



Pinellas County

Staff Report

File #: 16-553A, Version: 1

Subject:

* Resolution to approve the City of St. Pete Beach Community Redevelopment Area Plan (companion to item no. 34).

Recommended Action:

Conduct a public hearing to consider a proposed Resolution to approve the City of St. Pete Beach Community Redevelopment Area Plan.

Strategic Plan:

Foster Continual Economic Growth and Vitality

4.3 Catalyze redevelopment through planning and regulatory programs

4.4 Invest in infrastructure to meet current and future needs

4.6 Support a vibrant community with recreation, arts, and culture to attract residents and visitors

The Board may also wish to consider the following relevant elements of the Strategic Plan when reviewing the proposed Resolution:

Ensure Public Health, Safety, and Welfare

2.2 Be a facilitator, convener, and purchaser of services for those in need

2.4 Support programs that seek to prevent and remedy the causes of homelessness and move individuals and families from homelessness to permanent housing

Foster Continual Economic Growth and Vitality

4.1 Proactively attract and retain businesses with targeted jobs to the county and the region

4.2 Invest in communities that need the most

Summary:

On February 16, 2016, the City of St. Pete Beach presented to the Board of County Commissioners (BCC) at a Work Session a draft redevelopment plan for the St. Pete Beach Community Redevelopment Area. Based upon discussion and comments at the worksession and subsequent comments provided by County staff, the City of St. Pete Beach revised the draft redevelopment plan and adopted the revised CRA Plan on March 8, 2016. The City submitted the adopted CRA Plan to Pinellas County on March 9th for BCC approval with a request for the BCC to delegate to the City the authority to establish a redevelopment trust fund for the CRA to be financed with tax increment revenues from both the City and the County. On April 12, 2016, the Board authorized advertising for a public hearing on April 26, 2016 to consider approval of the adopted CRA Plan.

Following is a SUMMARY OF SIGNIFICANT CHANGES to the CRA Plan that were incorporated following the February 16th BCC worksession:

1) The proposed County contribution to a redevelopment trust fund would be reduced from 95% of the increment in years 1-15 to 70% in years 16-30. In accordance with State statutes, an interlocal agreement would be required between the City and County to enact this reduced contribution.

2) The reduction in the County's TIF contribution after year 15 is estimated to reduce the County's overall TIF contribution to a redevelopment trust fund over 30 years from \$49.6 million to \$38.8 million - a difference of \$10.8 million.

3) The County would contribute an estimated \$38.8 million (59% of the total) and the City would contribute \$26.6 million (41% of the total) in TIF revenue to the redevelopment trust fund over the life of the Plan.

4) The proposed Capital Work Program in Table 6-1 of the adopted CRA Plan has been reduced by \$11 million. This reduction has been accomplished by removing one of the two previously proposed parking garages (the proposed parking garage in the Gulf Blvd District [hotel district] has been removed from the capital projects list) and the Downtown Redevelopment District streetscaping project has been reduced by \$1.3 million. (Please refer to Table 1 attached to this agenda item.)

5) Strategies 2.4 and 5.3 on pages 31 and 33, respectively, have been revised to commit to completion of a parking and circulation study by the Community Redevelopment Agency, and the City will seek approval from the BCC prior to allocating any County TIF funds for constructing a parking garage if the study identifies the need for one. The construction of a parking garage would occur in years 6-30 of the Capital Work Program.

6) Additional descriptive language was added on pages 10 and 34 of the adopted CRA Plan describing the use of baffle boxes and tidal control valves at stormwater outfalls in an effort to qualify the City's improvements to the stormwater system as projects of "regional" significance rather than local stormwater projects and, therefore, eligible for County TIF funds. However, after review by County staff, it is still considered a local system and therefore ineligible for County TIF expenditures. These improvements are budgeted at \$4 million with funding from City and County TIF and grants.

7) On page 75 of the adopted CRA Plan, the language stating that TIF may be used to fund maintenance of specialty design elements of public infrastructure has been deleted.

Responses to comments provided at the February 16th BCC Work Session have been prepared by the St. Pete Beach City Manager and are included as an attachment to this BCC agenda item.

Adoption of the proposed County resolution would accomplish the following:

- (1) Formally approve the adopted St. Pete Beach Community Redevelopment Area Plan;
- (2) Delegate additional redevelopment powers to the City of St. Pete Beach, including the authority to establish a Redevelopment Trust Fund;
- (3) Retain the following powers to the Board of County Commissioners:
 - a. Require annual progress reports prepared by the City describing progress in implementing the St. Pete Beach Community Redevelopment Area Plan.
 - b. Review and approve issuance of bonds/indebtedness utilizing TIF revenues.
 - c. Review and approve any future amendments to the St. Pete Beach Community Redevelopment Area Plan.
 - d. Review and comment on future programs that involve the use of County TIF funds.

e. Review and approve the creation of the redevelopment trust fund, including any related tax increment financing.

REQUIRED ACTIONS OF THE BOARD OF COUNTY COMMISSIONERS:

In accordance with Section 163.410, F.S. (Exercise of powers in counties with home rule charters) the Board must take action on any request for a delegation of powers (in this instance, the power to establish a redevelopment trust fund pursuant to the redevelopment plan being approved) within 120 days of receipt of all required documentation (March 11, 2016). The Board must either grant in whole or in part or deny the request no later than July 8, 2016.

Background Information:

The Finding of Necessity Report documenting the conditions of blight within the St. Pete Beach CRA was approved by the BCC in 2005. Five conditions of blight were observed in the report. The St. Pete Beach Community Redevelopment Area was established in 2006, and certain powers were delegated to the City of St. Pete Beach, which allowed for the redevelopment plan to be drafted. The City submitted the first draft of the adopted CRA Plan to County staff in early 2014 for review and comment, and City staff and the City's consultant coordinated with County staff in the preparation of subsequent drafts of the CRA Plan. The BCC held a workshop on February 16th to review the December 2015 draft redevelopment plan.

As noted above, the adopted CRA Plan identifies the County as contributing 70% of the tax increment in years 16-30 to a redevelopment trust fund, if established. Section 163.387(3)(b) of the Florida Statutes requires an interlocal agreement between the City and the County in order to allow the County to contribute a tax increment of less than 95% of the increment to a redevelopment trust fund. A proposed Interlocal Agreement has been prepared by City and County staffs that the City Commission and the Board would need to approve if the Board agrees to establish a redevelopment trust fund as described in the CRA Plan adopted by the City Commission. Consideration of the proposed Interlocal Agreement is included as a separate item on the April 26th Board agenda.

Fiscal Impact:

Approval of the St. Pete Beach Community Redevelopment Plan and authorization to create a redevelopment trust fund, as requested by the City, would direct an estimated \$38.8 million of Pinellas County ad-valorem tax revenues, over the thirty-year life of the plan, from the County's General Fund to the City of St. Pete Beach redevelopment trust fund.

Staff Member Responsible:

Gordon Beardslee, Director
Renea Vincent, Division Manager

Partners:

City of St. Pete Beach

Attachments:

Comparison of Proposed Capital Work Program - 12/15 and 3/16
March 2016 City Memo Re: CRA Plan Changes
BCC Resolution
City Letter Transmitting Adopted CRA Plan
St. Pete Beach City Manager Responses to February 2016 Work Session Comments

March 2016 St. Pete Beach Community Redevelopment Area Plan
Proposed Interlocal Agreement