>3</sup> In a February 9, 2017, memo, Pinellas County approved use of its South St. Petersburg TIF contributions for the Workforce Readiness and Development Program.

## 2018 Amendment

### Workforce Readiness and Development Program South St. Petersburg CRA Tax Increment Financing Program

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- ~~3. The Program will work with education providers to recruit at least 15 (fifteen) CRA residents to attend education in targeted occupations supported by the private sector participants.~~
- ~~4. The City will facilitate and finance the above objectives.~~

The Workforce Readiness and Development Program (Program) for South St. Petersburg offers CRA residents a full-range of services designed from assistance to those who are “hard-to-hire” due to incarceration, long-term unemployment or other factors to currently employed residents who are seeking economic betterment by obtaining certification and education credentials to improve their economic prospects. Ultimately, the goal of the Program is to eliminate the per capita and household income disparities that exist between South St. Petersburg and the rest of the city.

To achieve that goal, the Program proposes several initiatives. First, the Program will offer on-the-job training (OJT) 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 Tampa Bay region that hire CRA residents. At the same time, the Program will offer the trainee a retention stipend after completing the training to incentivize employment stability and loyalty.

Second, the Program will fund scholarships for CRA residents to attend career-driven education and certification classes outside of employer driven training. The City will coordinate with providers to customize the curriculum for individual students.

Finally, the Program will fund the wrap-around services that CRA residents may need to take advantage of training and employment opportunities. These include transportation, child care, mentoring and coaching, and housing services. “St. Pete Works”, which was created in 2017 as a collaboration of more than a dozen service providing agencies, will be at the forefront in identifying and serving client needs.

## 2018 New Program

### Early Childhood Education Program

#### South St. Petersburg CRA Tax Increment Financing Program

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## I Description and Purpose

The **Early Childhood Education Program** provides funding for several initiatives through South St. Petersburg CRA to support the development of childhood learning before entering public schools. It is a cornerstone of the City's "CRA-dle to Career" initiative to comprehensively address educational and workforce development issues through the South St. Petersburg Community Redevelopment Plan. The Program has three elements:

- **Capacity Building for Family Child Care Centers:** The City of St. Petersburg and Pinellas County will provide CRA funding to support family child care homes to improve their operations and construct capital improvements on the portions of their homes where the service is provided. Before receiving the funding, the day care providers will be required to complete a curriculum designed by the Greenhouse and Early Learning Center to improve their service delivery. More than 70 family child care homes provide education and day-care services to nearly 500 infants and toddlers throughout South St. Petersburg. The quality of their care will be a fundamental determinant of their future educational achievement and economic prospects. This care will be greatly improved through the curriculum offered by the Greenhouse and the capital improvement grants to improve the providers' facilities.
- **Academy for Business in Child Care Development:** The City and County will provide funding to support the "Academy for Business in Child Care Development" (ABCD). The funding will support a range of activities including capital improvements to the facility, investments in equipment and software to improve business operations and scholarships to expand capacity. ABCD provides childcare entrepreneurs with the education, resources and support necessary to thrive in today's economy. The program will be administered through the Greenhouse, which will partner with the Early Learning Coalition (ELC) to develop and deliver business training curriculum to child care center owners and directors in St. Petersburg's Community Redevelopment Area (CRA). This training will provide the necessary tools for strengthening the financial viability, growth potential and independence of the child care centers in St. Petersburg's CRA, in turn enhancing the center's sustainability and increasing resources available for child development.
- **Child Day-Care Scholarships:** The City and County will fund annual scholarships for income-eligible families with an emphasis on families in need of child care to return to the workforce or to attend training. Recent estimates indicate that annual costs for child care exceed \$5,000.

## 2018 New Program

### Early Childhood Education Program

#### South St. Petersburg CRA Tax Increment Financing Program

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## II Existing Conditions and Statement of Need

South St. Petersburg has been identified as one of Pinellas County's five most concentrated areas of poverty and includes families who have seen generations of poverty. The social and economic impacts of poverty were clearly inventoried in the findings of Pinellas County's May 17, 2012, study entitled "The Economic Impact of Poverty" (Report) that identified a large area of St. Petersburg as the largest of five Poverty Zones in Pinellas County. These five "at-risk" communities accounted for approximately 45 percent of the County's total low-income population.<sup>1</sup>

Neighborhoods with concentrated poverty are generally lacking in factors supportive of education such as social networks, positive role models and other elements that are important for development. The Pinellas County Poverty Study notes that "these disadvantaged children have substantial gaps in knowledge and social competencies that affect readiness to learn." This is illustrated by the underperformance of children in the "At-Risk" communities in Pinellas on the FAIR-K Test. The test is one of two Florida Kindergarten Readiness Screener measures to evaluate school readiness among kindergarteners.

Based on a 2017 school readiness survey, there are 45 child care centers in St. Petersburg, with seventeen located in the South St. Petersburg CRA. The median readiness percentage for all child care centers was 50 percent, while in the CRA the median percentage was 48 percent. (The median score for centers outside of the CRA was 57 percent.) Nine of the centers in the CRA fall in the lowest scoring 40 percent, while four CRA centers are in the highest scoring 40 percent. Over one-half of all the centers in South St. Petersburg fell in the lowest performing 40 percent.

In Pinellas County, 71% of kindergarten students were ready for school in 2011. However, only 63% of kindergarteners living within the county's "At-Risk Zones" were ready for school during the same timeframe; specifically, only 51% of low-income kindergarteners living in these At-Risk Zones who participated in subsidized child care were ready for school (see Figure 1). The study notes that "these lower rates affect multiple outcomes for these children and serve as a predictor for detrimental outcomes, such as grade repetition and dropping out of school."<sup>2</sup>

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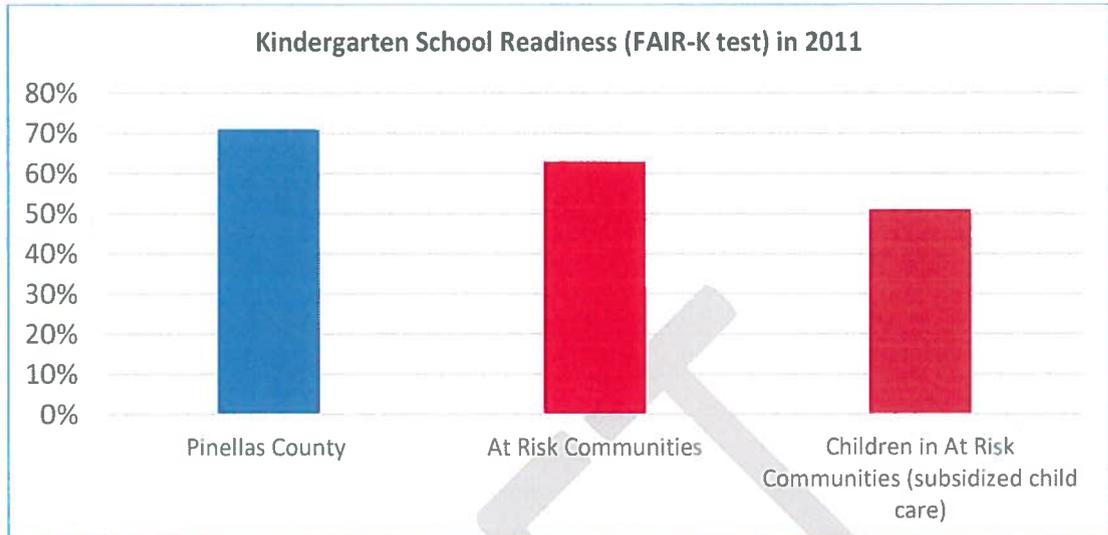
<sup>1</sup> The other communities are East Tarpon Springs, Clearwater's North Greenwood, the Highpoint area west of St. Petersburg/Clearwater International Airport and north of Ulmerton Road, and the Lealman corridor.

<sup>2</sup> May 17, 2012. "Pinellas County Board of County Commissioners 2012 Workshop Session: The Economic Impact of Poverty": page 16.

## 2018 New Program

### Early Childhood Education Program

#### South St. Petersburg CRA Tax Increment Financing Program



Educational underachievement by low-income children at an early age also creates the conditions for neither completing high school nor continuing their education beyond secondary school. According to the Poverty Study, a high school dropout earns about \$7,840 less a year and \$260,000 less over a lifetime than a high school graduate. In 2011, approximately 70% of high school students in the At-Risk Zones graduated with a standard high school diploma, as opposed to 81% of high school seniors throughout the rest of Pinellas County.<sup>3</sup>

Finally, when compared to the state average, Pinellas County has an overall lower percent of adults whose highest education level is less than high school (12% Pinellas vs. 15% Florida). However, approximately 20% of the adults living in At-Risk communities did not complete high school, indicating lower educational attainment than the general population (American Community Survey, Five-Year Estimates for 2005-2009). According to the 2011-2015 American Community Survey, nearly 23 percent of South St. Petersburg CRA residents had less than a high school education. (This percentage is substantially lower than in 2000 when over one-third of CRA residents had less than a high school education.)

The negative effects of concentrated poverty are magnified in the South St. Petersburg CRA by the presence of four underperforming public schools based on grades given by the Superintendent of Pinellas Schools. One is John Hopkins Middle School, while the other three are elementary schools - Campbell Park, Fairmount, and Melrose. These schools received failing grades in 2014 and 2015 (see Table below). Notably, Campbell

<sup>3</sup> May 17, 2012. "Pinellas County Board of County Commissioners 2012 Workshop Session: The Economic Impact of Poverty": page 17.

## 2018 New Program

### Early Childhood Education Program

#### South St. Petersburg CRA Tax Increment Financing Program

Park, Melrose and John Hopkins are located less than one-half mile from one another, and all four schools are within or near Census block groups identified as pockets of high poverty where the poverty rate within the block group exceeds 31 percent (based on 2012 American Community Survey Five-Year estimates).

#### School Grades for Public Schools in South St. Petersburg (2008-2018)

School	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Elementary Schools</b>											
Campbell Park	B	C	C	C	D	F	F	F	C	C	F
Fairmount Park	B	C	F	D	D	F	F	F	D	F	D
D. Jamerson	A	A	B	A	A	A	A	A	A	B	B
Lakeview Fund.	A	A	A	A	A	A	B	A	A	A	C
Melrose	C	C	C	F	F	F	F	F	F	C	C
Sanderlin (PK-8)	C	C	C	D	B	C	A	A	A	A	A
Perkins	B	A	B	A	A	A	A	A	A	B	B
<b>Middle Schools</b>											
John Hopkins	B	B	C	B	C	D	F	NA	D	C	D
Thurgood Marshall	B	A	B	A	A	A	A	A	A	A	A
<b>High Schools</b>											
Gibbs	D	F	C	B	C	B	C	C	D	C	C
Boca Ciega	D	D	D	C	A	A	B	B	C	C	C
Lakewood	D	D	C	B	B	A	B	B	C	C	C

### III Consistency with the South St. Petersburg Redevelopment Plan

The South St. Petersburg “CRA-dle to Career” program, the City’s first attempt to comprehensively address educational and workforce development issues through a community redevelopment plan, is consistent with the goals, objectives and strategies of the South St. Petersburg Community Redevelopment Plan (Plan). The Plan recognizes that “education and workforce development are foundational elements of any successful economic development effort. Revitalizing a place by improving the educational, income and career opportunities of its current residents is challenging because these services are provided by a wide range of public, private and non-profit agencies that target different age groups, skill and occupational types and require collaboration”.

The Redevelopment Plan also calls for utilizing a portion of the tax increment to enhance the capacity of early education, work readiness and workforce development providers to improve “CRA-dle to Career” opportunities. These programs are necessary to ensure that the Redevelopment Plan not only revitalizes South St. Petersburg as a

## 2018 New Program

### Early Childhood Education Program

#### South St. Petersburg CRA Tax Increment Financing Program

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place but also increases the economic prospects of the people living there allowing them to remain in the neighborhood without being displaced by successful redevelopment efforts.

#### IV Funding Source and Award Amounts

The City of St. Petersburg and Pinellas County may allocate revenue annually from its TIF contributions to support the programs below.

**Capacity Building for Family Child Care Homes** Family child care homes may receive an award of up to **\$5,000** to pay for capital improvements related to upgrading the section of the house devoted to the child care business. The type and location of the capital improvements will be determined by the Pinellas County Licensing Board and/or Early Learning Coalition. The operator must complete a curriculum designed by the Greenhouse and its partners to increase the capacity of the operator and provide a pathway for expanding their business into a traditional child care center.

**Academy for Business in Child Care Development.** Child care centers may receive an award of up to **\$10,000** to fund improvements that strengthen the financial viability, growth potential and independence of the child care centers. Funding will be awarded after the center operator completes the curriculum and must be spent on improvements identified by the Greenhouse and ELC.

**Child Day-Care Scholarships.** Eligible families may receive up to **\$5,000** per year as a stipend to pay for childcare costs. Recipients will be certified by and funding disbursed through the Early Learning Coalition to the child care provider.



**Commercial Matching Grant Program**  
 South St. Petersburg CRA Scoring and Evaluation System

**Application Summary**

2018/19 CRA #	Address	Map #
Commercial Site Improvement Grant <input type="radio"/>		Commercial Building Interior and TI Grant <input type="radio"/>
Zoning:		Source of Funds: City TIF Only
Current Property Use:		Proposed Use:
Grant Fund Request:		Total Project Costs:
Maximum Grant Allowed:		Eligible Project Costs
Project Eligible?	Priority Corridor?	Site Inspection
<b>Project Description and Budget</b>		

**Commercial Matching Grant Program**  
 South St. Petersburg CRA Scoring and Evaluation System

<b>Commercial Building Interior and Tenant Improvement Grant Program</b> Description and Eligible Improvements	
Program provides matching grants to commercial property owners for interior upgrades with a focus on projects that remedy degraded building systems and extend the economic viability of the building.	
Eligible Improvements	Ineligible Improvements
Equipment, mechanicals and HVAC systems	Permitting and development review fees
Structure stabilization (repair/replacement of foundations, footers, load bearing walls, roofing systems)	Work performed by an unlicensed contractor
Room/space reconfiguration, wall relocations	Improvements performed prior to approval of the TIF application
Plumbing and electrical	Any exterior work not made necessary by interior improvements (i.e., windows, air handlers, roofing systems)
Energy efficiency improvements (window upgrades, insulation, hot water heater, HVAC systems)	Routine maintenance
Electronic security systems	Improvements in progress or completed prior to preliminary approval
Architectural and engineering fees (not to exceed 10% of total funding request)	Painting when not associated with other improvements
	New building construction (additions to existing structures are permitted)
	Improvements to any residences, including those in mixed-use projects. (Commercial space associated with mixed use projects is eligible for funding)
	Improvements to buildings constructed within the last 5 years

**Commercial Matching Grant Program**  
South St. Petersburg CRA Scoring and Evaluation System

Commercial Site Improvement Grant Program Description and Allowed Improvements	
Program provides matching grants to commercial property owners that upgrade their building façades, landscaping, lighting, loading and service areas and other features of their sites visible from the public right-of-way.	
Eligible Improvements	Ineligible Improvements
Exterior painting, re-siding, and/or cleaning	Installation of aluminum or vinyl siding
Masonry repairs	Work performed by an unlicensed contractor
Removal of architecturally inappropriate or incompatible exterior finishes and materials	Permitting and development review fees
Restoration of significant architectural details or removal of materials that cover said architectural details	Improvements performed prior to approval of the TIF application
Landscaping, fencing and buffer walls	New building construction
Construction of pedestrian and bicycle amenities such as benches, shelters, bike racks and bike lockers.	Reducing or enclosing existing storefront windows
Installation or repair of exterior signage, including wall, window, hanging, and monument signs advertising the business name and identity	Improvements to buildings constructed within the last 5 years
Awnings and canopies installation or repair	Equipment, mechanical and HVAC systems
Doors and windows	Minor roof repairs (other than those directly attached to a new or renovated façade)
Roof repairs that attach to a new or renovated façade	Security systems (including metal roll down gates, window bars, cameras)
Exterior lighting	Any interior work
Demolition of obsolete structures	Any improvements not visible from the public right-of-way
Window and cornice flashing and repair	Improvements in progress or completed prior to preliminary approval
Architectural and engineering fees (not to exceed 10% of total funding request)	Routine maintenance Improvements to buildings solely used for residences

## Applicant Summary

<b>Grant Program</b>	
<b>Applicant</b>	
<b>Physical Address</b>	
<b>Phone</b>	
<b>Email Address</b>	
<b>Property Owner</b> <small>(if different from Applicant)</small>	
<b>Physical Address</b>	
<b>Phone</b>	
<b>Email</b>	

<b>Total Application Score</b> <small>(from page 9)</small>	
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<b>Grant Review Committee Member</b>	
_____	_____
Name	Signature

**Commercial Matching Grant Program**  
South St. Petersburg CRA Scoring and Evaluation System

Evaluation Criteria	Max Score	Project Score
<b>Aesthetics, Blight Removal &amp; Code Compliance</b>	<b>85</b> <b>110+</b>	
<del>Project involves both improvements to site, such as landscaping, parking and lighting as well as to principal building.</del>	<del>10</del>	
Project will provide improvements on street-facing elevation of building. These can include storefront windows, painting, lighting, <u>doors</u> , etc.	5	
Project will remedy <u>building and/or fire code</u> violations identified by City's Codes Compliance Department <u>and Fire Department</u> .	10	
Project will rehabilitate <u>and return to service</u> structure(s) deemed vacant and boarded by Codes Compliance Dept.	10	
Replaces nonconforming/ grandfathered use with one permitted by City ordinances.	10	
<u>Proposed work will involve updating/upgrading electrical equipment, including new service box.</u>	<u>10</u>	
<u>Proposed work will replace Heating, Ventilation and Air Conditioning (HVAC) equipment. (Add 5 points for replacing ductwork)</u>	<u>10</u>	
<u>Proposed work will involve replacement of plumbing fixtures and lines.</u>	<u>10</u>	
<u>Proposed work will involve structural stabilization and/or repairs to walls, foundations, or roof structure (including complete roof replacement – no roof-overs).</u>	<u>10</u>	
Project will improve handicapped accessibility by adding ramp, widening entrances, and/or providing an enhanced parking space (resurfacing and striping, landscaping, or relocation).	5	
Proposed work is on <u>the historic features of</u> a locally designated historic landmark.	20	
<del>If parking lot only, project meets or exceeds City LDRs for landscaping, drive aisle widths, stormwater retention, etc. City zoning staff will provide a letter confirming proposal meets or exceeds.</del>	<del>5</del>	

**Commercial Matching Grant Program**  
 South St. Petersburg CRA Scoring and Evaluation System

Evaluation Criteria	Max Score	Project Score
Applicant has taken at least one class at the City's Greenhouse, <u>not including CRA grant workshop, since 2017. (For applications with more than one applicant, only the attendance of one shall count toward this criterion.)</u>	5 <u>per class</u>	
Applicant(s) has used a contractor certified with the City's Small Business Enterprise program for the grant application's construction estimates.	5	
<b>Preliminary Score</b>		
<b>+ Committee Member Score</b>		
<b>= Category Total</b>		

**Commercial Matching Grant Program**  
South St. Petersburg CRA Scoring and Evaluation System

<b>Local Investment and Financial Character</b>	<b>230</b>	
Extent of prior private investment by applicant in South St. Petersburg CRA within the last <b>5 years</b> without City assistance. Includes investment in construction and construction equipment, which must be documented with submission of invoices and receipts and construction value information from Construction Services. \$10,000 to \$25,000 – <del>53</del> points \$25,00 to \$50,000 – <del>105</del> points \$50,00 to \$75,000 – <del>157</del> points +\$75,000- <del>210</del> points	<del>53</del> to <del>210</del>	
<u>Applicant has not been awarded CRA grant funding in the prior two grant cycles in 2016 and 2017.</u>	10	
<u>Applicant is submitting only one commercial matching grant application during FY2018/19 grant cycle.</u>	10	
<u>Applicant failed to submit a complete application at the application deadline.</u>	<del>-15</del>	
Applicant(s) has code enforcement liens on property subject to grant in excess of \$2,500.	-10 to 0	
Applicant(s) has special assessment liens on property subject to grant over \$500.	-10 to 0	
Applicant(s) has mortgage payments three months in arrears on property subject to grant.	-10 to 0	
Applicant(s) has unpaid property taxes on property subject to grant.	-10 to 0	
Applicant(s) has unpaid property insurance on property subject to grant.	-10 to 0	
<b>Preliminary Score</b>		
<b>+ Committee Member Score</b>		
<b>= Category Total</b>		

**Commercial Matching Grant Program**  
South St. Petersburg CRA Scoring and Evaluation System

Project Location	<b>755</b>
<p>Project is located along a Priority Commercial Corridor selected by the CAC <del>for the given grant cycle</del>. For the <del>FY2017</del> <u>FY2018/19 grant cycle</u>, the <del>“Priority Commercial Corridors”</del> <u>eligible for designation as “Priority”</u> are</p> <ul style="list-style-type: none"> <li>- <u>Dr. Martin Luther King, Jr. St. South</u></li> <li>- <u>16<sup>th</sup> Street South</u></li> <li>- <u>49<sup>th</sup> Street (Gulfport to CRA north boundary)</u></li> <li>- <u>Central Avenue (including the First Avenues)</u></li> <li>- <u>5<sup>th</sup> Avenue South (east of 34<sup>th</sup> Street South)</u></li> <li>- <u>18<sup>th</sup> Avenue South (east of 34<sup>th</sup> Street South)</u></li> <li>- <u>34<sup>th</sup> Street South</u></li> </ul> <p><u>In years when multiple commercial corridors are identified as priorities, they will be ranked and scored as follows: First = 30 points; Second = 15 points; and Third = 5 points.</u></p>	<u>up to</u> 30
Project will revitalize a property identified as an actual source of contamination by the City’s Brownfields Assessment Grant survey that will be conducted in the CRA through 2020.	10
Project is located within Deuces Live or Grand Central Florida Main Street Districts.	<del>15</del>
Project is located on same block and/or block face as a project completed since <del>July</del> <u>December 2016</u> or with an approved building permit, <u>both in excess of \$10,000.</u>	<del>105</del>
Project is located at the intersection of arterial and/or collector roadways as identified by the City’s Official Street map.	<del>105</del>
<b>Preliminary Score</b>	
<b>+ Committee Member Score</b>	
<b>= Category Total</b>	

**Commercial Matching Grant Program**  
 South St. Petersburg CRA Scoring and Evaluation System

<b>Sustainability and Green Building Practices</b>	<b>15</b>	
Project has had a free energy assessment from Duke Energy and will implement at least one recommendation.	5	
Project will incorporate energy efficient practices including energy efficient interior and exterior lighting where applicable.	5	
Project will use water conservation programs and practices like low flow toilets/fixtures, free water-efficient spray valves for restaurants, and other high efficiency appliances such as Energy Star.	5	
<b>Preliminary Score</b>		
<b>+ Committee Member Score</b>		
<b>= Category Total</b>		

**Commercial Matching Grant Program**  
South St. Petersburg CRA Scoring and Evaluation System

<b>Project Use</b>	<b><u>7590</u></b>	
Project will add new commercial or industrial space, either through a change of use or a new addition Up to 2,500 SF – 5 points 2,500 to 5,000 SF - 7 >5,000 SF – 10 points	10	
Project will enable shared parking facilities along a Primary Commercial Corridor in the CRA. (Allows other employees or customers to park.)	10	
Project will renovate a “non-chain” commercial use for which there are no other establishments in Pinellas County.	10	
<u>Project will continue or allow occupancy of a building by a targeted industry user identified in the Grow Smarter Strategy. These industries are Financial Services, Specialized Manufacturing, Marine and Life Sciences, Data Analytics, and Creative Arts and Design. (Occupancy must be confirmed by a lease with an existing tenant or a lease agreement with a proposed tenant. Staff will utilize the NAICS classification system to determine Grow Smarter uses)</u>	<u>10</u>	
Project will enable a nonconforming use to continue.	-20 to 0	
Project will enable a grandfathered use to continue.	-5 to 0	
Project will adaptively reuse/redevelop old motel complexes in the CRA.	10	
Applicant(s) is an owner-occupied business that has been in business within the CRA for two or more years as of <del>July 19</del> <u>February 1, 2017</u> .	15	
Applicant(s) has been in business at current location for two or more years as of <del>July 19</del> <u>February 1, 2017</u> .	10	
Applicant(s) will provide a social service(s) to the CRA such as child care, early childhood education, and workforce development.	<u>105</u>	

**Commercial Matching Grant Program**  
South St. Petersburg CRA Scoring and Evaluation System

Project is for a building that serves as a live-work space in a mixed use district, where the funding for the work space cannot be clearly differentiated from the rest of the building.	-120 to 0	
Request is for work on <del>a new building, or</del> a building that has been expanded or substantially renovated since July 2013. <u>“Expanded” means a project that increased the square footage of a building by 1,000 SF or more. “Substantially renovated” means the total value for all permits issued since 2013 equals or exceeds 50 percent of the 2018 improvement value as defined by the Pinellas County Property Appraiser’s Office.</u>	-10 to 0	
<b>Preliminary Score</b>		
<b>+ Committee Member Score</b>		
<b>= Category Total</b>		

**Application Point Totals**

<b>Aesthetics, Blight Removal &amp; Code Compliance</b>	
<b>Local Investment and Financial Character</b>	
<b>Project Location</b>	
<b>Sustainability and Green Building Practices</b>	
<b>Project Use</b>	

<b>Total Application Score</b>	
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## South St. Petersburg CRA Grant Program/Process Changes

August 2017 Debriefing with Grant Review Committee

### I. Process Changes

1. Establish hard application deadline with no request for clarifying information or other material. Staff will process and make recommendation to Grant Review Committee on eligibility or completeness of application. Applicants sign waiver when submitting, stating they acknowledge if application is incomplete they may be deemed ineligible.

*Deborah Figgs-Sanders (DFS): Agrees with the hard deadline process. She would also like to see form fillable applications introduced into the process. This innovation could get at the issue of incomplete applications because text boxes on the applications would be required to be filled in before proceeding to the next section. Staff noted that this was a good idea and would be implemented but that the City needed to maintain a "paper" process as well for those who don't have capacity or access to computer equipment. She questioned whether an application could be submitted without property owner consent. Staff allayed her concerns and indicated that the signatures of both the submitting applicant and the property owner (if different) would be required.*

*Linda Marcelli (LM): Asked if all of the mandatory submittal sections of the grant application would be brought up during the grant application workshops. She also asked if workshops were mandatory and staff indicated that they would be. The Greenhouse and other locations such as Enoch Davis would serve as the venues. Staff would also offer an online course through which those who could not make the workshops would qualify.*

*Councilmember Steve Kornell: Is opposed to a hard and fast deadline believing that it would benefit larger businesses that have staff that could devote time to the application. The goal of the program is to increase the involvement of all businesses and build capacity. He thinks the time savings of two to three weeks in the process is not worth the problem it may cause smaller businesses. He may be interested in a phase-in of the hard deadline. Also, he believes many of the grant applicants may not be aware of the specific intent of the grants. As capacity and understanding is increased then the idea of a hard deadline may make sense. Staff noted that Administration is developing a smaller grant process for these micro businesses or lower capacity businesses to take advantage of (see Recommendation #8). Does support the mandatory workshop application as well as an additional staff person.*

*Staff: We should require at least a mandatory minimum amount of information in the grant applications that should accompany the original application. The City*

*received several applications that were just “thrown” together to meet the initial deadline. Requiring contractor estimates, drawings and photos as a minimum threshold would help alleviate this problem.*

*DFS: Maybe deduct points from applications that are incomplete. You can’t be in business and not meet deadlines. This could also serve as a “teachable moment” without outright disqualifying applicants who’ve not submitted complete applications. Look at it from the point scoring perspective.*

2. Identify mandatory information that must be provided in order to clear the hurdle of designation as a “Substantially Incomplete Application” (project description, summary budget, photos, drawings, estimates.)

*No comments by Grant Review Committee or staff.*

3. Require that all potential applicants attend a mandatory workshop about the CRA grant application process, where they will be given specific information about the process, resources, other applicable classes, and the opportunity for one-on one counseling at the Greenhouse.

*LM: How many workshops does the City think are necessary for an applicant to go through? Staff indicated that one single workshop would all that would be necessary to get a “soup to nuts” review of the application process. This workshop would also be videoed and made available online so that applicants can refresh their memory as to requirements. DFS also reminded everyone that staff also holds Wednesday satellite office hours.*

*Staff: In the two to three months leading up to the grant application deadline, the City will hold workshops every two weeks at various locations. In the month leading up to it, the workshops would be held every week. Satellite office hours would be held 6 to 8 weeks before the deadline. Staff answered CSK question that there would be multiple opportunities for people to attend the workshop, but they would need to do so in order to meet the minimum threshold. Staff will be “teaching the test”, that is, walking the applicant through each application section so they would know the minimum submittal requirements.*

4. Create interactive map immediately after application deadline and post publicly after applications have been scored and copied.

*Staff: This would enable the public to look at all the relevant application information in advance of the Grant Review Committee so they could be informed of each application to provide input if needed.*

5. Provide applications and scoring sheet to Grant Review Committee in electronic format (Drop Box or some City developed program) to save assembly time and money.

*No comment by Grant Review Committee.*

6. Create readable/writeable PDFs for webpage with mandatory spaces to be filled. This will include detailed project description spaces with attachment sheets. (Create option for applications to be submitted electronically?)

*DFS's comments above on mandatory information requirements were referenced by staff. No additional comments by Grant Review Committee.*

7. Develop prototypes of ideal applications in terms of information submitted, layouts, project description, summary budgets, ways to present photos, etc.

*Not comment by Grant Review Committee.*

8. Create small-grant award program (up to \$5,000) with funding carved out of Business Development. Applications would be awarded funding based on participating in Greenhouse programs. (The scoring system would not apply.) This could be included with the Family Day Care Program approach, whose certification process would be through SPC. Reduced match, say 25%.

*Staff noted that is designed to help the smaller and micro businesses that cannot compete in the CRA Commercial Matching Grant program to have access. Instead of going through the review criteria approved by City Council, there would be another approach to award funding. Staff discussed working with the Greenhouse to develop a small business curriculum that would train small businesses and that applicants would need to compete before they became eligible for funding.*

*DFS: Wants to make sure that applications that were not awarded funding (pre-schools, for instance) have an avenue for funding. How many grant applications under \$5,000 were not awarded funding? Are there other programs out there to fund them? Find them another way to fund them. Staff indicated that only six applications from the FY2017 funding. Staff also mentioned the proposed redevelopment loan program that is being developed as a way to help businesses to pay for the matching grant. DSF indicates and staff concurs that the City needs to ramp up efforts to get more financial institutions to the table to help fund the bridge loans.*

*LM: Day care is important to her and Committee. Can we use this program to help the family day care and day care centers to deliver more quality programs to the children? Staff indicated that Administration was working on a program to help*

*fund the child care operations of these centers through the Workforce Development budget. Receipt of funding would be tied to the receipt of certification or certification maintenance by the applicant.*

*DFS: Staff needs to better inform the CAC and GRC on the types of funding buckets available. Also, she noted that the CAC members sitting on the GRC were not involved in approving the application but, instead, were there to deem whether or not an application was eligible. She thinks that the CAC/GRC should have more impact on the decision of who received funding. Moreover, these decisions should be made on the basis of whether the project alleviates poverty or provides employment to CRA residents. Process changes submitted are okay but much more attention should be paid to the community benefits gained from the CRA grants. Need to look at the basis for the South St. Petersburg Plan (education, workforce development, poverty reduction) and make that the basis for the grant award. LM concurs.*

*Staff responded by noting that the Redevelopment Plan tries to address several different issues. First, workforce and education to improve the career prospects of CRA residents. Second, housing, especially affordable housing which is a dire need in the CRA. Finally, improving commercial corridors to remedy physical "blight" as well as provide capital access to businesses in the CRA. Staff noted that the Florida Community Redevelopment Act, with which the Plan must be consistent, mentions "poverty" once. Blight on the other hand is mentioned many times. The City is trying to address both these issues and can do so by investing in the different "buckets of funds" it has available.*

*Councilmember Karl Nurse: Observed that the day care operators did not submit good applications. City needs to develop a program that funds improvements to these operators that supports the service they provide, not simply fund the renovation of a kitchen. CM Nurse noted that the CRA has the highest concentration of family day care providers in Pinellas County and the need is there to assist. Just need to structure the program correctly.*

*CM Kornell: Commented on staff's observation that the Redevelopment Act may have not focused on poverty but the establishment of the South St. Petersburg CRA was based on poverty and income measures, and the lines were drawn thusly. Moreover, affordable housing should not be about twenty somethings finding a place to live after leaving home, but assist long-term residents move into more affordable housing. CRA should not be a more affordable housing alternative to Downtown. Also, CSK handed out information on the licensing criteria for day care centers.*

*LM: Do we know if they day care centers have any violations associated with their business? Staff indicated it did not know, just that their licenses were current with*

*the Pinellas County Licensing Board. CM Kornell weighed in to indicate that the licensing process is more rigorous than just filling out paperwork and putting a certificate on the wall. CM Nurse referenced the Pinellas County Juvenile Welfare Board's certification program that should provide the health and welfare basis for any funding program dealing with these day care centers. DFS discussed the DRESS program that provides a similar function. CM Kornell cautioned the committee that not all violations are serious and city should be mindful of these. Focus on major violations which can be identified online. He further discussed a program available through ELC. They have a mechanism to pay additional money to workers in the field having already identified those well-functioning centers. (He mentioned Lindsey with the ELC as a source.) Staff noted that the workforce development budget could help to fund these businesses and Administration is putting together a program that would utilize these resources (ELC and JWB) to certify and help validate funding requests of family day care center. The CAC and City Council will be involved in reviewing and approving. County must approve if the City is to utilize County TIF.*

9. Make code changes before January 1<sup>st</sup> for a January kickoff for the CRA Grant Workshop program. CAC makes recommendation at its December 5<sup>th</sup> meeting with CC later in December.

*No GRC discussion. Staff noted the CRA legislation may come back in 2018 and that this could drive the roll-out and implementation of the CRA matching grant program.*

10. Reduce or eliminate bonus awards as they will be coming out of the following year's budget.

*Staff sought the GRC's input on whether or not the bonus program should remain in place since the bonus awards would be coming out of the following year's budget. This could make the program administratively cumbersome. Staff noted that the bonus awards represented only about 4 percent of next year's budget. DFS was in favor of retaining the program. The GRC agreed.*

11. Clarify that SBE contractor and Grow Smarter bonus is only awarded if the contractor 1) provides the estimate for the application; 2) completes the work; and 3) is available only for the property. (Bonus is only applied to one grant, not both, in the event of two apps submitted per property.)

*The GRC agreed with staff's recommendation.*

12. Bonus point criteria is included with application and must be turned in with application to qualify.

*LM brought up the idea of apprenticeships being used to award points. DFS agreed and indicated that an amendment to the bonus award program should be made. The apprenticeships could include both those workers who will work on the construction of improvements being funded by the grant award as well as those hired by the business being funded. The apprentices would need to be CRA residents. CM Nurse agreed. CM Kornell suggested that awarding bonus points/awards for those grant awardees who hire from the city's youth employment program.*

*Staff raised the issue of awarding bonus criteria points or bonus award funding for using apprenticeships. Staff suggested that bonus funding awards are better because they are given after a project is completed when it is easier to substantiate that apprentices were actually used. Conversely, an applicant can claim to use apprentices to get the additional points and improve their application score but then not use them at all.*

*DFS: Does the City have a plan to evaluate the performance of the various programs? Staff noted that the City will be preparing an annual report that will include a range of measures such as property values, houses built, permits pulled and their value, annual socioeconomic measures such as poverty, median income, family income, etc. This reporting will culminate in a 15-year review by Pinellas County that will take place in 2031 to determine if it wants to continue to participate in the program.*

*LM: Wants to know if there are ways to measure the number of jobs created by the awards given through the commercial matching grant program? Staff responded that the job creation potential of the small matching grant program, with an average award of \$12,000, is probably not very great. A better way to measure the socioeconomic impacts of the City's investment is to look at the workforce development program and how effective it is in moving people into jobs. Also, we could look at ramping up the Commercial Revitalization Program, where the minimum investment levels are much higher and where the potential for job creation is greater.*

*CM Kornell: If the bonus points/awards and evaluation system were tied to existing city processes then it will be easier to see the impacts of the programs. The City's youth employment program overseen by Susie Ajoc and the City's Purchasing Department hard-to-hire program can help. He noted and DFS reinforced that the awards should be tied more closely to hiring and retaining CRA*

*residents. If we don't do that, we may look back ten years from now and not see any change.*

*CM Nurse: There are probably sources of employment information that can help with the City measuring increases in job creation resulting from the grant awards. He pointed to the City's business license renewals in which one is required to indicate the number of employees. It was noted that businesses with fewer than 30 employees are not required to report.*

*LM: Have we surveyed other CRA communities throughout Florida. Staff pointed out that nearly all the programs that the City has been using have been drawn from the best practices of other communities in the state and not made from whole cloth.*

13. Eliminate Bonus points or Bonus Award, retain one not both.

*Staff indicated that it was inclined to keep the bonus awards and points because the latter would help applicants improve their prospects for having their projects funded in the first place. GRC agreed.*

14. \$35 refundable application fee (checks are returned if applicants are not funded) goes toward background check.

*Staff raised this issue to speed up the review process by making it concurrent with the initial application review. In 2017, the background check was conducted only on those applicants who were likely to receive funding. This lowered the out-of-pocket costs for the City.*

*Councilmember Wheeler-Bowman: does the City conduct background checks on developers that are doing business with the City, say through an RFP process? Staff indicated that it did not know, but that background checks were part of the Economic Development Ad Valorem Tax Exemption program.*

*CM Kornell: If the City is not conducting background checks for other programs where public dollars are awarded then it should.*

*The GRC did not raise objections to this recommendation.*

## **II. Notification/Marketing**

1. Set GRC meeting before launch of program so that all notifications will include prospective end date.

2. Hold a staff training event with Economic Development, Housing and Greenhouse Staff to provide information about the upcoming cycle.
3. Work with Main Street Organizations and other business associations to ensure that they are promoting the grant opportunities. Explore providing workshops for each of the Main Street programs in the CRA.
4. Workshops – biweekly or monthly, online video of presentation – teach application requirements and the grant scoring criteria
5. Marketing collateral – utility bill inserts, door hangers, application folders for site visits
6. Increase social media presence with assistance of Marketing.
7. Fliers for the CRA Churches, Recreation Centers and Libraries.

*CM Wheeler-Bowman: how are we going to address applicants who claim that they did not receive email information from the City on their grant applications? CM Nurse noted that through Outlook you can use receipt and read indications.*

*DFS: We need to use more target marketing. Water bill and traditional mailings identified in #5 don't work. The social media presence contemplated by #6 above is important. Facebook! Regarding #7 outreach to churches is essential but simply placing flier will not be effective. The contact needs to be more direct and intentional. She pointed to the City's business tax department which has a list of email addresses of all the CRA owners is a good starting point. Staff noted that part of the community notification of the grants was done through the business tax email list. DFS says that was good but a lot of people will not read the email or it will go to spam folders. Need another way to get to them.*

*CM Nurse: We need to target corridors. If we keep doing what we're doing, Grand Central will continue to reap an outsized amount of the grant awards. The City should do target marketing to priority corridors, including physical mailings, to make sure that businesses along them receive notice and are encouraged to apply. Corridor scoring should be even more weighted to the corridors that we are trying to pump life into.*

*Angela Wilson: Do we offer incentives to awardees that make referrals to other entities, informing them of the availability of the grant funding? If those informed apply and are awarded then the one making a referral receive a bonus. Staff offered to consider how we could offer this.*

### III. Changes to Scoring System

*DFS: Raises the question of why we are reducing points in #5 through #8. Staff noted that the highest scoring projects did well in those categories and these recommendations were an attempt to deemphasize the weighting and make the scoring competitive. For instance, most of the highest scoring applications received 20 points for capital investment which represented a very large percentage of the total points awarded. These businesses are also the highest capacity.*

1. Mandatory attendance at workshops in 2018 in person on CRA grant process and application. Otherwise, application will be deemed ineligible.

*DFS: Make sure that they are available by video. There are ways of tracking people who view remotely. Put the question on application and if they fail to attend or view one of the workshops then they are ineligible.*

2. Award points for building permit values on the same block/face for permits \$10,000 and up. (These permits represented nearly 25 percent of all permits with assigned monetary values \$1 and above in 2016). Maybe \$20,000 minimum threshold.
3. Award points (10) for first-time grant applicants.

*No GRC comments.*

4. Make prior-round grant awardees who have not completed their work are ineligible to apply. Define time-frame in which work must be completed to qualify.
5. Reduce points from 15 to 10 for owner occupied businesses.
6. Reduce points from 10 to 5 for being in business the last two years.
7. Reduce to 20 points the importance of the corridor

*CM Nurse: Rank corridors from highest priority to the lowest. A stair step process that could change over time.*

*Staff noted that the priority corridors were probably 49<sup>th</sup> Street, 34<sup>th</sup> Street, 18<sup>th</sup> Avenue, and 16<sup>th</sup> Street. DFS did not think that 49<sup>th</sup> or 34<sup>th</sup> should be considered priority but 22<sup>nd</sup> Street should. Staff observed that these corridors should be re-prioritized annually.*

*CM Nurse: Have different scoring levels each year. This scoring can change.*

*CM Kornell: Did not agree with the claim that 34<sup>th</sup> Street should not be a priority. CM Nurse saw the scoring levels as a way of getting through the impasse.*

8. Reduce to 10 points maximum for prior capital investment

*CM Nurse: Create a form that prompts to applicants to identify prior capital investment. Staff noted that applicants had the opportunity to provide additional information on this but including it in the initial application will probably encourage better participation.*

9. Deduct points for projects on secondary structures, i.e., those in rear. Alternatively, put a budget cap.

*CM Nurse: The logic is if you can't see them then it does not have an effect. DFS argued that they should be eliminated entirely suggesting that some projects might not have be funded because of this. Staff suggested that secondary structures be eliminated as an eligible project for the matching grant program, suggesting that it can be line-itemed out of a budget. DFS agreed that was a good approach.*

10. Negative points (maybe 20 to 30) for properties that have already received CRA funding – neither prohibit nor privilege.

*No GRC comments.*

11. Identify for points specific interior improvements – HVAC replacement, electrical, re-roofing, plumbing, insulation, window replacements – get Building input on products for energy efficiency improvements. Work in sustainability objectives

*LM: She would like to see a more detailed commitment to sustainability and energy efficiency reflected in the criteria. CM Nurse echoed that and wanted to see a minimum energy efficiency standard applied when awards are granted, say, Energy Star.*

*LM: The economic value of energy efficiency should be broadcast through a workshop. (Note to staff: this can be included as a component of the CRA grant workshops. Work with Sharon Wright and Building Department to develop content)*

12. Identify for points specific exterior improvements – re-stucco, wood replacement on siding, energy efficient windows, solar panels. Work in sustainability objectives

*LM: She would like to see a more detailed commitment to sustainability and energy efficiency reflected in the criteria. CM Nurse echoed that and wanted to see a*

*minimum energy efficiency standard applied when awards are granted, say, Energy Star.*

*LM: The economic value of energy efficiency should be broadcast through a workshop. (Note to staff: this can be included as a component of the CRA grant workshops. Work with Sharon Wright and Building Department to develop content)*

13. Mandate that bonus awards for designated historic landmarks must go toward work on the landmark structure, not on site or noncontributing buildings.

*No GRC comments.*

#### **IV. Eligible Improvements**

1. Eliminate or cap the % of budget devoted to landscaping, fencing and parking

*DFS: Thinks that fencing should not be reduced for day care facilities, but is okay with the idea of reducing or eliminating funding for aesthetic projects. CM Kornell reiterated the thought the day care facilities should be viewed differently.*

2. Better define "Equipment" to include equipment that is fixed in location

*Staff wanted to ensure that fixed capital investments (i.e., relatively immovable) are what the definition refers to. (This was in the context of an application for a restaurant application that had portable refrigerators and fryers.) DFS said this meant food trucks could not apply. Staff said they could not as they were not fixed.*

3. Require zoning or building permit approval for every application, otherwise project is ineligible.

*CM Nurse: We are not expecting the applicant to get permit approval, right? Staff said no. The intent of this recommendation is to have an awarded project receive a minimum standard of review. This would prevent issues surrounding, say, differing interpretations of an appropriate amount of landscaping or its design.*

4. Should roof replacements be considered under both the CSI and CBTI grant programs to streamline apps?

*Staff described the distinction between the commercial site improvement program (aesthetics) and commercial building and tenant improvement grant (stabilize/maintain important building systems). By allowing reroofing in both programs, it would reduce the number of applications for both programs by one*

*applicant. Both DFS and LM agreed that they should happen. The GRC agreed also.*

5. Allow applications to both the interior and exterior program, but cap the total award at ~\$30,000 if the applicant is awarded funding from both. Alternatively, talk to County staff about agreeing to fund both the interior and exterior programs.

*GRC agreed this should happen. LM: What was the largest award given for multiple applications? Staff indicated it was Terrell Industries with \$40,000.*

6. Clarify that demolition of whole structures is not eligible. These are renovation grants and selective demolition is okay to further the renovation project

*GRC agreed this should happen.*

#### **V. Revisions to Commercial Revitalization Program**

1. More emphasis on job creation as a minimum threshold for review.

*CM Nurse: How to do this? Staff: Have a base award and then bonus awards given for jobs retained and creation. Have it emphasize CRA residents.*

#### **VI. Final Comments**

*DFS: 1) Look at the eligibility of applications and the basis for the criteria; 2) The education of potential applicants on the different programs and different buckets of money needs to be improved; 3) Need data showing impacts of programs. Needs to be more immediate data; 4) Better definition of CAC role in the GRC – do not want them to rubber stamp. There should be room in the process for the GRC to have a score different from the criteria identified. 5) Did the GRC see all the applications? Staff: Yes. 6) If we have money to spend do we have to spend it? Do we spend it just to spend it?*

*CM Nurse: Encourage conversation between CRA staff and Housing staff to brainstorm how to fund more affordable projects. What is the hook? Could be related to zoning discussions.*

*DFS: What is the Mayor's role in the process? Staff noted that the recommended awards were from the Grant Review Committee meeting. The Mayor had no role in the commercial matching grant process. He did make recommendations on awards for the Commercial Revitalization Program to the Grant Review Committee on August 11<sup>th</sup> but the GRC voted for a different priority. It was the GRC's recommended priorities for award that went to City Council.*

*CM Nurse: Reminded the GRC that the revenue available for FY2018 will be nearly \$2.1 million, "which is a very good thing", but it makes the marketing and outreach of the programs, be it for small grants, day care center projects or corridors crucial. Must be robust. Staff noted that the Greenhouse can be an ally with the marketing.*

*CM Nurse: Process of tripling the targets for Small Business Enterprise over 36 months. This should work with some of the work we are doing with the Greenhouse.*

*Staff: The process to codify the recommended amendments will be to take the changes to the GRC and then to CAC before City Council makes the final approval. CAC will be briefed on this in October.*





**FY2018/2019**  
**Budget Discussion**

**South St. Petersburg**  
**Community Redevelopment Area**





# Adopted CRA Budgets (FY2016 and FY2017)

South St. Petersburg CRA



Budget Category	FY2016	FY2017	Total	% of Total
Education, Job Readiness and Workforce Development	\$50,000	\$609,601	\$659,601	<b>39%</b>
Business and Commercial Development	\$230,898	\$487,681	\$718,579	<b>43%</b>
<i>Redevelopment Loan Program</i>	-	\$25,000	\$25,000	1%
<i>Emergency Grant Fund</i>	-	\$25,000	\$25,000	1%
<i>Commercial TIF Programs</i>	\$180,898	\$387,681	\$568,579	34%
<i>Commercial Revitalization Program</i>	\$50,000	\$50,000	\$100,000	6%
Housing & Neighborhood Revitalization	\$187,265	\$121,920	\$309,185	<b>18%</b>
<b>Total CRA Budget</b>	<b>\$468,163</b>	<b>\$1,219,202</b>	<b>\$1,687,365</b>	

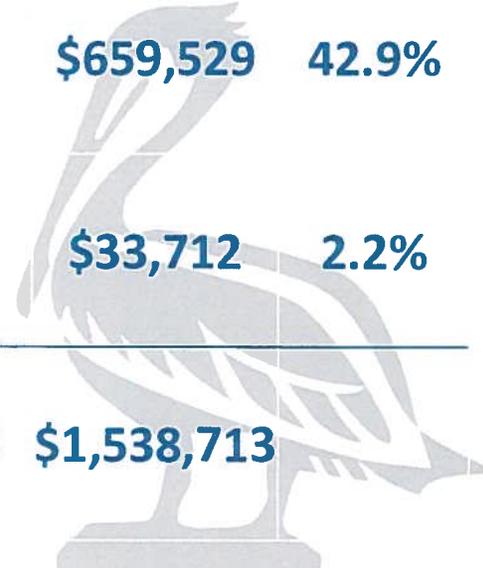


# TIF Expenditures/Appropriations in CRA since 2016

South St. Petersburg CRA



Program	FY2016	FY2017	Total	%
Business and Commercial Development	\$303,502	\$541,970	\$845,472	54.9%
Workforce Development Program	\$49,928	\$609,601	\$659,529	42.9%
Housing & Neighborhood Revitalization	\$18,760	\$14,952	\$33,712	2.2%
<b>Total Expenditures</b>	<b>\$372,190</b>	<b>\$1,166,523</b>	<b>\$1,538,713</b>	





# Available Revenue for FY2018/2019 Budget

## South St. Petersburg CRA



	City	County	Total
<b>Sources</b>	<b>\$3,204,517</b>	<b>\$2,247,377</b>	<b>\$5,452,167</b>
FY18 TIF Revenue	1,229,410	876,969	2,106,379
FY19 TIF Revenue	1,911,107	1,359,681	3,270,788
FY16 Budget Surplus	2,800	2,200	5,000
FY17 Carryover Sources	61,200	8,800	70,000
<i>Redevelopment Loan Program</i>	25,000		25,000
<i>Emergency Commercial Grant</i>	25,000		25,000
<i>Unexpended FY17 Grant Awards</i>	11,200	8,800	20,000





# Approved Uses of Pinellas County TIF Contributions

## South St. Petersburg CRA

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## Capital Project Types

- Streetscape Improvements
- Public parking facilities
- Mobility improvements
- Non-governmental public facilities
- Brownfields remediation
- Affordable housing developments





# Approved Uses of Pinellas County TIF Contributions

## South St. Petersburg CRA



## People Based Projects and Programs

- Affordable housing program efforts/relocation assistance
- Planning/engineering and other professional services associated with capital projects
- Site acquisition
- Commercial façade grants
- Economic development
- Resiliency/vulnerability adaptation improvements





# Potential Scenarios for FY2018/2019 Budget

## South St. Petersburg CRA



	Balanced Scenario <i>Equal 1/3 Allocation</i>	Housing Scenario <i>50%/25%/20%</i>
<b>Total Funding for Uses</b>		<b>\$5,451,892</b>
Workforce, Education & Job Readiness	\$1,720,072	\$1,360,247
Housing & Neighborhood Revitalization	\$1,720,072	\$2,709,590
Business and Commercial Development	\$1,720,072	\$1,090,378
CRA Marketing, Evaluation & Operating	\$290,800	\$290,800



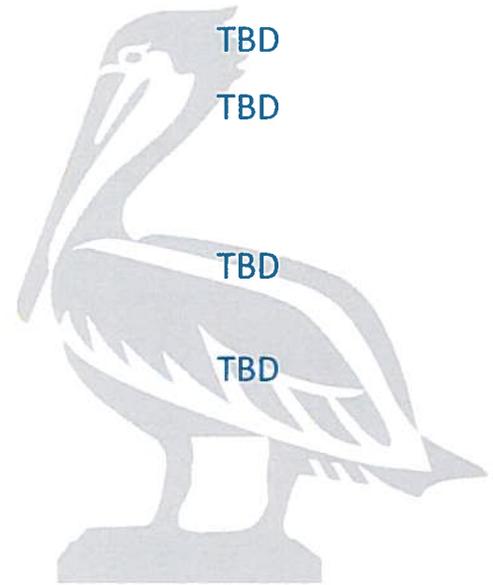


# Housing and Neighborhood Revitalization

## South St. Petersburg CRA



	Balanced Scenario	Housing Scenario
<b>Sources</b>	<b>\$1,720,072</b>	<b>\$2,709,590</b>
FY18/19 South St. Petersburg TIF Revenue		
<b>Uses</b>	<b>\$1,720,072</b>	<b>\$2,709,590</b>
Property Acquisition and Site Preparation	TBD	TBD
Single Family and Multifamily Residential Programs	TBD	TBD
<i>Affordable Housing Redevelopment Loan</i>		
<i>Affordable Residential Property Improvement</i>		
Multifamily Residential Programs	TBD	TBD
<i>Affordable Multifamily Housing Development</i>		
Single Family Residential Programs	TBD	TBD
<i>Affordable Single-Family Homeownership</i>		
<i>Single-Family Façade Improvement Grant</i>		
<i>"Paint Your Heart Out"</i>		



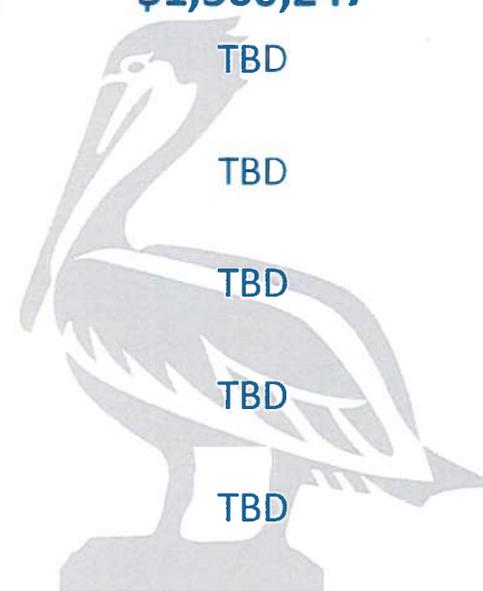


# Workforce, Education and Job Readiness

South St. Petersburg CRA



	Balanced Scenario	Housing Scenario
<b>Sources</b>	<b>\$1,720,072</b>	<b>\$1,360,247</b>
FY18/19 South St. Petersburg TIF Revenue		
<b>Uses</b>	<b>\$1,720,072</b>	<b>\$1,360,247</b>
Workforce Development (St. Pete Works)	TBD	TBD
Early Childhood Education	TBD	TBD
Youth Job Readiness/Entrepreneurship	TBD	TBD
Enoch Davis Farm Site Preparation Costs	TBD	TBD
Environmental Cleanup of Enoch Davis Farm Site	TBD	TBD





# Business and Commercial Development

South St. Petersburg CRA



	Balanced	Housing
<b>Sources</b>	<b>\$1,720,072</b>	<b>\$1,090,378</b>
FY18/19 South St. Petersburg TIF Revenue		
FY16 Budget Surplus		
FY17 Carryover Sources		
<b>Uses</b>	<b>\$1,720,072</b>	<b>\$1,090,378</b>
Property Acquisition and Site Preparation		
FY17 CRA Grant Bonuses		
South St. Petersburg CRA Loan Consortium		
Redevelopment Micro Loan Program		
Emergency Commercial Grant		
Environmental Cleanup of 22 <sup>nd</sup> Street South lots		
Child Daycare Business Development		
Commercial Matching Grant Program		
Commercial Revitalization Program		



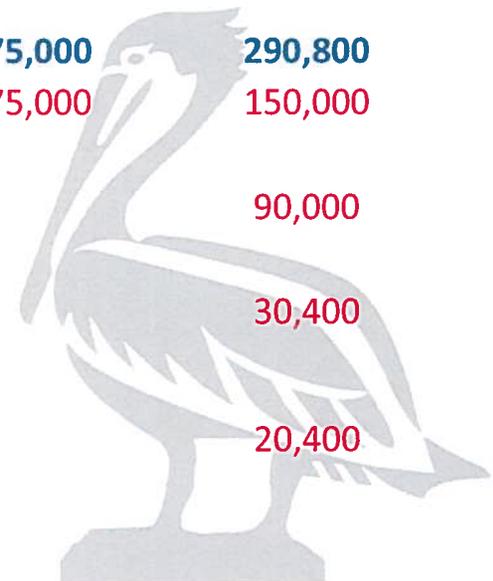


# CRA Marketing, Evaluation and Operation

## South St. Petersburg CRA



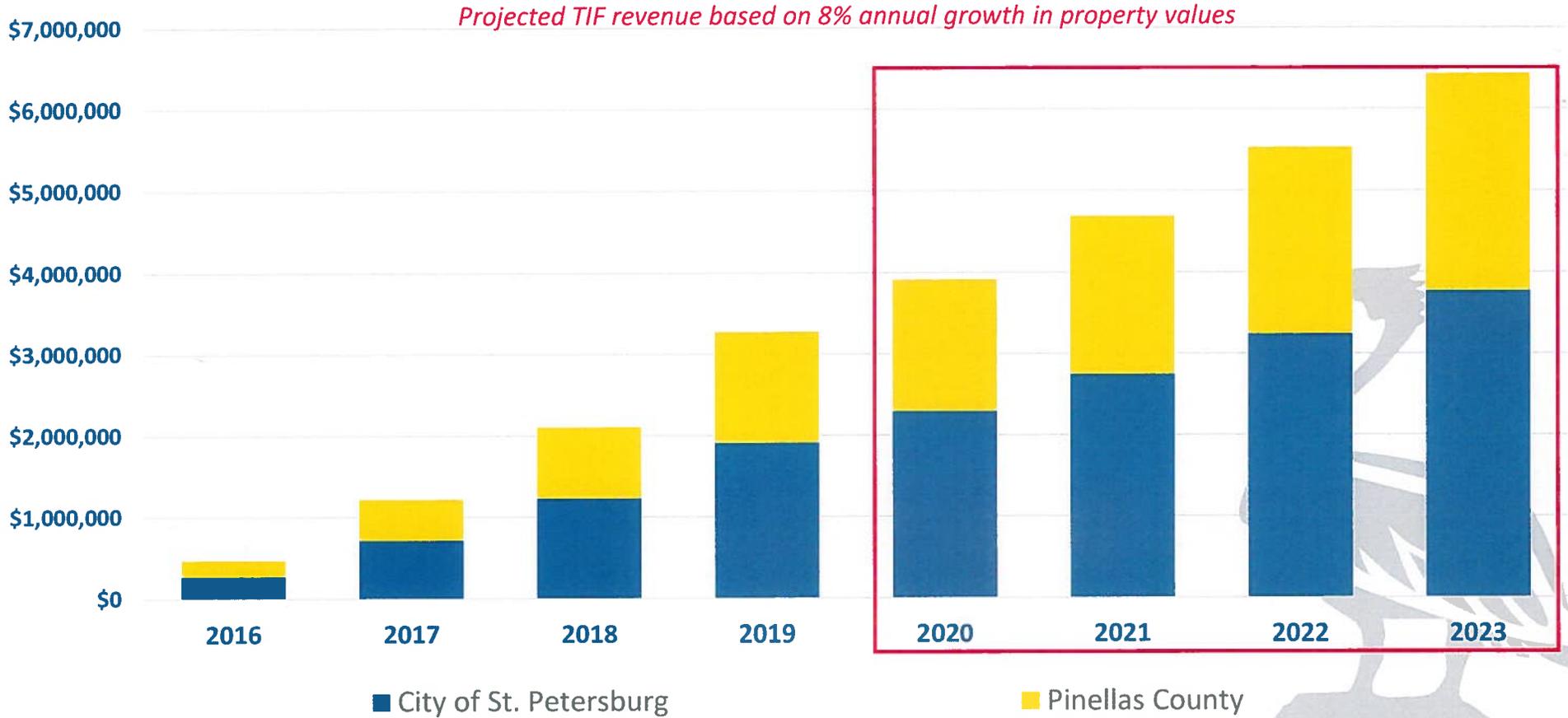
	City	County	Total
<b>Sources</b>	<b>215,800</b>	<b>75,000</b>	<b>290,800</b>
FY18 South St. Petersburg TIF Revenue	84,479	29,401	113,880
FY19 South St. Petersburg TIF Revenue	131,321	45,599	176,920
<b>Uses</b>	<b>215,800</b>	<b>75,000</b>	<b>290,800</b>
<b>CRA Socioeconomic Impact Survey</b>	75,000	75,000	150,000
<small>Conduct survey in CRA to determine family, household and per capita income levels, poverty status, knowledge and use of CRA, household size, race, rents, homeownership levels and other demographic data to assess effectiveness of CRA program.</small>			
<b>Salary/Benefits for South St. Petersburg CRA Personnel</b>	90,000		90,000
<small>Funds position to administer the operations of the CRA including amendments to the redevelopment plan, writing/ amending programs, research/analysis, &amp; implementing grant agreements.</small>			
<b>CRA Operations</b>	30,400		30,400
<small>Pays for costs associated with notification of property owners of CRA programs as well as administrative costs related to preparing review of grant applications. Conferences and workshops related to obtaining and maintaining professional credentials related to redevelopment.</small>			
<b>CRA Marketing Expenses</b>	20,400		20,400
<small>Pays for 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.</small>			





# Actual & Projected Growth in TIF Revenue (2016-2023)

## South St. Petersburg CRA





# TIF Funding for CRA Position and Administrative Costs

South St. Petersburg CRA



- Proposed position would assume many CRA administrative duties
  - ✓ Amending/creating/implementing TIF programs
  - ✓ Annual reporting and data gathering
  - ✓ Business and property owner outreach
- Funding staff positions with TIF allowed by Florida Statutes and Pinellas County TIF rules (City TIF only)
- Funding staff & operations would cost ~\$550,000 between FY2019 and FY2023 – 2.3% of total TIF revenue over that period
- CRA admin costs in comparable Florida communities range between 4% and 6% of TIF budget – salary costs 3% to 5%

