

BOARD OF COUNTY COMMISSIONERS

DATE: June 2, 2015

AGENDA ITEM NO. 16

Consent Agenda ☐

Regular Agenda ☒

Public Hearing ☐

 **County Administrator's Signature:**

Subject:

Authorization to advertise a public hearing on proposed Ordinance Approving Creation of a Redevelopment Trust Fund for the South St. Petersburg Community Redevelopment Area.

Department:

Planning

Staff Member Responsible:

Gordon Beardslee, Director

Recommended Action:

I RECOMMEND THE BOARD OF COUNTY COMMISSIONERS (BOARD) AUTHORIZE ADVERTISEMENT FOR A PUBLIC HEARING ON JUNE 23, 2015 TO APPROVE CREATION OF A REDEVELOPMENT TRUST FUND FOR THE SOUTH ST. PETERSBURG REDEVELOPMENT DISTRICT IN THE CITY OF ST. PETERSBURG (CITY).

Summary Explanation/Background:

The Board, by approval of Resolution 14-43 on June 3, 2014, authorized the City to declare itself a Community Redevelopment Agency for the South St. Petersburg Community Redevelopment Area (CRA). The City subsequently has drafted a redevelopment plan for the CRA and has requested that the County review and approve the CRA plan, as well as approve the establishment of a Tax Increment Financing (TIF) District and Redevelopment Trust Fund for the South St. Petersburg CRA.

By direction of the Board on May 5, 2015, County staff has worked with the City of St. Petersburg to perform the necessary actions to allow for the establishment of a Redevelopment Trust Fund for the South St. Petersburg CRA by the end of June, 2015 in order to set the base tax year for the "increment" as 2014. The following actions are scheduled to accomplish this goal:

1. The City adopted the South St. Petersburg Redevelopment Plan on May 21, 2015.
2. On June 2, 2015, the Board will consider approval of the South St. Petersburg Community Redevelopment Plan and the delegation of additional redevelopment powers to the City of St. Petersburg, including the authority to establish a TIF district and a Redevelopment Trust Fund encompassing the entire 4,700 acres of the South St. Petersburg CRA.
3. On June 2, 2015, the Board will review for approval proposed amendments to the Southside St. Petersburg CRA Interlocal Agreement, which provides for the following specific actions related to the implementation of the Redevelopment Trust Fund:
 - a. Setting 2045 as the expiration year.
 - b. Requiring all funds to be expended by September 30, 2048.
 - c. Setting the County's contribution to the Trust Fund at 85% of the increment.
 - d. Segregating City and County TIF contributions to the Trust Fund into separate accounts
 - e. The County's annual contributions to the Trust Fund will commence after both parties approve amendments to the Intown CRA Redevelopment Plan and the Intown Interlocal Agreement.
 - f. Require a formal review of the South St. Petersburg Redevelopment Plan and Trust Fund in 2031.

- g. Allows County staff to review and comment on procedures for programs that involve the use of the County's TIF increment.
4. On June 11, 2015, the City will hold an adoption hearing on an ordinance establishing a Redevelopment Trust Fund for the South St. Petersburg CRA.
5. On June 23, 2015, the Board will hold a public hearing to consider an ordinance approving the creation of the Redevelopment Trust Fund.

Fiscal Impact/Cost/Revenue Summary:

Proposed TIF district will direct an estimated \$27.6 million dollars (at 85%) of County general fund revenue to the proposed South St. Petersburg CRA over the thirty (30) year life of the TIF. This estimate is based upon an assumed 2% annual increase in assessed property values over the thirty (30) year life span of the district. However, the proposed reduction in the TIF contribution percentage to 85% of the increment for the Intown and Bayboro Harbor CRA Redevelopment Trust Funds is estimated to reduce the County's contributions to these two (2) trust funds by \$13,009,840.

Exhibits/Attachments Attached:

Proposed County Ordinance

ORDINANCE NO.

AN ORDINANCE APPROVING THE CREATION OF A REDEVELOPMENT TRUST FUND BY THE CITY OF ST. PETERSBURG, FLORIDA; PROVIDING FOR THE APPROPRIATION OF TAX INCREMENT REVENUES OF THE COUNTY TO SAID REDEVELOPMENT TRUST FUND; PROVIDING FOR THE DURATION OF THE TAX INCREMENT FINANCING; PROVIDING FOR A MID-TERM ASSESSMENT INCLUDING THE POTENTIAL TO SHORTEN THE DURATION; PROVIDING CRITERIA FOR REVIEW FOR CONTINUED FUNDING; PROVIDING FOR CONSTRUCTION, SEVERABILITY AND CODIFICATION; PROVIDING FOR AN EFFECTIVE DATE; AND PROVIDING FOR AMENDMENTS ARISING FROM PUBLIC INPUT AND CONSULTATION WITH RESPONSIBLE AUTHORITIES.

WHEREAS, the Legislature of Florida has enacted the Community Redevelopment Act of 1969, as amended, and codified as Part III, Chapter 163, Florida Statutes (the "Redevelopment Act"); and

WHEREAS, all powers arising through the Redevelopment Act were conferred by that Act upon counties which have adopted home rule charters, which counties in turn are authorized to delegate such powers to municipalities within their boundaries when such municipalities desire to undertake redevelopment within their respective municipal boundaries; and

WHEREAS, Pinellas County, Florida (the "county") and the City of St. Petersburg, Florida mutually desire to increase the ad valorem tax base of the County and the City; and

WHEREAS, the City Commission of the City of St. Petersburg, Florida, by its Resolution No. 13-186, a copy of which has been submitted to the Clerk of this Board and made a part of the Public Records of Pinellas County, Florida, declared the Southside St. Petersburg Area of the City to be a slum or blighted area (the "Redevelopment Area"); and

WHEREAS, the Board of County Commissioners of Pinellas County, Florida, by Resolution No. 14-43, delegated to the City Commission of the City of St. Petersburg, Florida, the power and authority to conduct certain redevelopment activities as defined in the Redevelopment Act; and

WHEREAS, the City Commission of the City of St. Petersburg, Florida declared itself to be a community redevelopment agency to carry out the redevelopment of the Redevelopment Area; and

WHEREAS, the City Commission of the City of St. Petersburg, Florida, by its Ordinance No. 169-H, adopted the *South St. Petersburg Community Redevelopment Plan* ("Redevelopment Plan") on May 21, 2015 and renamed the Redevelopment Area as the "South St. Petersburg Community Redevelopment Area". a copy of which plan has been

submitted to the Clerk of this Board and made a part of the Public Records of Pinellas County, Florida; and

WHEREAS, the Board of County Commissioners of Pinellas County, Florida, at its June 2, 2015 meeting, approved the Redevelopment Plan of the Community Redevelopment Agency for the City of St. Petersburg; and

WHEREAS, the City Commission of the City of St. Petersburg on May 21, 2015 and the Board of County Commissioners of Pinellas County, Florida on June 2, 2015 approved amendments to the June 3, 2014 Southside St. Petersburg Interlocal Agreement in which the parties agreed on the funding arrangements for a Redevelopment Trust Fund to be established for the South St. Petersburg Community Redevelopment Area, which involve amendments to the Intown Redevelopment Plan and Interlocal Agreement and amendments to the Bayboro Harbor Community Redevelopment Plan; and

WHEREAS, the City Commission of the City of St. Petersburg, Florida, on June 11, 2015, adopted Ordinance No. _____, creating a redevelopment trust fund for the Redevelopment Area pursuant to the Act, a copy of which has been submitted to the Clerk of this Board and made a part of the Public Records of Pinellas County, Florida; and

NOW, THEREFORE, IN REGULAR SESSION DULY ASSEMBLED ON THIS 23RD DAY OF JUNE, 2015, BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF PINELLAS COUNTY, FLORIDA, as follows:

SECTION 1. Sec 38-71, Article III, Community Redevelopment, is hereby created in the Pinellas County Code to read as follows:

Sec. 38-71. South St. Petersburg Community Redevelopment Area for the City of St. Petersburg.

- (a) The creation of the redevelopment trust fund by the City of St. Petersburg, Florida, for the South St. Petersburg Community Redevelopment Area (the "fund"), is hereby approved.
- (b) The county shall annually pay to the City of St. Petersburg for deposit to the fund a sum equal to the increment in the income, proceeds, revenues, and funds of the county derived from or held in connection with the South St. Petersburg Community Redevelopment Area, for the use of St. Petersburg's Community Redevelopment Agency in its undertaking and carrying out of the South St. Petersburg Community Redevelopment Plan. The increment shall be determined annually and shall be that amount equal to 85 percent of the difference between:
 - (1) The amount of ad valorem taxes levied each year by or for the county, exclusive of any amount from any debt service millage, on taxable real property contained within the geographic boundaries of the South St. Petersburg Community Redevelopment Area; and

- (2) The amount of ad valorem taxes which would have been produced by the rate upon which the taxes levied each year by or for the county, exclusive of any debt service millage, upon the total of the assessed value of the taxable property in the South St. Petersburg Community Redevelopment Area as shown upon the most recent assessment roll used in connection with the taxation of such property by each taxing authority prior to the effective date of Ordinance ____ of the City of St. Petersburg providing for the appropriation to the fund.
- (c) In calculating the increment, the amount of the ad valorem taxes levied based on the countywide debt service on existing or future county bonds shall be totally excluded from the calculation. All increments in this amount shall continue to be used for its voter-approved purposes and shall not be appropriated in any part of the fund. Any adjustments made in the appropriation will be based upon the final extended tax roll.
- (d) Subject to the limitations provided herein, the county shall annually budget, appropriate and pay to the fund the tax increment due the fund prior to April 15 of each taxable year. The county's obligation to annually budget and appropriate on or before October 1 and pay over to the fund by April 15 of each year shall commence after the City Council of the City of St. Petersburg and the Board of County Commissioners of Pinellas County have both approved amendments to the Intown Redevelopment Plan (IRP) and Interlocal Agreement that 1) reduce Pinellas County's contribution to the IRP Redevelopment Trust Fund to 85 percent of the annual tax increment created each year in the Intown Community Redevelopment Area and 2) increase the IRP capital projects financed with tax increment funds by \$20 million for implementation of the Downtown Waterfront Master Plan. The county's obligation shall continue until all loans, advances and indebtedness incurred as the result of the South St. Petersburg Community Redevelopment Plan have been paid (but not to extend beyond May 21, 2045).
- (e) The county's increment contributions are to be accounted for as a separate revenue account within the fund, but may be combined with other revenues for the purpose of paying debt service with approval of the board of county commissioners. In no year shall the county's obligation to the fund exceed the amount of that year's tax increment as determined in subsection (b). No sale of bonds or indebtedness supported by the county's tax increment may occur nor may existing indebtedness so supported be refunded without approval of the board of county commissioners.
- (f) Duration of the fund.
- (1) The county's obligation to annually appropriate to the fund shall commence immediately upon the effective completion of subsection (d) above and continue until May 21, 2045, subject to subsection (1) a. below.
- a. Fifteen-year review. Notwithstanding the duration of the fund established in subsection (f) (1) above, on or before April 1, 2031, the county may review its tax increment contribution to the fund to determine whether given the totality of the circumstances, it continues to be prudent to dedicate the county portion of the tax increment revenues at the existing level, beyond 15 years, provided that there shall be no reduction in the dedication of tax increment revenues for as long as there are unpaid loans, advances or indebtedness approved as provided herein and secured by the county's tax increment revenues.

- b. Redevelopment conditions for 15-year tax increment financing (sometimes hereinafter referred to as "TIF") review. The success of the plan relies on significant private investment in residential, employment and business development uses so that the community redevelopment area is desirable as a place to live and work. The following are the performance criteria:
 1. Performance of TIF revenues.
 - i. During the 15-year review period, how do the annual TIF revenues collected compare to the estimated TIF revenue growth in the South St. Petersburg Community Redevelopment Plan?
 - ii. Measures: Collected TIF revenues (per property appraiser and tax collector).
 2. Implementation of South St. Petersburg Community Redevelopment Plan.
 - i. During the 15-year review period, how has the City of St. Petersburg performed in implementing the South St. Petersburg Community Redevelopment Plan?
 - ii. Measures.
 - a. Changes in the total assessed property values within the South St. Petersburg Community Redevelopment Area compared to the total assessed property values for the City of St. Petersburg comparing the year 2015 to year 2030.
 - b. Changes in employment opportunities in the South St. Petersburg Community Redevelopment Area comparing year 2015 to the year 2030.
 - c. Changes in affordable housing availability in the South St. Petersburg Community Redevelopment Area comparing year 2015 to year 2030.
 3. Effectiveness of the South St. Petersburg Community Redevelopment Plan at addressing conditions of blight within the South St. Petersburg Community Redevelopment Area.
 - i. During the 15-year review period, do the actions and programs implementing the South St. Petersburg Community Redevelopment Plan have the desired effect of redeveloping the South St. Petersburg Community Redevelopment Area?
 - ii. Measures.
 - a. A comparison, from the year 2015 to year 2030, of the changes in the median household income in the South St. Petersburg Community Redevelopment Area to the citywide median household income.
 - b. A comparison of the land-value to improvement-value in the South St. Petersburg Community Redevelopment Area from year 2015 to year 2030.
 - c. The extent of deteriorated properties in the South St. Petersburg Community Redevelopment Area compared to the rest of the City of St. Petersburg from the year 2015 to year 2030.

- c. The City of St. Petersburg shall submit all data and analysis to the county as well as additional data requested by the county to perform the 15-year review no later than October 1, 2030.
 - d. The board of county commissioners shall complete its review prior to April 1, 2031 and shall notify the City of St. Petersburg in writing by April 30, 2031, if it intends to eliminate or reduce the amount and/or duration of the county's tax increment contribution as permitted herein. In the absence of such notification, the contribution shall continue as provided herein.
- (g) Review and audit.
- (1) Copies of reports of audits required by F.S. § 163.387(8) shall be provided to the board of county commissioners each fiscal year.
 - (2) Annual progress reports to be prepared by the City of St. Petersburg shall be submitted to the county with a due date of March 31st of each reporting year to begin in 2017 and continue until 2045. The reports shall describe the progress of the Redevelopment Plan relative to benchmarks and performance measures established by the South St. Petersburg Community Redevelopment Agency and detail expenditures from Pinellas County's account within the South St. Petersburg Community Redevelopment Trust Fund.

SECTION 2. All Ordinances and Resolutions or parts of same in conflict herewith be and the same are hereby repealed.

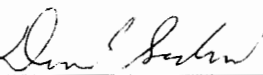
SECTION 3. This Ordinance being for a public purpose and for the welfare of the citizens of Pinellas County, Florida, shall be liberally construed to effectuate the purposes thereof.

SECTION 4. Severability. If any section, subsection, sentence, clause or provision of this Ordinance is held invalid, the remainder of this Ordinance shall not be affected by such invalidity.

SECTION 5. Inclusion in the Code. It is the intention of the Board of County Commissioners, and it is hereby ordained that the provisions of this Ordinance shall become and be made a part of the Code of Pinellas County, Florida. The section of this Ordinance be renumbered or reletter to accomplish such intention, and the word "Ordinance" may be changed to "section", "article", or other appropriate word.

SECTION 6. Effective Date. Pursuant to Section 125.66, Florida Statutes, a certified copy of this Ordinance shall be filed with the Department of State by the Clerk of the Board of County Commissioners within ten (10) days after enactment by the Board of County Commissioners. This Ordinance shall become effective when the acknowledgement is received from the Secretary of State that the Ordinance has been duly filed.

APPROVED AS TO FORM
OFFICE OF COUNTY ATTORNEY

By 
Attorney