

City of Clearwater

*Main Library - Council Chambers
100 N. Osceola Avenue
Clearwater, FL 33755*



Meeting Minutes

Monday, September 13, 2021

8:00 AM

Main Library - Council Chambers

Community Redevelopment Agency

Roll Call

Present 5 - Chair Frank Hibbard, Trustee David Allbritton, Trustee Hoyt Hamilton, Trustee Kathleen Beckman, and Trustee Mark Bunker

Also Present – Micah Maxwell – Interim City Manager, Michael Delk – Assistant City Manager, Pamela K. Akin – City Attorney, Rosemarie Call – City Clerk, Nicole Sprague – Deputy City Clerk, and Amanda Thompson – CRA Executive Director.

To provide continuity for research, items are listed in agenda order although not necessarily discussed in that order.

Unapproved

1. Call to Order – Chair Hibbard

The meeting was called to order at 8:00 a.m.

2. Approval of Minutes

- 2.1 Approve the August 16, 2021 CRA Meeting Minutes as submitted in written summation by the City Clerk.

Trustee Hamilton moved to approve the August 16, 2021 CRA Meeting Minutes as submitted in written summation by the City Clerk. The motion was duly seconded and carried unanimously.

3. Citizens to be Heard Regarding Items Not on the Agenda – None.

4. New Business Items

- 4.1 Approve an agreement for the sale and development of the property located at 115 South Martin Luther King, Jr. Avenue and the adjoining vacant lot to Equity, LLC for the purposes identified in Request for Proposals and Qualifications (RFP/Q) 25-21 and authorize the appropriate officials to execute same.

The purpose of this item is to approve an agreement for the sale and development of the property at 115 South Martin Luther King, Jr. Avenue and the adjoining vacant lot to Equity, LLC for the purposes identified in Request for Proposals and Qualifications (RFP/Q) 25-21. At the May 17, 2021, CRA meeting the CRA Trustees selected Equity, LLC as the winning respondent and

authorized the CRA Director to negotiate a sale and development agreement. After receiving a Letter of Interest and two verbal inquiries on the Community Redevelopment Agency (CRA) owned site at 115 South Martin Luther King, Jr. Avenue, the CRA issued an RFP to select a qualified applicant for the acquisition and development of the property located at 115 South Martin Luther King, Jr. Avenue and the adjoining vacant lot that sits on the NW corner of South Washington and Pierce Street as a restaurant, microbrewery/winery, creative office spaces or similar use designed to serve the surrounding neighborhood. This is a 1+/- acre site located downtown in the Prospect Lake Character District.

The CRA received one response from Equity. The review committee read the proposal and evaluated the Developers Experience and Qualifications, Legal and Financial Feasibility, Ability to Meet Redevelopment Objectives, and Proposed Timeline for Construction. The applicant is proposing to demolish the existing warehouse and construct a live/work/play mixed use development. The project will include a 4,500sf brewery/restaurant with indoor and outdoor amenity space, an 11,000sf creative office and community event space under the CoHatch co-working concept and 35 apartment units. The applicant will purchase the property from the CRA for \$650,000. The total estimated project cost is \$14,815,000. They will provide 25% cash equity and will borrow the remaining 75% from one of three short-listed lenders that have funded projects with them in the past.

The development agreement contains the following conditions:

- The project will be constructed substantially similar to the proposal submitted in response to RFP/Q 25-21 that is attached as an Exhibit to the agreement,
- The applicant's commitment to collaboratively designing the outdoor amenity space with the CRA. This includes utilizing the previously approved \$250,000 incentive funds for outdoor amenities and greenspace preservation,
- Construction will commence by September 1, 2022,
- A purchase price of \$650,000 due upon closing; and,
- Use of the CRA owned parking lot at the corner of Cleveland Street and South Martin Luther King, Jr. Avenue for ten years on a "first come first served" basis.

The proposed project meets the goals outlined in RFP/Q 25-21 that are derived from the 2018 Clearwater Downtown Redevelopment plan. The proposed project specifically meets the following plan objectives:

Objective 1F: Allow for a variety of residential densities and housing types to provide for a range of affordability and mix of incomes consistent with the Character Districts.

Objective 1G: Continue to utilize a variety of incentives to encourage the construction of new residential uses to locate Downtown.

Objective 2M: Create parking as infrastructure through a park once strategy that

utilizes consolidated parking to serve all of Downtown and reduces the requirement for use-by-use on-site parking.

Objective 4A: Encourage redevelopment that contains a variety of building forms and styles.

Objective 4E: Provide shade trees as critical element for walkable streets.

APPROPRIATION CODE AND AMOUNT:

\$250,000 in funding is available in R2003 - Economic Development City

In response to questions, CRA Executive Director Amanda Thompson said she discussed solar panels and ev charging stations with the developer; those items were not included in the agreement because that would be part of the construction drawing and permitting process. The project is currently in the site concept phase. Equity Development Officer Bruce Heisler said low-income housing units does not fit in the business plan. The sustainable features being considered include low-volume emitting fixtures, HE equipment, indoor air quality issues, and operable windows and sliding glass doors. He said they are looking into the feasibility of incorporating solar panels and ev charging stations. Ms. Thompson said when it comes to site development, every site is unique and on this site staff's number one goal was greenspace preservation and water quality features. It may not be an ideal site for solar panels but staff is looking at its feasibility. The ev charging stations will be considered closely during the traffic engineering phase. She said the agreement expires if construction does not commence by September 2022.

In response to a suggestion that ev infrastructure could be mandated on city-owned property, Mr. Heisler said at some point it may become a cost prohibitive venture. The market will eventually dictate what is needed.

Trustee Allbritton moved to approve an agreement for the sale and development of the property located at 115 South Martin Luther King, Jr. Avenue and the adjoining vacant lot to Equity, LLC for the purposes identified in Request for Proposals and Qualifications (RFP/Q) 25-21 and authorize the appropriate officials to execute same. The motion was duly seconded and carried unanimously.

4.2 Approve the Fiscal Year 2021-2022 Community Redevelopment Agency Preliminary

Budget, adopt CRA Resolution 21-02 and authorize the appropriate officials to execute same.

The purpose of this item is to adopt the Fiscal Year (FY) 2021-2022 Community Redevelopment Agency budget. The proposed budget provides funding to implement the 2018 Clearwater Downtown Redevelopment Plan and the adopted 2021-2022 strategy. CRA programs are focused on creating a positive narrative for downtown, increasing investor confidence and placemaking. CRA projects include the redevelopment of CRA owned sites into mixed income apartments, reducing ground floor commercial vacancy, the beautification of public space through park and streetscape improvements and supporting new community engagement programs.

The highlights of the Fiscal Year (FY) 2021-2022 preliminary budget are as follows:

2021-2022 total Tax Increment Revenue is \$5,149,633 which is an increase of \$318,828 over the \$4,830,805 Amended 2020-2021 revenue, reflecting an increase in taxable value of both the original CRA area and the expanded (Downtown Gateway) CRA.

CRA funds are divided between Operating Expenditures and Project Funds. Operating Expenditures include the services, supplies and expenses that occur during the fiscal year and are primarily used for conducting the CRA's day to day operations as well as consulting services that will begin and end within the fiscal year. Project Funds include Interlocal Agreements, Capital Improvements, and funding for established programs whose work extends beyond one fiscal year. Project Funds carry over from year to year. This year's budget continues the use of project funds established in 2020 that distinguish between City and County TIF dollars.

Operating Expenditures have increased by \$108,691 from FY 20/21 to FY 21/22. This increase is to account for potential new temporary, part time, and/or full-time staff. Operating Expenditures also includes the pass-through revenues, \$301,370, to the Downtown Development Board (DDB).

Transfers Out designates the funding this fiscal year that will be allocated to various Project Funds. County TIF Funds, \$2,233,848 for this fiscal year, are restricted to capital improvement projects, housing and land acquisition. The County TIF funds have been allocated to Economic Development (\$335,020), Housing (\$1,675,104) and Transportation (\$223,724). The costs for Interlocal agreements with the City and Police Department are found in the General Fund and Community Policing lines for a total of \$756,824. The remaining City TIF revenue has been allocated to Community Engagement (\$500,000), Economic Development (\$500,000), and Housing (\$476,021).

Trustee Beckman moved to approve the Fiscal Year 2021-2022 Community Redevelopment Agency Preliminary Budget and

authorize the appropriate officials to execute same. The motion was duly seconded and carried unanimously.

CRA Resolution 21-02 was presented and read by title only. Trustee Bunker moved to adopt CRA Resolution 21-02. The motion was duly seconded and upon roll call, the vote was:

Ayes: 5 - Chair Hibbard, Trustee Allbritton, Trustee Hamilton, Trustee Beckman and Trustee Bunker

- 4.3** Approve an Interlocal Agreement between the City of Clearwater and the Community Redevelopment Agency (CRA) to provide staffing and administrative services for the CRA, provided for the reimbursement of certain expenses by the CRA to the City, and authorize the appropriate officials to execute same.

The Clearwater Downtown Redevelopment Plan establishes that Tax Increment Funding (TIF) funds received by the CRA may be used for certain redevelopment activities. As per Section 163.387, Florida Statutes allow that money in the redevelopment trust fund may be expended to support the activities of the Community Redevelopment Agency, including providing for staff. The CRA partners with the City to provide staffing and other administrative services (IT, Legal etc.) to implement the Downtown Redevelopment Plan.

The CRA agrees to provide TIF funding in a total amount not to exceed \$622,094 for this contract year. This amount includes \$475,324 for existing staffing and \$147,220 for other administrative services and potential temporary, part-time, and full-time staff. These amounts are subject to adjustment and approval in the CRA budget each year. The CRA will only pay the City for actual funds spent. Any unspent funds carry over to the next fiscal year and are reallocated as part of an amended budget request.

Trustee Hamilton moved to approve an Interlocal Agreement between the City of Clearwater and the Community Redevelopment Agency (CRA) to provide staffing and administrative services for the CRA, provided for the reimbursement of certain expenses by the CRA to the City, and authorize the appropriate officials to execute same. The motion was duly seconded and carried unanimously.

- 4.4** Amend the operating budget for the Community Redevelopment Agency (CRA) for fiscal year 2020-2021, approve budget amendments to the CRA Capital Improvement Projects and adopt CRA Resolution 21-01.

Revenue amendments in the operating budget reflect a net decrease of \$4,849. This includes the following decreases to the budget in line with the revenues

received to date:

- A decrease of \$2,170 in County TIF revenues
- A decrease of \$2,593 in City TIF revenues
- A decrease of \$86 in DDB TIF revenues

Expenditure amendments in the operating budget reflect a decrease of \$4,849. This includes the following amendments:

- A decrease of \$2,763 in Printing and Binding
- A decrease of \$2,000 in Employee Expense-Travel
- A decrease of \$86 in Payments to Other Agencies- DDB
- A transfer from Other Contractual Services to Professional Services in the amount of \$25,000 to reflect actual expenditures to date.

The proposed amendments to the CRA Capital Improvements Project reflect a net increase of \$221,931.27. This includes the following amendments:

- An increase of \$221,931.27 in TIF revenues for capital project R2003 - Economic Development - City, representing a transfer from the CRA operating fund for project activities including non-governmental public facilities, redevelopment incentive grants, environmental remediation, commercial façade grants, and land acquisition.

Trustee Allbritton moved to amend the operating budget for the Community Redevelopment Agency (CRA) for fiscal year 2020-2021, approve budget amendments to the CRA Capital Improvement Projects. The motion was duly seconded and carried unanimously.

CRA Resolution 21-01 was presented and read by title only. Trustee Beckman moved to adopt CRA Resolution 21-01. The motion was duly seconded and upon roll call, the vote was:

Ayes: 5 - Chair Hibbard, Trustee Allbritton, Trustee Hamilton, Trustee Beckman and Trustee Bunker

5. Director's Report

CRA Executive Director Amanda Thompson said Story Walk happened over the summer and attracted over 60 participants. The Clyde Butcher exhibit in the Main Library is expected to open in November. She encouraged all to visit downtownclearwater.com to see a listing of all upcoming events. She reviewed a list of new businesses that will soon open in the CRA. She said the Downtown Development Board election is underway and will close on October 13, 2021.

6. Adjourn

The meeting adjourned at 8:28 a.m.

Attest

Chair
Community Redevelopment Agency

City Clerk