



COMMUNITY REDEVELOPMENT AGENCY EXECUTIVE SUMMARY

To: Bogdan Vitas Jr., City Manager

Through: Mark Finigan, Assistant City Manager
Donald Leland Craig, AICP, Director of Community Development Services

From: Nicole Malo, Planner II

Meeting Date: February 4, 2014

Re: CRA Consideration of Tax Increment Fund Appropriations - Recommendation for funding for Fiscal Year 2013-2014, from the Bahama Village Redevelopment Advisory Committee

Attachments

2011 Strategic Plan Excerpt

BVRAC Official Rankings and Minutes - January 2, 2014 Meeting

BVRAC Review and Ranking Package from January 2, 2014, including:

- Executive Summary
- 2014 Scoring and Ranking Form
- Application Summary Table

Applications:

- Newman United Methodist Church
- Green Jobs and Futures
- Habitat for Humanity
- 213 Petronia Street
- Bethel AME Zion Church
- KW Africana Festival

Action Statement

This request is for the approval of the Bahama Village Redevelopment Advisory Committee (BVRAC) Community Redevelopment Trust Fund (CRTF aka. TIF) ranking and funding allocation recommendations for the 2013-2014 fiscal year for projects located within the Bahama Village Subarea.

Strategic Plan

The CRTF funding allocation process is guided by the 2010 Amended and Restated Community Redevelopment Plan. The Strategic Plan recognizes the need for a long-range capital plan (see attached) which is slated for completion in 2014.

Background

On September 30, 2013 the Planning Department received four (4) complete applications for the Bahama Village Subarea 2014 Community Redevelopment Trust Fund (CRTF aka. TIFF). With permission from the City Planner/Director of Community Development Services two (2) applications were given deadline extensions.

Approximately \$456,000 in funds have been gained in the CRTF since last year; although as discussed at several BVRAC meetings this year and agreed upon at the November 7, 2013 and the January 2, 2014 BVRAC Meeting, at least \$40,000 of the 2014 tax increment will be reserved for the Long Range Expenditure Master Plan with a Highest and Best Use Analysis for the former Assisted Living Facility site on the Truman Waterfront parcel and \$10,000 will be reserved for BVRAC, CRA and Staff training in 2014. Therefore, \$400,000 is available to be allocated for projects/programs this year.

On January 2, 2014 the attached 2014 CRTF Application Scoring and Ranking form was used by the BVRAC for the first time in order to more objectively rank and allocate funding for each application. By averaging the findings of each BVRAC Member's Application Scoring and Ranking form the following ranking and funding results. A total estimated amount of \$400,000 was available to the BVRAC for possible appropriation. A total of \$277,403 has been recommended for appropriation as follows:

Ranking Position	Funding Allocated
1. Habitat for Humanity	\$74,000
2. Green Jobs and Futures	\$61,213
3. Newman Rehabilitation Building Project	\$62,190
4. 213 Petronia St.	\$70,000
5. Bethel AME Church	\$10,000 for Fellowship hall portion of request only
6. KW Africana Festival	\$0
Total	\$277,403

Schedule

September 30, 2013	Applications due to Planning Department
December 5, 2013	BVRAC Meeting: BVRAC hears applicant presentations;
January 2, 2014	Staff presents findings; BVRAC scoring and ranking; Application ranking established and recommendations made to the CRA.
February 4, 2014	CRA Meeting - Review of BVRAC recommendation.

Recommended CRTF Application Summaries

BVRAC is recommending to the CRA that the following five (5) projects are funded a total of \$288,464 for the FY2014.

1. Habitat for Humanity (HFH) – Neighborhood Revitalization Initiative

The proposal is for the HFH Neighborhood Revitalization program that was funded for the second time by the BVRAC in 2013. The proposal is for repairs and improvements to residential properties that qualify for HFH needs based funding. The program is made possible by volunteer services that do not have to be reimbursed.

Recommended funding amount: \$74,000

Amount Requested: \$75,000

Matching Funds: No matching funds are proposed to date for the Habitat for Humanity request; although, HFH typically partners with other existing organizations that administer home improvement programs and other grants; and provide services that allow their funds to be heavily leveraged such as administering the contract work, acquiring reduced or pro-bono architectural services, volunteer construction services, and reuse of materials; lastly, sweat equity is a requirement of homeowners eligible to receive HFH funding.

Considerations: This project is highly leveraged between public entities and non-profits where volunteer/in kind manual labor is used. This program has in the past operated to alleviate blight on individual residential structures.

2. Green Jobs and Futures

This request is for a sustainability program in partnership with Key West High School, Monroe County Extension Services, Habitat for Humanity, the City of Key West and A Positive Step. Key West High School students enrolled in the school's existing Sustainability Solar Energy class this spring will be trained in weatherization and energy and water efficiency identification and minor repairs. The students will approach 150 single family properties within the BVCRA to identify and record energy inefficiencies within each structure. The students will be supervised on-site by the County's energy expert, and provided with the appropriate tools by the Monroe County Extension Services in order to complete the energy audits. During the summer the program will transition to students enrolled in the Positive Step Internship Program. The trained students, with permission from the homeowner, will weatherize, repair and replace fixtures within the home that will save energy and water. Data will be gathered for each property that will be shared with the City's sustainability division and with Habitat for Humanity who may follow up when more complicated weatherization and fixtures are required. Funding is for the materials used within each building to provide energy and water efficiency upgrades to single family residences in the Bahama Village sub-district and to pay for the Monroe County Extension Services supervisor.

Recommended funding amount: \$61,213

Amount Requested: \$80,332

Matching Funds: \$1,000 in matching funds; and approximately \$34,428 in kind contributions

Findings: This is a highly leveraged project between public entities and non-profits utilizing volunteer/in kind manual labor. The project has an educational and vocational component for local youth, although the students may not necessarily be residents of the Bahama Village, however, the program should help reduce utility bills and weatherize homes for residents in the Bahama Village.

3. Newman Rehabilitation Building Project

This request is for the final phase of a three year rehabilitation project totaling and estimated \$231,141. To date all stained glass has been restored and replaced and the financial request is for concrete repair, exterior siding repairs (as needed) and painting of the entire building, which is the final phase for rehabilitation and repair.

Recommended funding amount: \$62,190

Amount Requested: \$62,190

Matching Funds: No matching funds are provided this year.

Findings: To date the applicant has responsibly and appropriately spent the allocated CRT funding and has never gone over budget, in fact the total project cost has not changed since the initial request in 2010. The Church is historically contributing and the stained glass windows hold both economic and cultural value for the property and community.

4. 213 Petronia Street Residence

This request is for a single phase project for demolition and reconstruction of a privately owned single family home that was one of the original Bahama Conch Community Land Trust (BCCLT) properties. This application was received incomplete and allowed an additional week to complete as per the City Planner. The applicant has been informed that, if awarded, the funds will be amortized through a mortgage for the amount of the appropriation.

Recommended funding amount: \$70,000

Amount Requested: \$70,000

Matching Funds: \$100,000 match provided

Findings: This is an unusually large funding request for a single family residence where a small number of people are directly benefitted by the project. The BVRAC has declined to appropriate the use of CRT Funds on individual properties in the past, preferring to fund programs such as Habitat for Humanity, whose program are highly leveraged and benefit a larger number of homes and residents for the same amount of money. Last funding cycle, the BVRAC specifically denied a homeowner request for a much smaller amount of money, where the improvements were all visible from the street and the applicant was willing to deed restrict affordable the three units on the property. Due to the history of the complications on the site related to the former BCCLT scandal

the BVRAC decided that it was appropriate to fund the improvements to a single-family home in this specific case.

5. Bethel AME Church – Fellowship Hall and Parsonage HVAC System

This allocation was reduced from the original request to replace the window A/C systems with a Heating Ventilation and Air-conditioning System for the Fellowship Hall and the Parsonage, to fund only the improvements to the Fellowship Hall. This application was received incomplete and allowed an additional week to complete as per the City Planner.

* Please note that the applicant failed to respond to staff’s letter of Request for Additional Information.

Recommended funding amount: \$10,000

Amount Requested: \$20,998

Matching Funds: No match provided

Findings: In the past BVRAC has recommended to the CRA that the CRT Funds be used to repair structural and historically significant features of buildings owned by community organizations, such as churches that serve large segments of the BV CRA population. Such funded improvements have not included non-essential items such as HVAC systems particularly for a parsonage, which are essentially private residences. At present the parsonage has window air conditioning units which are repairable and serviceable. The structures for which the HVAC Systems are intended do not meet the definition of blighted.

6. Key West African Festival (KWAF) – Community Development Project

This request was for a new program, the Key West Africana Festival (KWAF). The financial request is to fund, promote and manage the Festival in addition to a program for Tourism Industry Vendor Development and a Cultural Competency Training Program. The BVRAC chose not to fund this project as it does not alleviate blight.

Recommended funding amount: \$0

Amount Requested: \$85,000

Matching Funds: No match provided

Findings: This program does NOT have as its focus the elimination of blight, the repair of structures nor the improvement of public infrastructure or public places. It is simply a Festival, much like Goombay or any other such event which provides an opportunity to create profit for the promoters. Unlike Habitat for Humanity, or even the Community Garden, that provide direct benefit to multiple residents of the Community Redevelopment Area, this program is simply a training opportunity for individuals, whose selection method is uncertain and whose priorities fail to eliminate blight or make public improvements has not been demonstrated. Moreover, certain elements of the program such as the marketing budget, indirect administration costs, and the purchase of tablet computers, do not appear to be reasonable expenses in and of themselves because

the affects of the program are very small in scope and it lacks the ability to alleviate blight.

Recommendation: Approval of \$288,464 in CRTF allocations for the following five (5) projects as recommended by BVRAC and described above:

1. Habitat for Humanity – Neighborhood Revitalization Initiative	\$74,000
2. Green Jobs and Futures	\$61,213
3. Newman Rehabilitation Building Project	\$62,190
4. 213 Petronia Street Residence	\$70,000
5. Bethel AME Zion Church	<u>\$10,000</u>
Total:	\$277,403