



# City of Pensacola

222 West Main Street  
Pensacola, FL 32502

## Memorandum

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**File #:** 20-00537

City Council

9/10/2020

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### **LEGISLATIVE ACTION ITEM**

**SPONSOR:** City Council Vice President Jared Moore

**SUBJECT:**

INTERLOCAL AGREEMENT WITH THE COMMUNITY REDEVELOPMENT AGENCY AND CITY OF PENSACOLA FOR IMPLEMENTATION OF HOUSING INITIATIVES

**RECOMMENDATION:**

That the City Council approve an Interlocal Agreement with Community Redevelopment Agency (CRA) and the City of Pensacola for implementation of housing initiatives within the Urban Core, Westside and Eastside community redevelopment areas. Further, that the City Council authorize the Mayor to take all actions necessary to implement the agreement.

**HEARING REQUIRED:** No Hearing Required

**SUMMARY:**

On October 24, 2019, City Council authorized the establishment of an Affordable Housing Task Force to research and propose solutions for the development of affordable, workforce housing. The task force is working with the Florida Housing Coalition to develop a report that outlines recommendations for the City of Pensacola to reach its goal of 500 homes in five years. In July 2020, the task force chose six strategies to explore to accomplish this mission. The six selected recommendations include:

- Engage in strategic partnerships (local businesses, charitable organizations, educational facilities, religious institutions, and other community drivers)
- Collaborate with the private sector to identify incentives that spur affordable housing development and increase housing affordability
- Leverage existing city property to produce affordable units
- Support tax credit developments (developments that qualify as Local Government Areas of Opportunity)
- Identify suitable sites for infill, small unit development
- Identify adaptive reuse possibilities

The overarching goals of the City's implementation of affordable housing initiatives are also a key objective of the adopted Urban Core, Westside, and Eastside-Urban Infill redevelopment plans. Therefore, in an effort to support a unified approach to the implementation of affordable housing

initiatives across City agencies, it is recommended that the City enter into an interlocal agreement with the Community Redevelopment Agency (CRA) for the implementation of affordable housing initiatives in the community redevelopment areas. The interlocal agreement will provide for the assignment of staff based on a cost-sharing arrangement where the City will fund 50% of the costs for staffing, and the CRA will fund the remaining 50% between the three (3) Tax Incremental Financing (TIF) districts for each fiscal year beginning October 1, 2020. To initiate this effort, the City anticipates hiring a program manager who will work closely with stakeholder groups to implement innovative and effective housing strategies, including but not limited to, rehabilitation programs and affordable, workforce, mixed-use, and mixed-income projects.

The Inner City Housing Initiatives Fund, derived from and budgeted in the General Fund was initially allocated for use in the Pensacola Inner City Community Redevelopment Area in order to fund the Eastside and Westside affordable housing rehabilitation projects. On September 10, 2020, City Council will consider Supplemental Budget Resolution No. 2020-36 which, if approved, will consolidate and re-designate the use of the City's General Fund Inner City and Housing Initiatives Funds, to support the implementation of the 500 Homes in Five Years initiative citywide. The combined funding will support the City's 50% contribution to the Housing Manager under the interlocal and other housing efforts under the initiative.

#### **PRIOR ACTION:**

May 24, 2007 - City Council adopted Resolution No. 13-07, adopting the effective Westside Community Redevelopment Plan.

January 14, 2010 - City Council adopted Resolution No. 02-10, repealing and replacing the adopted 1984 Urban Core Community Redevelopment Plan, as amended, with the effective 2010 Urban Core Community Redevelopment plan.

August 28, 2014 - City Council adopted Ordinance No. 32-14, re-adopting the effective Eastside-Urban Infill and Redevelopment Area Plan, as amended, including the Eastside Neighborhood Plan element.

January 12, 2017 - City Council approved the establishment of an assigned Fund Balance, which was restricted for the Housing Initiatives Fund.

August 10, 2017 - City Council adopted Supplemental Budget Resolution No. 17-44 appropriating funding in connection with the Eastside Redevelopment Revenue Bond, Series 2017, and the Pensacola Inner City Community Redevelopment Area Housing Initiatives Fund.

October 24, 2019 - City Council authorized the establishment of an Affordable Housing Task Force.

#### **FUNDING:**

N/A

#### **FINANCIAL IMPACT:**

The CRA will compensate and reimburse the City for 50% of the compensation, including salary and benefits, of the assigned housing initiatives personnel for each fiscal year beginning October 1, 2020.

**STAFF CONTACT:**

Don Kraher, Council Executive  
Kerrith Fiddler, Deputy City Administrator - Community Development  
M. Helen Gibson, AICP, CRA Administrator  
Victoria D'Angelo, Asst. CRA Administrator

**ATTACHMENTS:**

- 1) Housing Initiative Interlocal Agreement

**PRESENTATION:** No