



Resolution CRA 23-R01

Resolution 23-R54

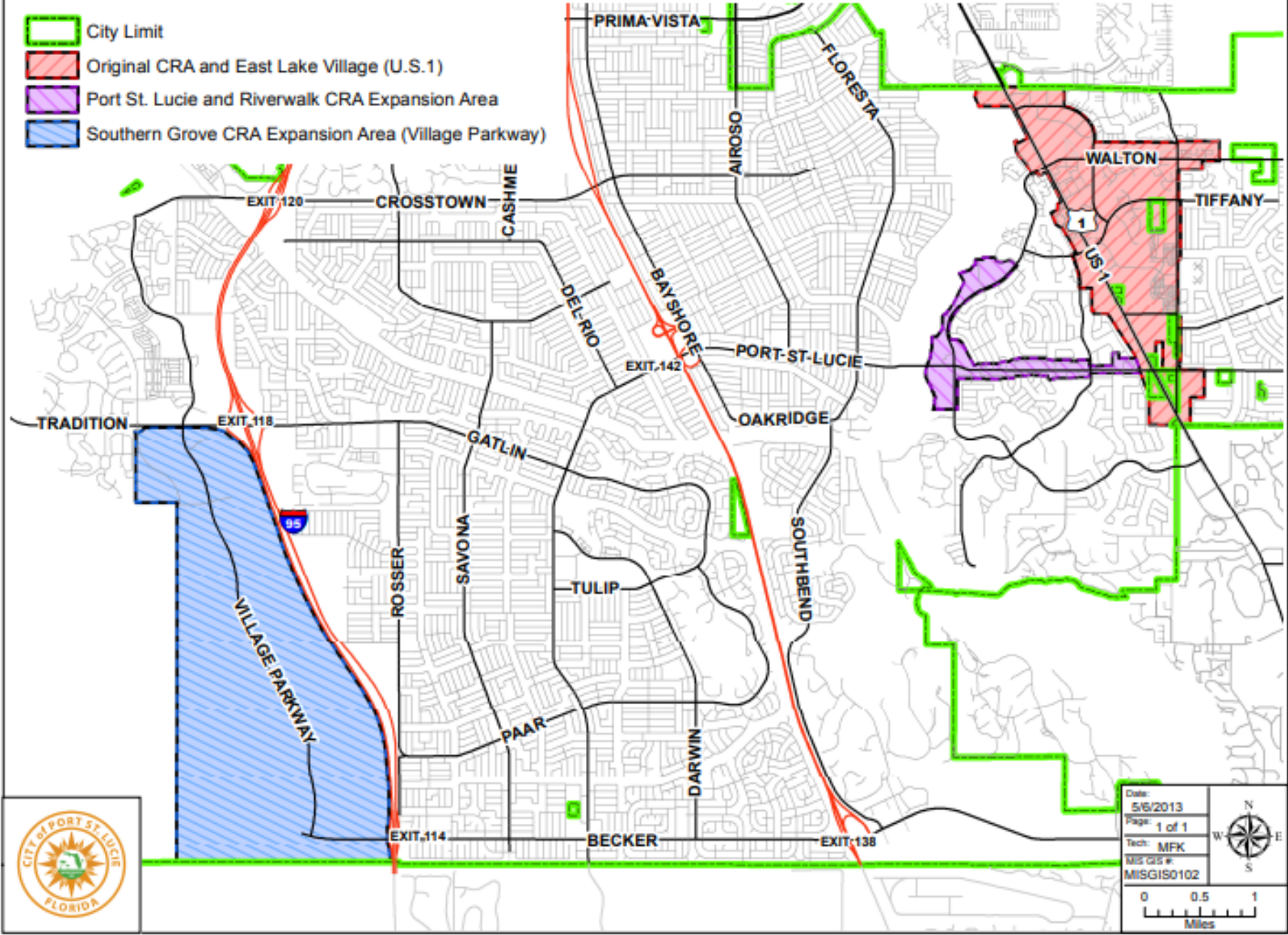
Jennifer Davis, Director
Community Redevelopment Agency

May 22, 2023

CRA Boundary Map - U.S.1, Riverwalk, & Southern Grove



- City Limit
- Original CRA and East Lake Village (U.S.1)
- Port St. Lucie and Riverwalk CRA Expansion Area
- Southern Grove CRA Expansion Area (Village Parkway)



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Tech:	MFK
MIS GIS #:	MISGIS0102

Southern Grove CRA



In August 2011, the City Council determined that a blighted area commonly known as "Southern Grove" existed within the City, and that the rehabilitation, conservation, or redevelopment or a combination thereof, of such area is necessary in the interest of the public health, safety, morals, or welfare of the residents of the City (Resolution No. 11-R50).

In June 2012, the City Council adopted an amendment to the Community Redevelopment Agency Plan to provide a guide for redevelopment within Southern Grove, including provision for development incentive payments (Resolution No. 12-R65). City Council enacted an Ordinance, amending the CRA Trust Fund to provide for the additional funding of the Trust Fund for community redevelopment within Southern Grove (Ordinance No. 12-30).

In February 2014, the City Council adopted a further amendment to the Plan and guide for redevelopment within Southern Grove (Resolution No. 13-R153). The City Council and the Agency approved the Redevelopment Interlocal Agreement ("Interlocal Agreement") among the Agency, the City, and District No. 1 to assist in executing the Plan for Southern Grove.

Summary



Parties:

- City of Port St. Lucie Community Redevelopment Agency (“Agency”)
- City of Port St. Lucie (“City”)
- Southern Grove Community Development District No. 1 (“District”)

Purpose:

The purpose of the amended interlocal agreement is to align the termination date with the sunset of the Southern Grove CRA. In addition, modifications were made related to how rebate funds are processed as well other minor changes.

Benefits to Agency and City:

The City will retain (tax) increment revenue and distribute rebate payments to qualified parcels in lieu of transmitting funds to the District to distribute. The District will continue to calculate rebate amounts.

Rebates



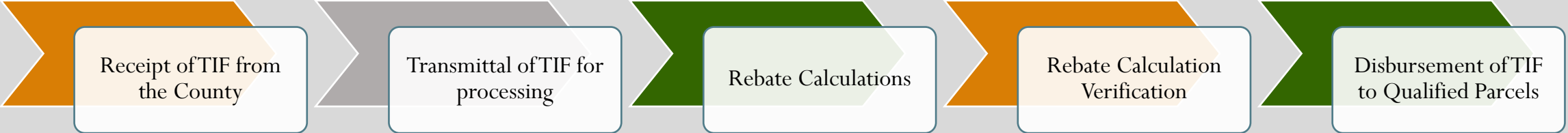
Prior to the amendment, the City would receive (tax) increment revenue and transmit the revenue to the District. The District would then perform necessary calculations, pursuant to the agreement, and disburse rebates to qualified parcels.

The amendment provides for the City to receive and retain (tax) increment revenue, and subsequently disburse rebates to qualified parcels after receiving calculations from the District.

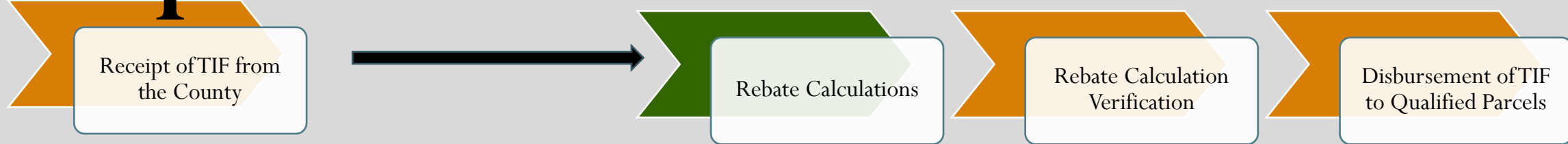
Rebates



Current



Proposed



Notable changes



The amendment makes the following changes to the Interlocal Agreement:

1. Extends the termination date from September 30, 2025 to September 30, 2042.
2. Reduces the Transferred Revenue from 95% to 90%.
 - The amount of TIF monies put into the Trust Account pursuant to this Agreement is being reduced. The primary purpose for doing this is to account for the City taking on the responsibility to issue rebate checks.
 - City's Retained Revenue increases from 5% to 10%. The amendment also provides that if the expenses incurred by any party increase the City and Agency may reduce the Transferred Revenue to cover the increase in expenses with appropriate notice.

Notable changes



3. A provision was included that provides that the District will be reimbursed for its actual costs of performing its plan responsibilities under the Interlocal Agreement from Retained Revenue.
4. Certain definitions were modified and/or removed to provide further clarity to the Interlocal Agreement, including the definition of a “Qualified Property”.
5. Modified the Secondary Program schedule to provide more flexibility to the Agency.
6. The Termination provision was modified to reduce pre-termination notice period.
7. The payment of increment revenue following termination was modified to be consistent with other amendments.

Staff Recommendation



Staff recommends approval of

Resolution CRA 23-R01 by the Community Redevelopment Agency Board

and

Resolution 23-R54 by the City Council



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Further Discussion or Questions

May 22, 2023