City of Clearwater
Community Redevelopment Agency
FY 2003-2004
Annual Report

Prepared for:
Pinellas County Board of County Commissioners
March 2005

Prepared by:
CRA Staff/Economic Development and Housing Department
A. Introduction

The Florida Community Redevelopment Act of 1969 (Florida Statutes: Title XI, Chapter 163, Part III) provides a vehicle for local communities to form a Community Redevelopment Agency (CRA) and create a Redevelopment Trust Fund through Tax Increment Financing (TIF) for financing improvements within a target area. The City of Clearwater established its CRA in Fiscal Year 1981-1982.

Pursuant to Chapter 163.356(3)(c) of the Florida Statutes, a progress report of the year’s redevelopment activities, including a complete financial statement of assets, liabilities, income and expenses, is due on March 31 of each year. This annual report briefly summarizes the redevelopment activities conducted by the CRA in FY 03-04 and includes the year’s financial statements.

The CRA’s budget for FY 2003-2004 was $1,075,634.

In FY 03-04, the CRA concentrated on several major new projects for the redevelopment area including attracting new urban housing into the downtown core, installing the Downtown Wayfinding Signage, preparing for the Cleveland Street Streetscape project, and draw a movie theater to the downtown core. In addition, the CRA and City updated the Downtown Redevelopment Plan which outlined specific strategies and projects to address housing, economic development, infrastructure, public safety, and community facilities and resources in the expanded CRA.

The CRA worked closely with developers, the Downtown Development Board, Main Street Program, property owners, Clearwater Regional Chamber of Commerce, and other stakeholders to coordinate projects that impact the Downtown and spur catalytic development with the CRA district.

B. New Activity

Approval of the Community Redevelopment Area Plan

In 1981, the City of Clearwater adopted a Community Redevelopment Agency (CRA) area for Downtown that only encompassed approximately 247 acres of the urban core from the downtown waterfront to about Missouri Avenue. Due to changing market conditions and the construction of the new Memorial Causeway Bridge, the CRA needed to be expanded to encourage more residential, office, and retail investment, and redevelopment within Downtown. After extensive research and fieldwork documenting the existing housing, commercial, crime incidents and other existing conditions in the area to document “slum and blight” conditions, a Findings and Declaration of Necessity Analysis was completed in June 2002. In Fall 2002, the City Commission/CRA and Pinellas County Board of Commissioners approved the expansion boundaries of the CRA from approximately Missouri Avenue to Highland Avenue, and from Drew Street to Court Street, or the “East Gateway” neighborhood totaling approximately 201 acres.
In accordance with state laws, a detailed Redevelopment Plan was prepared for the area including Tax Increment Financing (TIF) projections for the new area, all part of the updated Clearwater Downtown Redevelopment Plan. The County approved the Downtown Redevelopment Plan in December 2003 and the city received approval for TIF in February 2004. The expanded CRA area now totals 448 acres.

As part of the Plan process, the CRA participated in developing design guidelines for the entire Downtown Plan Area. The CRA contributed significant staff time to this project. Bi-monthly meetings were held with the Downtown Design Guidelines Steering Committee, made up of Main Street Design Committee members, residents of areas located on the periphery of downtown, local architects and builders, a Clearwater Regional Chamber of Commerce representative, and a representative from the Downtown Development Board.

The Downtown Design Guidelines were adopted into the Plan on 11/04. The guidelines may be found on the city’s website at www.myclearwater.com.

**Request For Proposals/Qualifications (RFPQ) for a Multi-plex Movie Theatre in Downtown Clearwater**

On February 13, 2004, the CRA released a RFPQ to select a qualified developer to develop a multi-plex movie theatre in downtown Clearwater. We mailed over 700 copies of the RFPQ and 2000 notices of its availability on the city’s website to national developers, theatre owners, etc. A non-mandatory pre-proposal conference was held on March 17, 2004.

Two developers 1) The Beck Group and 2) Clearwater Development, LLC submitted proposals on June 30, 2004. Beck Development was eliminated due to being non-responsive. Clearwater Development, LLC was short-listed and selected for an interview. The Selection Committee met again on August 27, 2004 to interview Clearwater Development, LLC and their identified movie theatre operator, AmStar Entertainment, LLC.

The general project location is the property on Cleveland Street between Osceola and N. Fort Harrison Avenues (“AmSouth” Block). The project components are still being formulated, however, the developer is planning for a 12-screen multi-plex theatre with AmStar Entertainment, LLC as its operator.

The Selection Committee unanimously agreed to recommend Clearwater Development, LLC to the CRA to further negotiate the terms and conditions of a development agreement for developing the movie theatre complex in conjunction with a mixed-use development on their site.

The CRA paid for the $7,000 cost of production and distribution of the RFPs.
CRA, DDB and Main Street Program Trip to Daytona Beach and Orlando

Representatives from the CRA/City Council, Downtown Development Board, and Main Street Program along with Economic Development staff visited the cities of Daytona Beach and Orlando on May 13 and May 14, 2005. The group met with city and CRA, DDB, and Main Street Program representatives to find out how their programs are working, the relationships between the groups, downtown strategies, etc. The group also visited the cities of Deland and Winter Park and briefly toured their downtowns.

Daytona Beach and Orlando both had several successful strategies for Downtown revitalization that may be applicable to Downtown Clearwater. Several initiatives/program ideas will be further evaluated by Staff and include:

- Define incentive programs needed to spur desired downtown redevelopment
- Develop a restaurant and retail recruitment strategy to cater to our target markets
- Strengthen our partnerships with property and business owners and develop a market connection between downtown and Clearwater Beach

After evaluation of these program ideas, CRA staff presented three new projects to the Main Street Joint Venture meeting on July 14, 2004 to be conducted in the next fiscal year. These new projects include a downtown market study, a façade design analysis for Cleveland Street and a computer model of downtown.

Station Square Parking Lot Redevelopment Project
In order to spur catalytic redevelopment in the downtown core, the CRA made one of its prime real estate sites, the Station Square Parking Lot site, available for mixed-use redevelopment to include new urban housing and retail in the Downtown core.

The CRA owns the 35,968+/- square-foot site, which currently is used as a public surface parking lot. The CRA issued a Request for Proposals and Qualifications (RFPQ) in May 2003 for the redevelopment of the Station Square Parking Lot Site on Cleveland Street as an office/retail/residential infill development. In July 2003, the CRA selected Beck, LLC as the developer for the project and authorized the negotiation of a development agreement.

The Development Agreement was approved in February 2004. The proposed project will contain a maximum of 146 residential condominiums, 15,000 square feet of restaurant/retail space and 326 parking spaces, of which, 100 will be public. The developer will pay fair market value for the Station Square Parking Lot property which is $720,000. The CRA will hold a mortgage with a 4% interest rate on the property until the developer obtains financing at which time the developer will pay the CRA $720,000 plus accrued interest.

The Developer also agrees to sell to the CRA 100 parking spaces, which will be made available to the public. The CRA and City will assume responsibility to purchase these spaces for $12,500 per space for a total of $1,250,000.

The CRA also agreed to pay for the developer’s impact fees once the building is completed. The CRA allocated $460,000 from the Downtown Redevelopment project account to pay for the Developer’s impact fees over a two-year period, one year after the project receives its certificate of completion.

Bio-Life Building--Estimate for Renovation

After the Bio-Life company vacated the building at 534 Cleveland Street, the owner of the building approached the City/CRA about assisting in getting a new tenant for the building. During these discussions, the owner offered the building to the City/CRA if the CRA would participate in renovating the building and the owner would then deduct the cost of renovation from the monthly rent. Because of the prominent location of this building in the center of the downtown core, the CRA ordered a structural investigation and an evaluation of existing conditions to determine the feasibility of this project.

The cost of this project was $8,185 for professional services.
Proposed and Completed Residential Units in the CRA

The primary strategy for downtown revitalization is the attraction of quality, new urban market-rate housing. The attraction of residents into our downtown acts as a catalyst for increased retail, restaurants and entertainment venues. The CRA and City have been working with developers as they progress through the development process. Attached is a map that outlines proposed, under construction, or completed residential units in the Downtown (some lie outside the CRA). Below is a sample of several key projects in the CRA.

Ewing Place Townhomes – 10 Units

Court City Homes – 13 Units
Clearwater Automotive Land Exchange—Miller Property Purchase

Long an impediment to the future redevelopment around the Town Lake area and the CGI Campus, this automotive scrap storage facility was acquired by the City in October 2003 through an exchange of real property between the City and Clearwater Mall, LLC with a value of $1,200,000.

This exchange contract resulted in a remnant parcel (Miller Property) that the CRA acquired so as to consolidate the block into a potential redevelopment site. The 7,850 square foot parcel is adjacent to the Clearwater Auto Salvage Yard and was purchased for $48,000. Due to multiple prior commitments on current CRA funds, the Downtown Development Board (DDB) agreed to loan the CRA $48,000 for this purchase at 0% interest, on the provision that the DDB would share proportionately in any future gain through the sale of the combined redevelopment parcels.

CRA committed to pay for the real estate taxes of the entire property. The CRA also paid for the closing costs of the transaction.
C. Multi-year Projects and Commitments

Streetscape, Wayfinding and Station Square Park
Master Plan and Implementation

Creating a pedestrian-friendly, destination downtown environment, coupled with significant entrance and directional signage is a key element of the Downtown revitalization strategy. The City retained Bellomo-Herbert and Company, Landscape Architects in August 2002 to develop a Master Streetscape and Wayfinding Program for Downtown (including the expanded CRA area). The firm prepared a Streetscape and Wayfinding Master Plan as well as conceptual plans for the expansion of Coachman Park and the redevelopment of Station Square Park.

The firm is now preparing construction drawings for the streetscape improvements on Cleveland Street between Osceola and Myrtle Avenues and Station Square Park with construction scheduled to begin once the new Memorial Causeway Bridge opens (Dec/Jan 06). The cost of preparing the construction documents for the Cleveland Street Streetscape in the amount of $371,828 is being funded from Penny for Pinellas. The anticipated $4.7 million construction cost will be funded from Penny for Pinellas ($3.7 million) and from the CRA ($1 million). The $1 million allocated from CRA funds came from this year’s operating budget and the sale of the Station Square Parking Lot.

**Downtown Wayfinding Signage**

This fiscal year, Bellomo-Herbert completed construction documents for the Downtown Wayfinding Signage project. This project includes the installation of 50 signs throughout the downtown core to assist vehicular and pedestrian traffic find a variety of city and county locations downtown. Most importantly, the signs identify how to find parking. The Harborview Center, Coachman Park, Library, city and county buildings are identified in the signage.

The CRA allocated $27,380 for the preparation of the Wayfinding and Signage construction documents. The City’s Community Development Block Grant funds will pay for project implementation.
Mediterranean Village

On March 7, 2002, the City Commission approved an Interlocal Agreement between the City and CRA regarding the Brownfields site initially known as Dimmitt Chevrolet Property B to facilitate the proposed redevelopment of the site (now called the Mediterranean Village in the Park Townhomes). The CRA purchased the land and is paying impact fees, permit fees, utility connections fees and stormwater fees for this 100-unit residential project estimated at $18 million. The City has committed to certain environmental remediation on the property pursuant to the BSRA (Brownfields Site Rehabilitation Agreement) entered into between the City and FDEP (Florida Department of Environmental Protection) on July 26, 2001.

As part of the 3-year Development Agreement, the CRA committed to pay for the impact, permit and other associated development fees. In addition, the CRA covered some additional legal fees to complete the required actions of the Agreement ($1,413 for legal counsel Akerman Senterfitt & Eidson, P.A. for ongoing environmental legal advice) and a portion of the remediation activities conducted by URS Corporation ($20,717). The CRA also cover the maintenance of the property (Landscape $3,250 and Fencing $2,436).

This year’s annual commitment for the loan for the purchase of the property is $136,103 (includes principal and interest).

IMR/CGI Landscaping Fund

According to the IMR/CGI Development Agreement, the CRA made a multi-year commitment to allocate the TIF generated from this project in a project fund to pay for streetscape or landscaping improvements around the immediate site. The CRA made its final commitment last year. The CRA’s goal is to use these funds in later years as part of
a Phase 2 for the Cleveland Street Streetscape Project between Myrtle and Missouri Avenues.

**IMR/CGI Environmental**

As part of the Development Agreement, the CRA committed to ongoing environmental monitoring of the site.

**Jolley Trolley**

The CRA subsidizes the Jolley Trolley, a non-profit trolley system, to provide reduced rate service between the Downtown and the Beach. The CRA’s annual contribution is $50,000.

**Downtown Clearwater Farmer’s Market**

The Downtown Clearwater Farmer's Market, in its tenth year of operation, sells fresh produce, baked goods, gourmet foods, unique gifts, crafts, flowers, and plants on Wednesday mornings from October through April in Station Square Park. In anticipation of the construction of the Station Square Condominiums where Station Square Park will be used as a staging area, CRA staff worked with the manager of the Farmer’s Market to find an alternative location for the market beginning in October 2004. The City Hall Parking Lot was the preferred location and the CRA recommended the use of the parking lot area to the City.

The CRA funds the Farmer’s Market annually for $5,000.

**D. CRA Programs**

**Main Street Program**

The Economic Development and Housing Department administers the city’s Main Street Program through a full-time Main Street Coordinator and four standing committees – the Joint Venture Committee, the Promotion Committee, the Design Committee, and the Economic Development Committee. The Executive Director of the CRA chairs the Joint Venture Committee containing representatives from each of the Main Street committees, the Downtown Development Board, and the City Council.
Main Street received a Florida Festivals & Events Association Red Baron Media Award for Best Newsletter for the Main Street Update, a quarterly publication used to communicate with downtown businesses, property owners and workers. Florida Main Street also recognized the Clearwater Main Street Update as the Best Newsletter at their annual conference held in October 2004.

The committees were involved in a host of activities during the year that included:

- Participating in the development of the Downtown Design Guidelines.
- Creating the downtown Clearwater Shopping & Dining Guide.
- Surveying downtown merchants and collecting data regarding the current conditions of the business climate for recruitment purposes and communication methods.
- Coordinating Fall and Spring Cleanups in conjunction with Keep Pinellas Beautiful. 183 volunteers collected almost 15 tons of trash at the cleanups.
- Assisting with the Holiday Lighting along Cleveland Street.
- Assisting the Farmer’s Market during their special events including the Super Soups event, the Farmer’s Market 9th Anniversary Celebration and the Chili Extravaganza.
- Receiving over 70 inquiries concerning downtown businesses concerns.

**Façade Improvement Grants Program**

The CRA offers a Facade/ Storefront Improvement Grant to attract new businesses and to retain existing businesses within the district. The facade improvement program encourages aesthetic improvements and retention of character in the urban design district. The grant offers up to a maximum amount of $5,000 per building owner or tenant. The funding formula is a 50/50 split between the applicant and CRA.

The CRA funded three façade improvement grants totaling $14,062.40.

**Cleveland Street Maintenance**

The CRA has committed $10,000 per year for the general maintenance of planters, bricks, street furniture, etc. on Cleveland Street and has included items such as bench replacement, planter rebuilding, and updating the planter flowers twice a year.
Downtown-Gateway Strategic Action Program

The Downtown-Gateway Strategic Action Program began in February 2002 as a partnership between the CRA, Main Street Program, DDB, the Clearwater Regional Chamber of Commerce, property owners and tenants to identify specific actions for improving downtown Clearwater. Through a strategy meeting and tour of the area, the group identified the strengths, challenges, and opportunities Downtown as well as short-term action items to be accomplished in one to three years. From these meetings, a matrix was developed defining projects, programs, and costs by year as well as priorities for the future redevelopment of Downtown and the Gateway. The Downtown-Gateway Strategic Action Program is reviewed and revised on a yearly basis. Attached is the matrix that included the new projects for the upcoming fiscal year.