

Date May 9, 2025

To Bridget Kean, Deputy Director, Planning and Zoning Department

From Jennifer Davis, CRA Director

CC Mary Savage Dunham, Director, Planning and Zoning Department

Subject Summary of Original CRA Redevelopment Plan Extension

This memo outlines the history and status of the Community Redevelopment Agency (CRA) Master Plan for eastern Port St. Lucie. It chronicles the challenges faced in redevelopment efforts and the need for an extension of the Original CRA Redevelopment Plan.

### **Historical context**

For years, eastern Port St. Lucie has recognized lower incomes and property values compared to other areas of the city. The original housing stock had smaller footprints and limited amenities compared to newer housing in the central and western parts of the city. There was also failing and or outdated retail and commercial plazas dominating the landscape. In 2001, the Original CRA Redevelopment Plan was adopted for this area during a period of rapid growth and development. The first five years of the 30-year plan were spent establishing the organizational structure and acquiring properties for the anticipated development of the Master Plan's Town Center District.

### **Development challenges**

The CRA's initial plans were hindered by the Great Recession, which delayed the implementation of a development agreement between DeGuardiola Properties and the City to develop the Town Center District as "City Center." The City was responsible for certain improvements (infrastructure, landscaping, event center, etc) and DeGuardiola was responsible for the balance of the development on the site. DeGuardiola Properties then sold its interest in the site to Lily Zhong and it was anticipated that Ms. Zhong would assume the rights, liabilities and assets specified in the DeGuardiola development agreement. However, Ms. Zhong used the money raised through the EB-5 Foreign Investment Program inappropriately, and the Securities and Exchange Commission determined that Ms. Zhong was engaged in fraudulent activities and all

her assets, including the property she owned at City Center, were seized. No activities were initiated within City Center during the multiple years of SEC oversight.

### **Plan extension request**

In 2019, the City of Port St. Lucie and the CRA negotiated settlements on tax certificates with private certificate owners and outstanding obligations owed to local taxing authorities. The City was then able to acquire the bulk of the properties in the Town Center District just as the COVID-19 pandemic impacted the world's economy. After 24 years, the CRA is finally seeing renewed interest in the redevelopment in eastern Port St. Lucie. Due to the continued lower tax values and stagnant population growth in the Community Redevelopment Area, the conditions which were present when the CRA was adopted still persist today.

In accordance with Florida law governing the establishment and extension of Community Redevelopment Areas, the Community Redevelopment Agency is requesting to extend the original Community Redevelopment Area for an additional thirty (30) years from the date of the adoption of the extension. The extension of the timeline for redevelopment of the Original Redevelopment Area requires that the Redevelopment Master Plan be amended to extend the duration of the plan.

As required, Port St. Lucie's Planning and Zoning Board reviewed the Original Redevelopment Plan. The Community Redevelopment Agency staff is requesting that the Planning and Zoning Board review and recommend the narrow revision extending the duration of the plan for an additional thirty (30) years and clarification of uses intended for the Town Center District. After review by the Planning and Zoning Board, the extension of the Redevelopment Plan will be forwarded to the Community Redevelopment Agency for approval. Community Redevelopment Agency staff will notify all respective taxing authorities of the intention to extend the Original Redevelopment Plan. Of note, there is no intention to extend the boundaries of the Original CRA.

CRA staff will be present at the Planning and Zoning Board meeting to answer Board Member questions.

Thank you in advance for your consideration.