



Pinellas County

Staff Report

File #: 20-999A, Version: 1

Subject:

Resolution accepting the City of Largo's 15-year review of the West Bay Drive Community Redevelopment Trust Fund and directing the City of Largo to amend the West Bay Drive Community Redevelopment Area Plan.

Recommended Action:

Approval of the Resolution pertaining to the City of Largo West Bay Drive (WBD) Community Redevelopment Trust Fund 15-year review and the West Bay Drive Community Redevelopment Area Plan (Plan).

- The Housing and Community Development is currently undertaking a comprehensive review/update of the County's CRA Policy.
- The Largo West Bay Drive CRA 15 Year Review was discussed with the Board of County Commissioners (BCC) at a work session on December 10, 2019 and deferred to a future date.
- Staff presented interim recommendations for the CRA Policy at a BCC work session on March 5, 2020.

The County's proposed resolution, if adopted, will accomplish the following:

- Accepts the 15-year review for the WBD Community Redevelopment Plan.
- Continues the County's Tax Increment Financing (TIF) contribution to the trust fund at the present rate of 95%.
- Ensures that if the County imposes millage rate that exceeds the millage rate imposed by the City, the County's TIF contribution will be calculated using the City's lower millage rate.
- Requires amendment of the WBD Redevelopment plan, prior to the Fiscal Year 2022 TIF payment, to include updated City and County TIF expenditures and budget details/estimates for the following:
 - a.) Projects currently proposed in the existing Plan (ongoing and not completed), as identified in the 15-year review report.
 - b.) New projects proposed as part of the 15-year review, but not yet included in the West Bay Drive Redevelopment Plan (August 2, 2019 Spreadsheet).

Strategic Plan:

Foster Continual Economic Growth and Vitality

4.2 Invest in communities that need the most

4.3 Catalyze redevelopment through planning and regulatory programs

Deliver First Class Services to the Public and Our Customers

5.2 Ensure effective and efficient delivery of county services and support

Summary:

County Staff's review found the City's submitted 15-Year Report successfully achieves the following three performance criteria:

1. Performance of Tax Increment Financing (TIF) Revenues;
2. Implementation of the Downtown Redevelopment Plan; and
3. Effectiveness of the Downtown Redevelopment Plan at mitigating blighting influence.

Planning staff supports the continuation of the County's contribution to the Redevelopment Trust Fund to allow the City to continue the implementation of the West Bay Drive (WBD) Community Redevelopment Plan.

Two additional concerns/issues were identified during the 15-year review:

- 1) The Plan currently does not identify projects/spending commensurate with future City/County TIF projections. Staff requested an updated project list for inclusion in a future required update to the West Bay Drive Community Redevelopment Plan. This project list identifies approximately \$9 million of proposed projects utilizing future County TIF revenues.
- 2) Total projected contributions to the Redevelopment Trust Fund indicate that the County, at the present contribution of 95%, will exceed the total contribution made by the City by approximately \$338,560.00, assuming no future changes to millage rates.

The following actions are included in the Resolution to remedy the two issues identified above:

1) Prior to the disbursement of the Fiscal Year 2022 County TIF payment, Largo must submit to the BCC for approval, amendments to the WBD Community Redevelopment Area Plan incorporating City and County TIF expenditures and budget detail for the following:

- Projects currently proposed in the existing Plan (ongoing or not completed) as identified in the 15-Year review report; and
- New projects proposed as part of the 15-Year review, but not included in the current Plan (August 2, 2019 spreadsheet)

2) Starting in October 2020, the County will ensure that its contribution to the trust fund does not exceed that of the City in any given year for reasons including, but not limited to future millage rate changes and local exemptions.

Upon approval of the Resolution, County staff will initiate the required amendments to the Largo Redevelopment Trust Fund ordinance to incorporate these changes.

Background Information:

In 2000, the Pinellas County Board of County Commissioners approved the Plan (1997) and established a 15-year review requirement per Pinellas County Code Sec. 38-73. In 2009, the Board approved amendments updating the Plan and maintaining a 15-year review requirement for a 15-year review of the overall performance of the Tax Increment Financing (TIF) revenues (2000-2015). The Redevelopment Trust Fund for the City of Largo's WBD Community Redevelopment Area expires in the Year 2030.

The Board may choose to continue the County's contribution "as is," provide for a reduced contribution, or eliminate the contribution entirely.

Fiscal Impact:

From 2002 to 2019, the County's cumulative contribution of tax increment revenues to the City of Largo's Redevelopment Trust Fund totals 5,673,981.24. Based on current Pinellas County Office of Management and Budget TIF projections assuming 2.0% annual growth in taxable values within the CRA (as per the current Plan) and continuation of the historical 95% contribution rate, approximately \$9.47 million of County TIF would be contributed between FY20 and FY31, when the redevelopment trust fund sunsets. A reduction of the County's contribution to 90% reduces this to \$9.00 million.

Based on current payment projections, the FY20 payment is \$580,485.00 and FY21 payment is \$685,250.00. These projections are consistent with the FY20 estimate and FY21 request submitted as part of FY21 budget development.

Staff Member Responsible:

Brian Lowack, Interim Director, Planning
Evan Johnson, Interim Division Manager, Planning

Partners:

City of Largo
City of Largo Community Redevelopment Agency

Attachments:

Resolution
Attachment A to Resolution: City of Largo's Community Redevelopment District Trust Fund 15-Year Review
Attachment B to Resolution: West Bay Drive Project List, August 2, 2019
Letter to Largo dated August 31, 2019
Largo CRA Summary of Capital Expenditures 2000-2015
Largo Correspondence August 1, 2019
Staff Review of Largo 15 Year Review
OMB Contract Review
Largo-West Bay Drive CRA TIF Projections 2020-2030