

City of Clearwater

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



Meeting Minutes

Monday, August 16, 2021

8:00 AM

Main Library - Council Chambers

Community Redevelopment Agency

Rollcall

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

Also Present – Micah Maxwell – Assistant 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.

A moment of silence was observed in remembrance of the passing of City Manager William B. Horne, II.

2. Approval of Minutes

- 2.1 Approve the May 17, 2021 CRA Meeting Minutes as submitted in written summation by the City Clerk.

Trustee Hamilton moved to approve the May 17, 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 Annual Financial Report

Finance Assistant Director Monica Mitchell said the City always included the Community Redevelopment Agency in its annual audit but a separate audited report is now required by Florida Statutes.

Carr, Riggs & Ingram Senior Audit Manager John Brielmaier presented the audit report and stated that an unmodified opinion with no significant deficiencies was reported. He said one minor finding was identified; the CRA budget was not presented to Pinellas County within 10 days of adoption, as required by the 2020 Florida Statutes. He said the finding was minor and did not require to be mentioned in the report.

Trustee Allbritton moved to accept the Annual Financial Report. The motion was duly seconded and carried unanimously.

- 4.2** Approve an Interlocal Agreement between the Clearwater Community Redevelopment Agency (CRA) and the City of Clearwater to provide CRA funding in Fiscal Year 2021-2022 in the amount of \$252,549.84 to underwrite the cost of additional Community Policing services by the Clearwater Police Department in the Downtown Gateway District, Prospect Lake District, and the Downtown Core District, encompassed by the CRA to address quality of life issues, drug dealing, prostitution, and homelessness and authorize the appropriate officials execute same.

Quality of life issues, drug dealing, prostitution, and homelessness, all negatively impact the re-development plans. Additional community policing resources are needed to effectively address these issues above and beyond the level provided by routine road patrol functions.

An allowable funding source of this active item is the use of CRA Tax Increment Financing (TIF) funds. Florida Statutes allows for the use of TIF funds for "community policing innovations" in the Community Redevelopment Areas. This funding includes \$40,000 to work with the police department to develop a community policing co-responder program. The program will assist police officers with connecting persons encountered in the CRA area with services needed to address homelessness, mental health, drug addiction and physical support services.

The CRA and Clearwater Police Department have reached an agreement on a proposed scope of services and terms as delineated in the Interlocal Agreement. Included in the scope is the delineation of specific, measurable crime reduction targets by which to monitor the success of the initiative as well as providing clear language required by statute assuring that the resources are applied to the CRA/Downtown Gateway area.

APPROPRIATION CODE AND AMOUNT:

Funding for this Interlocal Agreement will be from CRA Project Code R2001

Community Policing

Police Chief Daniel Slaughter provided a PowerPoint presentation.

In response to questions, Chief Slaughter said \$40,000 has been allocated annually for the contracted social service initiative. The initiative includes using undercover operatives and officers to do focused details, when needed. Prostitution is considered human trafficking; the Department generally focuses on the "Johns" coming to the community trying to solicit those services. He said investment in the Gateway and Mercado areas will help address crime; although crime has gone down, the Department's efforts alone cannot hold it forever. There is still some homelessness, blight and prostitution activity but the areas are better than they were a few years ago.

Trustee Allbritton moved to approve an Interlocal Agreement between the Clearwater Community Redevelopment Agency (CRA) and the City of Clearwater to provide CRA funding in Fiscal Year 2021-2022 in the amount of \$252,549.84 to underwrite the cost of additional Community Policing services by the Clearwater Police Department in the Downtown Gateway District, Prospect Lake District, and the Downtown Core District, encompassed by the CRA to address quality of life issues, drug dealing, prostitution, and homelessness and authorize the appropriate officials execute same. The motion was duly seconded and carried unanimously.

- 4.3** Approve the Interlocal Agreement with the Downtown Development Board (DDB) to provide personnel, administrative and management services during Fiscal Year 2021-2022 in the amount of \$78,747.89 and refund the CRA tax increment fee of \$301,369.83 and authorize the appropriate officials to execute same.

Florida Statutes 163.387 requires all taxing authorities, which includes the DDB, to make an annual appropriation in an amount equal to the incremental increase in the ad valorem revenue within the CRA area. The DDB's increment payment is \$301,369.83 according to the Pinellas County Property Appraiser's office.

In a spirit of cooperation to further the downtown redevelopment plan, the CRA Trustees executed the first Interlocal Agreement in Fiscal Year 1999-2000 to provide personnel, administrative and management services to the DDB and to refund the difference between the increment payment and the management fee. This is the twenty second fiscal year that the CRA would enter into the agreement.

Pursuant to Florida Statute 163.01, the CRA and DDB can enter into this agreement in which the DDB agrees to perform certain responsibilities and functions including funding projects and programs consistent with the downtown redevelopment plan. The intent of this agreement is for the DDB and the CRA to work collaboratively on projects and programs that further downtown goals and objectives. The management of the DDB by CRA staff enables the CRA and the DDB to utilize the public dollars more efficiently.

The DDB shall pay the CRA \$78,747.89 for the services agreed to in the Interlocal Agreement.

The DDB approved the Interlocal Agreement at their meeting on August 4, 2021.

In response to questions, CRA Executive Director Amanda Thompson said if the DDB no longer contracts with the CRA, CRA staff would have more time to pursue other items. The CRA provides the infrastructure needed to meet the DDB's public meeting requirements and services for grants administration and marketing. A third party, such as a non-profit organization, would not be subject to the City's purchasing ordinance. She said a third party may also choose not to stream meetings.

One individual supported Item 4.3 and suggested that a committee be created for the Gateway, similar to the DDB, that would allow monies generated in the Gateway area to remain in the Gateway area.

Trustee Bunker moved to approve the Interlocal Agreement with the Downtown Development Board (DDB) to provide personnel, administrative and management services during Fiscal Year 2021-2022 in the amount of \$78,747.89 and refund the CRA tax increment fee of \$301,369.83 and authorize the appropriate officials to execute same. The motion was duly seconded and carried unanimously.

- 4.4** Approve an agreement for the sale and development of the property located at 1250 Cleveland Street and adjacent properties to Archway Partners, LLC for the purposes identified in Request for Proposals and Qualifications (RFP/Q) 43-21 and authorize the appropriate officials to execute same.

The purpose of this item is to request approval of the sale and development agreement between the Community Redevelopment Agency (CRA) and Archway Partners, LLC to redevelop the CRA owned property at 1250

Cleveland Street and adjoining properties for the purposes identified in RFP/Q 43-21.

Background

After receiving two Letters of Interest that aligned with the goals of the Downtown Redevelopment Plan, the Community Redevelopment Agency issued RFP/Q 43-21 for the redevelopment of its 2.35-acre site at 1250 Cleveland Street on May 26, 2021. The request called for a mixed-use or apartment development that maintained or expanded the existing community garden. The RFP/Q did not contain a requirement for market rate or affordable housing but did specify a desire for rental housing to meet the goals of attracting residents to live downtown throughout the year as well as maintaining or expanding the existing community garden on the site.

The CRA received five responses. The projects were ranked on Developers Experience and Qualifications, Legal and Financial Feasibility, Ability to Meet Redevelopment Objectives, and Proposed Timeline for Construction. Three responses were for affordable housing and used the state tax credit process as part of their financing structure and two responses were market rate apartments.

Every project proposed an apartment development, kept or expanded the community garden, had a similar construction timeline and asked for some kind of reduction in the purchase price. After an initial ranking, the committee selected Archway Partners, LLC, Eastman Equity and Atrium to present their responses in further detail.

In addition to meeting the downtown redevelopment goals, Archway Partners, LLC received the top ranking for the following reasons:

- Excellent site and building design that is compatible with the downtown design guidelines and city stormwater requirements
- Feasible financing structure including the less competitive 4% tax credit program and realistic per unit construction costs
- Preservation of the existing community garden and \$500,000 towards a rooftop garden on the proposed apartments
- Commitment to high quality construction and experienced development team including independent environmental sustainability consultants
- Ability to maintain mixed income, affordable housing over a long period of time

Atrium was ranked second because the financial offer was very low compared to the appraised amount without a compelling public purpose to justify the low offer and the construction costs per unit were lower than what other developers were proposing which indicated a lower quality project. Eastman Equity was ranked third because they have not ever completed a housing project and their response relied on obtaining site control of the Frontier property adjacent to this site.

Proposed Project:

The proposed project is a 4-story, 80-unit mixed income, affordable apartment

development. The developer will request an additional 16 units from the density pool, which if granted, will bring the total number of units to 96. The project has an urban design that fits the downtown design guidelines and will complement the new streetscape as well as provide an appropriate transition between the commercial uses on Cleveland Street and the residential area to the rear of the site. There are 109 parking spaces, a rooftop garden and preservation of the existing community garden. There are 50 one bedroom and 46 two-bedroom units that range from 650-975 square feet of floor area. The units will be limited to between 30-80% AMI and will be income restricted for the life of the project. The building will obtain green building certification. The overall project cost is approximately \$28,000,000.

The proposed development agreement is conditioned on the construction of plans substantially similar to those submitted with the original application and the following CRA incentives:

- The purchase price (\$1,350,000) will be returned to the developer in the form of a zero-interest mortgage over 40 years
- The CRA will support an application before the Community Development Board to receive 16 housing units from the density pool
- The Developer must grant and deliver to the City or its heirs, successors, licensees, or assigns, a perpetual exclusive easement over the area existing as a community garden on the Project Site as of the Effective Date on terms, conditions, and a form deemed satisfactory to, and provided by, the City prior to the Commencement of Construction, solely for use as a community garden.
- The Developer can ask the CRA Trustees for one year extension if SAIL financing is not obtained on the first attempt

The applicant is requesting the following funding from the City (which is a separate action from the CRA development agreement):

- \$75,000 HOME loan

Sale of the property, or closing, is anticipated to occur in August 2022. The proposed agreement requires the following conditions to be met prior to closing:

- Approval for the \$75,000 HOME loan from the City
- Securing project financing through tax credits and/or private sources
- Obtaining construction permits
- Requesting 16 additional apartment units from the downtown density pool

The proposed project meets the goals outlined in RFP/Q 43-21 derived from the Principles, Goals and Objectives of the 2018 Clearwater Downtown Redevelopment Plan to support redevelopment projects that are pedestrian friendly, incorporate quality urban design and provide a variety of land uses in downtown, including:

- Policy 12: The City shall make use of Community Development Block Grant, HOME Investment Partnership Program, State Housing Initiatives Partnership program, and other federal, state, and county funds for Downtown infrastructure and increasing affordable housing options.

- Policy 18: The design of all projects in Downtown shall incorporate pedestrian-scale elements that create and maintain an inviting pedestrian environment.
- 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 location Downtown.

Staff recommends the sale and development of this site to Archway Partners, LLC.

In response to questions, CRA Executive Director Amanda Thompson said there are other energy and environmental design certifications that are not as expensive as LEED. Archway Partners representative Dave Heaslip said Florida Housing requires some sort of green design certification. Solar panels are not included in the project. He said solar panels or ev charging stations have not been included in any previous project. The rooftop will include a garden and house the HVAC equipment. He said it would need to be determined if there is sufficient space for solar panels in the remaining rooftop area. In regards to ev charging stations, the matter would need to be discussed with the company president. The size of the retention pond still needs to be determined; the civil engineers are considering an underground vault system, which may allow for a smaller retention pond. The project does not anticipate extending the pond. Ms. Thompson said at a minimum the pond's size will be maintained. Mr. Heaslip said the additional units are not a deal breaker; the project is allowed 82 units. Ms. Thompson said if the density increases, the proportion of units and their affordability must remain the same. Mr. Heaslip said the 30 to 80% AMI units must be maintained for 50 years.

It was suggested that information regarding the cost associated to obtain LEED certification be provided.

One eComment supporting Item 4.4 was read into the record by the City Clerk (see page 11).

Trustee Hamilton moved to approve an agreement for the sale and development of the property located at 1250 Cleveland Street and adjacent properties to Archway Partners, LLC for the purposes identified in Request for Proposals and Qualifications (RFP/Q) 43-21 and authorize the appropriate officials to execute same. The motion was duly seconded and carried unanimously.

5. Director's Report – None.

6. Adjourn

The meeting adjourned at 8:53 a.m.

Attest

Chair
Community Redevelopment Agency

City Clerk

Community Redevelopment Agency on 2021-08-16 8:00 AM

Meeting Time: 08-16-21 08:00

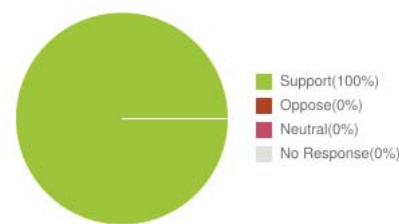
eComments Report

Meetings	Meeting Time	Agenda Items	Comments	Support	Oppose	Neutral
Community Redevelopment Agency on 2021-08-16 8:00 AM	08-16-21 08:00	12	1	1	0	0

Sentiments for All Meetings

The following graphs display sentiments for comments that have location data. Only locations of users who have commented will be shown.

Overall Sentiment



Community Redevelopment Agency on 2021-08-16 8:00 AM

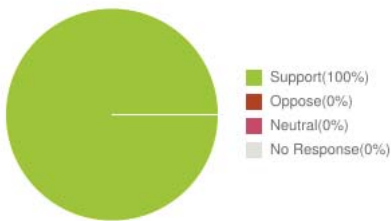
08-16-21 08:00

Agenda Name	Comments	Support	Oppose	Neutral
4.4 ID#21-9456 Approve an agreement for the sale and development of the property located at 1250 Cleveland Street and adjacent properties to Archway Partners, LLC for the purposes identified in Request for Proposals and Qualifications (RFP/Q) 43-21 and authorize the appropriate officials to execute same.	1	1	0	0

Sentiments for All Agenda Items

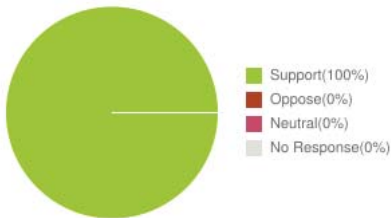
The following graphs display sentiments for comments that have location data. Only locations of users who have commented will be shown.

Overall Sentiment



Agenda Item: eComments for 4.4 ID#21-9456 Approve an agreement for the sale and development of the property located at 1250 Cleveland Street and adjacent properties to Archway Partners, LLC for the purposes identified in Request for Proposals and Qualifications (RFP/Q) 43-21 and authorize the appropriate officials to execute same.

Overall Sentiment



Howard Warshauer

Location: 33764, Clearwater

Submitted At: 1:43pm 08-12-21

From my recent research, it looks to me that you have selected a substantial Florida developer who is very knowledgeable about the type of urban residential development that is needed in the Gateway. They have successfully developed in similar neighborhoods and have put together a design that incorporates the community garden and adds a retention pond next to the garden, which should prove to be an enhancement. It is great that a high caliber developer was attracted to this site and speak well for future enhancements in the gateway. Please vote to support staffs choice.

Thanks, Howard Warshauer