1. Call to Order and Roll Call

2. Organizational Matters:
   • Approval of the Agenda
   • Approval of the Minutes from the February 26, 2018 Meeting

3. Public Comment

4. Presentations:
   • Review of the Real Estate Development (RED) Grant for West Bay Lofts (500 & 600 Block of West Bay Drive)

5. Items from Members of the Board (including remarks regarding old or new business)
   • Old business:
     • Legislative Update

6. Next Meeting Date – Monday, June 25, 2018

7. Adjournment of CRAAB Meeting*

*The Community Development Advisory Board (CDAB) meeting will immediately follow.

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1 Individuals addressing the Board during the public comment portion of the meeting will be allowed to speak on agenda items only and will be limited to three (3) minutes, unless granted additional time by the Board.
Call to Order and Roll Call

The February 26, 2018, the meeting of the Community Redevelopment Agency Advisory Board (CRAAB) was called to order at 6:07 PM by Board Chair, Maria Kadau.

Roll call was held:

Board Members Present: Maria Kadau, Janyce Cruse, Anita McHenry, Allison Broihier, Neil McMullen, Beverly Gatewood, Joe Barkley, Laura Guroian, and Jay Dingman.

Board Members Absent: Chris Peoples and Stacey Shaffer.

Also in attendance: Commissioner Donna Holck, Director of Community Development, Carol Stricklin, Assistant Director of Community Development Robert Klute, Economic Development Manager Teresa Brydon, Planning Manager Rick Perez, Economic Development Coordinator Karisa Rojas-Norton, Planner Katrina Lunan-Gordon.

Organizational Matters

Introduction of new Board Member.
Board Chair Kadou introduced new Board Member Laura Guroian, owner of Evermore Cafe in Downtown Largo, within the West Bay Drive Community Redevelopment District.

Approval of agenda.
Cruse made a motion to approve the agenda. Gatewood seconded the motion. Motion approved with 9-0, with 2 members absent.

Approval of minutes.
Cruse made a motion to approve the minutes. Broihier seconded the motion. Motion approved with 9-0, with 2 members absent.

Public Comment
None
Presentations:

Discussion of the Advisory Board Review

Community Development Director Stricklin presented the memorandum regarding the Advisory Board Review by the City Commission. She explained that the City Commission desires to know how the City’s Advisory Boards see their role in relation to the City Commission to make sure the boards are using their time effectively and meaningfully, and are providing contributions to staff. Stricklin asked the Community Redevelopment Advisory Board two questions:

1) What is your perception of the current role of the board?
2) What do you see as your preferred role?

The Board Members responded the following:

- Board Chair Kadau stated that for both Boards, the packet for the CDAB and CRAAB and the meetings are well-run in comparison to other advisory boards and she stated she is happy with what staff provides. There needs to be some areas of focus and cohesion. The members are happy to attend City Commission Work Sessions if they are available and take training.
  - On the CDAB:
    ▪ The members are diverse, all different ages, with varied beliefs and ideas to bring to people. She expressed that in looking at the packet of comments from other members of Advisory Boards, and agrees that there is a role for technology but monthly meetings are working. The CDAB has flexibility to table meetings if needed, and dedicate March and April to non-profit groups. She expressed that as a Board member she feels needed and that her input is valued. Chair Kadau added that she feels there is value in the historical nature that the CDAB covers.
    ▪ She suggested that she would be interested in seeing some cross-over from the other City Departments and Advisory boards, such as a report on events from Recreation Parks and Arts staff on the impact of City events such as the holiday stroll and 4th of July events. She would like to know what is being built in the City such as the walkways, the bike lanes. City staff needs to do more community outreach and share the interaction and outreach opportunities.
  - On the CRAAB:
    ▪ She stated that the City has good representation across the board with a diversity of races, renters, owners, mobile home residents and residents from the west end and the east end of the City. Kadau added that she used to participate in the Downtown Largo merchants organization and was happy to go and learn the needs of business owners and she relies on Teresa in Economic Development for information on business updates. She commented that she would like to see more consistency with CRAAB members. The members want value and on the CRAAB there has been some turnover. Her suggestion that maybe a meeting should be held more often then every three months.
- Board Vice Chair Cruse responded that the advisory boards support the City Commission, give suggestions regarding topics such as neighborhoods, churches, restaurants, and other community services. The Boards are a way for the City to get information to the neighborhoods.
  - On the CDAB:
    ▪ Cruse stated that the board members interact with the residents and the Boards reflect the community as a whole from renters to homeowners, mobile home communities, businesses, and more. She shares all of her information from her Board meetings with her neighbors and she encouraged all of the CDAB/CRAAB members to do the same. She also sees it is her role to educate those unable or unaware of the programs offered by the City.
  - On the CRAAB
    ▪ The CDAB already adjusts meetings for the year and we need to adjust for timelines for the CRAAB.
- Board Member Gatewood shared her experience on being on the CDAB and CRAAB, it’s very informative
and she learns a lot about Largo and she can speak to her experience living in Largo.

- **On the CDAB:**
  - She expressed that her concern is representation for the senior community because of their housing needs.

- **Board Member Broihier expressed the following:**
  - **On the CDAB:**
    - As Board Member she recognizes that funding and opportunities for affordable housing is drying up but as a community we need to continue to enjoy and welcome others. As property values go up and redevelopment occurs the City needs to look at finding opportunities that are not just luxury apartments but a place for everyone. She further added that it sounds like the Boards need to be more flexible.
  - **On the CRAAB:**
    - She likes the idea of the CDAB and CRAAB together and appreciates both perspectives from the Boards. If it is necessary to have three meetings in a row, or have greater frequency on CRA activities, a different meeting schedule needs to be considered.

- **Board Member McHenry stated that her view is that she is vested in CRAAB/CDAB interaction.**
  - **On the CRAAB:**
    - She stated that she feels a connection especially to the CRAAB because she lives in a community redevelopment district. She expressed she wondered how quarterly meetings are keeping up but there should be more flexibility with at least six meetings.

- **Board Member Guroian stated that she is flexible on CRAAB meetings if there are timelines.**

- **Board Member McMullen expressed that as a CRAAB member, the Board is looking for certainty and real schedules for development. We need to consider how much of the CRAAB/CDAB requirements are driven by the state statutes and administratively.**

- **Board Member Barkley responded that for the CRAAB, he views his role on the board as advisory for redevelopment. He expressed that it is frustrating looking at vacant property in Downtown Largo for so long and it takes 1.5 to 2 years to do anything. The City needs to look at engaging developers that having funding in place. The Board is overseeing in a very limited way, the redevelopment of the area.**

- **Board Member Dingman stated that as a CRAAB unfortunately, he didn’t have much to add because he is so new to the position. He added that Teresa is a good source of information for the Board.**

- **All the Board Members raised their hand when asked if they share information that they learn at the board meetings.**

- **In response to the comments, Board Member McMullen asked how much of the CRAAB and CDAB metings are driven by State of Florida statutes. Director Stricklin responded that the formal role is to hold hearings for the Housing Division. The information the City Commission is seeking is how to make the process effective. The CDAB is the sounding board for the community. Planner Lunan-Gordon added that the CDAB also plays a role in the modification of code lien forgiveness, the Comprehensive Plan, and more.**

- **Commissioner Donna Holck stated that the CDAB is the voice of the community and their comments are shared with the City Commissioners.**

- **Vice Chair Cruse added that the CDAB is a way for the City to get information to the neighborhoods. Director Stricklin added that the City does have a community outreach coordinator in the City Manager’s office. Brenda even speaks Spanish.**
Board Member McMullen stated that he had questions regarding the CRA House measure, a CRA audit, the failure of Forward Pinellas to add funding for the Rosery Road project, the West Bay Drive Complete streets status and the Gateway project. Economic Development Coordinator stated that she would be giving an update under Old Business about the CRA legislation and the CRA audit is performed along with the City’s annual audit. Planning Manager Perez stated that in the Forward Pinellas Grant process, the City was not selected for grant funding for the program. Economic Development Manager Brydon added that the West Bay Drive Complete streets project status is on hold by Pinellas County in order to bring on a consultant, but we continue to move forward with the design and improvements for the West Bay Drive trailhead. She added that the Gateway Project is just beginning.


- The Board determined the staff should remove the “Not your Grandmother’s Largo” and the photo of the pocket park from the cover of the Annual Report.
- Broihier stated the total liabilities line needed to be fixed.
- Barkley stated that he would like to see information on the Medical Arts District. He also asked about the status of the City’s consideration of the adjacent golf course. Brydon responded that staff is looking at the feasibility and looking at soils testing and boring.

Items from Board Members (including remarks regarding old or new business)

Old Business

- Legislative update:
  - Rojas-Norton explained that the session is ending soon and the House and Senate CRA bills could go either way. She stated that she may be updating the CRAAB members with an email that would require a quick turnaround to write to our legislators. At this point some of the bills are being consolidated with others into a “legislative train.” House Bill 883 was amended by the House Government Accountability Committee and expanded the bill to include HB 17 related to CRAs. This bill could be modified to include any legislation that affects cities and counties. Staff will provided email updates to the Board.

New Business

- CRA Budgetary Considerations and recommendations for Fiscal Year 2019:
  - Brydon asked the members to consider any recommendations on the Budget for what they would like to see in the West Bay Drive Community Redevelopment District for Fiscal year 2019.
  - Broihier asked if the City was going to be looking at the street adjacent to the McDonalds on the north side of the road on West Bay Drive. She stated the rubber posts are not working and it looks bad. Brydon responded that the whole area will undergo resurfacing and stormwater improvements, as well as some traffic calming.

- Status update regarding the new re-designed City website:
  - Rojas-Norton stated that staff is projecting that the site will be ready by April 1st.

Next Meeting Date

The next meeting was confirmed to be held on June 25, 2018.

Adjournment

Gatewood made a motion to adjourn the meeting. Cruse seconded the motion. The meeting was adjourned by Chair Maria Kadau at 7:57 PM.
MEMO DATE: April 19, 2018
AGENDA DATE: April 30, 2018
TO: Community Redevelopment Agency Advisory Board Members
FROM: Karisa Rojas-Norton, Economic Development Coordinator
TITLE: Real Estate Development (RED) Grant for West Bay Lofts, 500 & 600 Blocks of West Bay Drive

Background:

In March, staff received the first Real Estate Development (RED) grant application. The RED Grant was established in May 2014. The City Commission, in their capacity as the Community Redevelopment Agency (CRA), established this economic development incentive within the West Bay Drive Community Redevelopment District (WBD-CRD). The intent of the incentive is to expedite multi-story, mixed-use development with an office component in the WBD-CRD.

The RED Grant is a reimbursement incentive made by the CRA of up to 50% of Largo’s portion of the tax increment generated by the project on a yearly basis for up to ten (10) years. The remaining 50% of Largo’s tax increment and 100% of the County’s tax increment is retained by the CRA to reinvest into the WBD-CRD. The developer that is awarded a grant does not receive a payment from the CRA until the project has been completed and is 100% on the tax rolls. The incentive is paid in yearly installments only after the developer has provided proof that the taxes have been paid in full for the year. The reimbursement would be based on the terms and conditions of a grant agreement between the CRA and the property owner and shall only be available as long as tax increment is available. A RED grant agreement is contingent upon approval by the CRA Board.

In order to determine whether an applicant is eligible to apply for an incentive award, staff must receive the application, and present the request and an analysis to the Community Redevelopment Agency Advisory Board (CRAAB) for a financial recommendation.

Attached, is the incentive review package for the West Bay Lofts. The developer, Gary Tave, with Largo Central LLC, will be in attendance at the CRAAB meeting to answer questions.

Budgetary Impact:

Based on staff projections and completion of the project, the financial recommendation will impact the Fiscal Year 2021 Budget.

Requested Action:

Staff is seeking a recommendation from the CRAAB on the percentage of tax increment and on a length of time to award this reimbursement incentive for developing the mixed-use project.
Potential Motion/Direction Requested:

The CRAAB recommends/does not recommend a grant award for Largo Central LLC, for the *West Bay Lofts* project.

If a financial recommendation is made, how much percentage of Largo’s portion of tax increment, and for how many years has the CRAAB recommended to forward for approval to the CRA Board?

Attachment:

Incentive Review Package
MEMO DATE: April 19, 2018
PRESENTATION DATE: April 30, 2018
TO: Community Redevelopment Agency Advisory Board Members
STAFF CONTACT: Karisa Rojas-Norton, Economic Development Coordinator
Phone: 727-586-7360 x 7206, Email: krojasno@largo.com

TYPE OF GRANT REQUEST: Real Estate Development (RED) Grant for West Bay Lofts

Applicant:
Gary Tave, Largo Central LLC

Project Site:
The 500 block of West Bay Drive and a large portion of the 600 block of West Bay Drive (see attached map)

Project Description:
The applicant’s proposed mixed-use development, West Bay Lofts, will have 123 Class A market rate residential rental units above 40,000 gross square feet of commercial space and accompanying structured parking. The project encompasses almost two complete City blocks in the core downtown area that totals approximately 2.76 acres. The mixed-use development is made up of two multi-story buildings. The building to the west will be three (3) stories and the eastern building, a five (5) story structure that will house the structured parking, a pedestrian bridge will connect the two buildings. The total project cost is programmed to be $48,852,990.

The facility is designed to encompass innovation, efficient construction methods such as modular and prefabrication technologies and will incorporate design elements and materials to reduce energy and water consumption as well as maintenance requirements. It is also being designed to meet the standards of the West Bay Drive Community Redevelopment District Plan. The buildings will front West Bay Drive and the first floor will have a height of twenty feet, provide an active first floor with the commercial space, and it is the developer’s vision for the buildings to be iconic structures for downtown.

Amenities for the residential rental units will include an on-site fitness facility, a business center for residents, guest suites, a roof-top pool and entertainment areas with kitchen facilities in the central amenity core area as well as on the rooftop terrace. Each individual residential unit will have nine foot ceiling heights, ceramic flooring, and stacking washer/dryer units. A unique design will be that all mechanical systems will be located outside of the “living envelope” of the units so that no air conditioning equipment or water heater will be in the living space, which removes the noise and maintenance from the residential units.

In addition to the investment in the building's spaces being designed with an emphasis on efficiency, durability, and ease of use, the developer is proposing to do an underground installation of power lines along the right-of-way on all the project roadways to complement the aesthetic of the neighborhood. The right-of-way streets consist of West Bay Drive, Ridge Road, 5th Street, 6th Street and 1st Avenue NW. The anticipated project
schedule for the mixed-use project has start date of July 2018 with a completion at the end of August 2019.

Background:

The Largo Community Redevelopment Agency (CRA) in 2006 and 2007, purchased seven properties in two separate transactions that make up the 500 block of West Bay Drive at a total cost of $2.45 million. At the time of purchase, the block contained several commercial buildings and a single family home. In 2009, the CRA demolished four commercial buildings and the single family home was preserved and relocated within the neighborhood. The two commercial buildings that remained had active leases. In February 2015, the CRA sold the 500 block to Largo Central LLC for the development of a mixed-use project to be built on the site. Largo Central LLC then purchased the majority of the 600 block in May 2015 for $1.55 million.

Following the transaction with the CRA, Largo Central LLC requested that the City vacate the alleys located within the footprint of the 500 block and that portion of the 600 block of West Bay Drive that they owned, along with a portion of of 6th Street that connected the two blocks. These alleys were no longer needed by the City and the City Commission granted the request in 2016 to remove barriers to redevelopment of the site.

Staff Analysis:

Conformance with the West Bay Drive Redevelopment District Plan

The proposed site for the West Bay Lofts is located within the West Bay Drive Community Redevelopment District, and has an underlying Character District designation of Mixed-Use Corridor (MUC). The MUC Character District includes the highest residential density and commercial development intensity within the WBD-CRD. Projects developed in this district are required to have multiple stories and have an active ground floor use. The applicant requested a Development Agreement (DA) in order to obtain a bonus density to 45 units an acre and to construct a seven story structure on the 500 block. The DA was approved by the Largo City Commission in June 2016, and then amended in January 2018. The project was presented at the January 6, 2016 Design Review Committee and staff has determined the concept presented met the intent of the WBD-CRD Plan.

Criteria

The Real Estate Development Grant is the incentive being requested by the applicant. This is the second time an incentive request has been presented to the CRAAB for a redevelopment incentive. The first incentive was granted in 2015 by the CRAAB and the CRA for the 158 Ridge Road Apartment Homes under the Housing Infill Program (HIP). It is important to note the difference in the purpose and payout structures between the HIP Grant and the Real Estate Development (RED) grant:

- The HIP grant incentive is specifically for infill multifamily housing or single family housing only and the grant is paid in installments to the developer at milestones throughout the construction, inspection, and completion process of the building.

- The RED grant is to expedite mixed-use and office development in the WBD-CRD with a focus on multi-story projects that have commercial ground floor uses, or mixed-use projects that include an office component. The developer that is awarded a grant does not receive a payment from the CRA until the project has been completed and is 100% on the tax rolls. The incentive is paid in yearly installments only after the developer has provided proof that the taxes have been paid in full for the year.

The RED grant incentive is a reimbursement made by the CRA of up to 50% of Largo's portion of the tax increment generated by the project on a yearly basis for up to ten (10) years. The remaining 50% of Largo's tax increment and 100% of the County's tax increment is retained by the CRA to reinvest into the WBD-CRD. The RED grant program requires the applicant to meet specific eligibility requirements. Staff has determined
the developer is eligible to apply and meets all following requirements of the program:

1. Construction has not began on the project.
2. The applicant is not a non-profit and is subject to property taxes.
3. The improvements to the site, public improvements, and new construction are consistent with the goals of the WBD-CRD Plan.
4. The land is owned by the applicant.
5. The project will contain more than 5,000 Square Feet of Office space.
6. The entire first floor is a non-residential active use (retail).
7. The property and completed project will be held by the applicant for long-term integration into an existing portfolio of property under management.
8. The property is free and clear and has no municipal or county liens, judgments or encumbrances.

**Tax Increment Fund Contribution**

In order to conduct an analysis on the amount of taxes that this project will generate, staff consulted with commercial appraisers from the Pinellas County Property Appraiser's office, the City of Largo Finance Department, and the Building Division.

Staff used the projected assessed value after completion of West Bay Lofts to analyze the amount of taxes generated. The proprietary construction estimate provided by the applicant's licensed contractor, the construction value for the two buildings and associated site improvements and parking structure aligns with the building valuation data standards set forth by the International Code Council (ICC). The ICC is the standard used by municipalities and building professionals to determine the average construction costs per square foot.

The estimated assessed valued was determined to be $49 Million dollars for the West Bay Lofts project. Under this assumption, and based on a conservative increase of 5% in assessed value year-over-year, staff determined that West Bay Lofts will generate an estimated total of $6,685,935 by the end of Fiscal Year 2030 for the WBD-CRD tax increment fund. The revenue calculations used the 2017 City and County millage rates and conservatively made no assumption in increases to the millage rates.

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<th>Revenue Generated by West Bay Lofts Over a Ten Year Period (Starting in Calendar Year 2020)*</th>
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<td>City of Largo Tax Increment</td>
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<tr>
<td>Pinellas County Tax Increment</td>
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<td><strong>Total</strong></td>
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*Based on 2017 City and County Millage rates
Assuming 5% growth rate in assessed value
Assuming base year is on assessed value (2017)
Assuming initial assessed value is $49 Million
Aside from the real property improvements being made by the developer, Staff anticipates that the West Bay Lofts will contribute many non-monetary benefits to the neighborhood such as:

- Pedestrian improvements
- Landscaping and lighting improvements
- Expanded public parking on-street and parking in the structure
- Retail, shopping, dining and personal services amenities
- Enhanced daytime and resident population for the surrounding restaurant and retail resulting from new offices, employment and new residents
- Downtown living

Additionally, staff believes that the West Bay Lofts will provide an economic lift to the area. The new residents will be in close proximity to frequent the existing restaurants, retail and service providers in Downtown Largo. The new construction will provide opportunities for new businesses to move into updated tenant spaces. Staff anticipates that the West Bay Lofts will be one of several redevelopment projects that will transform the redevelopment districts to a more urban community.

Funding Recommendation

Based on the RED Grant program guidelines, the West Bay Lofts project is eligible for a grant award of up to 50% of Largo’s portion of tax increment generated by the new construction on a yearly basis, for up to ten years. It is important to note that the true dollar figure will not be able to be calculated until the project has been completed and has been placed on the tax rolls. Any agreement between the CRA and the applicant for a grant will be based on a percentage of the tax increment and not necessarily a specific dollar amount. The TIF program for the WBD-CRD will sunset in 2030 and therefore any tax increment collected for Fiscal Year 2031 and forward cannot be committed to an incentive award.

Therefore, staff is seeking a recommendation from the CRAAB on the percentage of TIF and on a length of time to award this reimbursement incentive for developing the mixed-use project. Here are two examples:

- The maximum recommendation for this project grant could be the award of a 50% reimbursement of TIF generated by the West Bay Lofts project, for a period of ten (10) years, or by December 31, 2030, whichever comes first.
- A recommendation for this project grant could be 40% over a period of seven (7) years or by December 31, 2030, whichever comes first.

If the CRAAB recommends a financial incentive for this grant application and the CRA approves the award, the funds will be processed as a reimbursement to the developer after property taxes are paid following the year of completion of construction, upon proof of payment of taxes.

If a RED grant award is recommended by the CRAAB, the next step in the process is to forward the recommendation to the CRA Board.

Attachment:

Map of the 500 and 600 West Bay Drive Blocks
Aerial of the 500 and 600 West Bay Drive Blocks
Proposed Site Plan and elevations
**500 BLOCK WEST BAY DRIVE MIXED USE**
**LARGO, FLORIDA**
**SQUARE PEG DEVELOPMENT, LLC**

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<th>MOBIUS Architecture</th>
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<th>CIVIL</th>
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**Image Description**

*Image of a multi-story building complex with modern architectural design, surrounded by green landscaping. The building features balconies, large windows, and a mix of materials, indicating a mixed-use development.*

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*This page contains information about the development of 500 Block West Bay Drive, including details about the owner, MOBIUS Architecture, MROG, civil, structural, and mechanical electrical plumbing teams.*