



Pinellas County

Staff Report

File #: 22-0061A, Version: 1

Subject:

First Amendment to the Fiscal Year 2022 Lealman Community Redevelopment Area Work Plan.

Recommended Action:

Sitting as the Community Redevelopment Agency, approve the Fiscal Year (FY) 2022 Lealman Community Redevelopment Area (CRA) Work Plan as amended and recommend the approval of the master lease and management agreement with the St. Petersburg Foundation for the Lealman Exchange.

- The proposed amended Work Plan includes \$2.75 million of Tax Increment Financing, the same amount that was originally approved. Proposed changes are reflected in red text on the amended Work Plan and highlighted below.
 - a.) Increase funding for the residential facade improvement program from \$100,000.00 to \$300,000.00 to address the increase number of applications.
 - b.) Allocate \$100,000.00 for improvements to the kitchen at the Lealman Exchange, which would leverage a \$58,000.00 grant Emergency Management recently received for commercial kitchen equipment.
 - The kitchen will enhance the facility's community shelter capabilities during severe storms and be available for community programs during non-storm events.
 - c.) Allocate \$250,000.00 Tax Increment Financing (from the Municipal Service Taxing Unit portion) to support the implementation of the management agreement model with St. Petersburg Foundation.
 - In Fiscal Year 2021, staff conducted a strategic planning process for the Lealman Exchange and later initiated a Letter of Interest (LOI) procurement process to select an entity to implement the strategic plan.
 - The LOI review panel included representation from the Community Redevelopment Area Advisory Committee, County Administration, the Department of Administrative Services, the Office of Technology & Innovation, and Communications.
 - The Foundation was selected to manage the Lealman Exchange under a Collective Impact model. This model unites multi-sector service providers into an integrated collective with shared goals, measurements, strategies, and services.
 - d.) Budget estimates for other various projects and programs were downwardly revised to accommodate these changes so the total allocation remains at \$2.75 million, which was the amount approved in the original FY22 Work Plan. This revision does not reflect a decrease in services provided as staff plans to propose additional funding for these programs in the FY23 budget.
 - e.) The Lealman CRA Advisory Committee recommended approval of these changes at its January 26, 2022 meeting.

Strategic Plan:

Ensure Public Health Safety and Welfare

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

Foster Continual Economic Growth and Vitality

4.2 Invest in communities that need the most

Deliver First Class Services to the Public and Our Customers

5.3 Ensure effective and efficient delivery of county services and support

Summary:

In FY22 staff introduced the Work Plan process as a best management practice in furtherance of implementing the Lealman CRA Plan and to provide a tool for communicating progress with the Agency, the Lealman CRA Advisory Committee, community stakeholders and residents. All projects and programs that conform to the nine objectives outlined in the Lealman CRA Plan and thereby Chapter 163 of Florida Statutes, which governs CRAs.

The primary purpose of this Work Plan amendment is to allow for an increase in the residential façade improvement program from \$100,000 to \$300,000 to meet current demand for the program, and to add two new items: funding of \$100,000 to improve the Lealman Exchange kitchen to increase community sheltering capabilities and to allow for community programs, and funding of \$250,000 to implement the Lealman Exchange Strategic Plan.

In FY21 staff conducted a strategic planning process for the Lealman Exchange and later initiated a Letter of Interest (LOI) procurement process initiated in FY21 to select an entity to implement the strategic plan. The LOI review panel included representation from the CRA Advisory Committee, County Administration, Department of Administrative Services, Office of Technology & Innovation and Marketing & Communications. The St. Petersburg Foundation was selected and included the following team members:

The Community Foundation of Tampa Bay, which has pledged \$210,000 to the St. Petersburg Foundation to support implementation of the LEX strategic plan.

- St. Petersburg Group, a consulting firm founded to support public-private philanthropic partnerships.
- The Catalyst, a civic engagement and modern news platform covering local community news often under reported by traditional media channels.
- CapEx Advisory Group, a consulting firm that guides the vision, financing, and development of complex capital projects for mission-driven clientele.

Staff has negotiated a Master Lease and Management Agreement with the St. Petersburg Foundation, which is also included on this meeting's agenda for approval by the Board of County Commissioners (BCC).

Key aspects of the Agreement include:

- The Foundation will be responsible for operational, repair and maintenance expenses.
- The County will be responsible for maintaining and repairing all structural components of the Premises, including the roof, foundation, walls, and any structural components thereof.
- The Foundation will have the sole right and authority to manage, operate, direct and supervise the Exchange within the guidelines established by the Agreement
- The Foundation will be required to submit an Annual Business Plan for approval by the County Administrator and will be subject to an Annual Performance Review as part that approval process.

- As part of creating a sustainable model, the agreement calls for net income to be distributed as follows: 50% to the County to be reserved for program support, and minor capital expenditures to support programming, 25% to the County to reduce its internal cost allocation to the facility and 25% to the St. Petersburg Foundation for its sole discretionary use.

In addition asking the Agency to approve the Work Plan amendments, staff is also seeking a recommendation from the Agency to the BCC to recommend approval of the Master Lease and Management Agreement with the St. Petersburg Foundation to implement the strategic plan as described above.

Background Information:

In July 2015, via Resolution 15-62, the Board of County Commissioners (Board) made a positive finding of blighted conditions and established the Lealman Community Redevelopment Area (CRA), directed staff to create a redevelopment plan for the CRA. Also in July 2015, via Ordinance 15-29, the Board established the Agency and appointed itself as its governing body. The Board established the Lealman Community Redevelopment Area Advisory Committee via Resolution 15-70 to assist staff in drafting the redevelopment plan and to advise on its implementation, and on June 7, 2016, the Board approved the Lealman CRA Plan via Resolution 16-40, which was later amended by the adoption of Resolution Nos. 17-36 and 19-11. On March 12, 2019, the Board adopted resolution 19-10, which grants the County Administrator the authority to approve and execute certain contracts, documents, and instruments on behalf of the Agency for the purpose of implementing the Plan, pursuant to powers enumerated in Section 163.370 of the Florida Statutes.

Fiscal Impact:

Appropriation of \$2,750,000.00 for projects and programs identified on the Amended FY22 Lealman CRA Work Plan funded by the CRA are included in and are consistent with the FY22 Adopted Budget for the Lealman Community Redevelopment Area Trust Fund utilizing a combination of the Countywide and the Municipal Services Taxing Unit portions of the Tax Increment Financing revenue that funds the CRA.

Staff Member Responsible:

Christopher D. Moore, Assistant to the County Administrator, Lealman Community

Partners:

Lealman CRA Advisory Committee

Attachments:

- Proposed Amended FY22 Lealman CRA Work Plan
- Lealman Exchange Master Lease and Management Agreement Presentation
- Adopted Lealman CRA Plan
- Resolution 19-10 providing County Administrator delegated authority in furtherance of implementing the Lealman CRA Plan