

January 13, 2011

Kenneth L. Weiss, Esq.  
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Treasure Island, Florida 33706

Dear Ken:

On behalf of the City of St. Pete Beach, I am responding to your letter to Mike Davis dated January 10, 2011. You have laid out a number of criticisms of the City's comprehensive plan which deserve a response. The facts are important and must be stated clearly. I will not respond point-by-point, but instead address what is characterized as your clients' main concerns with the plan.

#### Impact Fee Credits/Public Infrastructure Funding

Overall, your clients' complaint is that the development allowed under the comprehensive plan will create a burden on the taxpayers of St. Pete Beach. Your argument seems to be based on the impact fee credits discussed. This argument is erroneous for two reasons:

First, the impact fees anticipated in the plan are Community Improvement Fees, not the traditional impact fees already levied throughout the City for sanitary sewer and by the County for transportation. These are new fees strictly for public safety and beautification improvements – undergrounding utilities, street and sidewalk lighting, crosswalks, medians, etc. See p. 62. Therefore, the credits anticipated under the plan are only for the same public safety and beautification improvements. The credits under the plan do not apply to impact fees for water, sewer, roads or other typical infrastructure. The quoted section in your letter is misleading because you have not explained the big picture.

The improvement projects to be financed by the impact fees are not being shifted to taxpayers. The beautification and public safety projects are designed to enhance the appearance and safety of the City and benefit the entire community. Today, if the City chose to undertake these projects, they would be funded with tax dollars because there is no citywide impact fee. Under the plan, these projects will be paid for by the redevelopment projects. Credits, if given,

Kenneth L. Weiss, Esq.

January 13, 2011

Page 2

are based on the developer's contribution of some related improvement. Under the plan, credits are not arbitrarily handed out. Your letter omits the basis on which credits are to be given, namely the contribution by the developer of public parking, public recreation structures, affordable housing units, onsite workforce housing, etc. See p. 63.

Second, the state-mandated concurrency system prohibits the public infrastructure impacts of private development from being shifted to the public. This is a key element in debunking the myth that the plan will cost the taxpayers. Under the state law, no developer can get a permit if the required infrastructure is not in place (or will be in place within a number of years specified by the Legislature) to serve the development. This is the state's way of ensuring that development pays for itself. Under concurrency, if the project is not already in the City's five-year capital plan, the developer must pay to the City his fair share to fund the improvements. Plain and simple, that is the law. Nothing in this comprehensive plan changes that requirement.

#### CRA Funding

This plan does not create a CRA and does not hinge upon the creation of a CRA. Therefore, this plan should not rise and fall on that basis. Neither your clients, nor other residents, should base their opinion of the plan on the CRA concept. The City has proposed a CRA to work hand-in-hand with the plan, but the two are separate documents.

The CRA as proposed and negotiated with the County will provide funds, in addition to the Community Improvement Fee, to undertake beautification and safety improvements on public property. Pinellas County specifically prohibits the use of CRA funds for any project on private property. Statements that the CRA funds will be used to "pretty up" hotel property or construct hotel lobbies are purely false.

Any advertisement that SOLV, or any other group, made in the past as to the amount of money a CRA can generate can only have been an estimate. A CRA only works if the property value in the community redevelopment area increases. The increment between the value at the outset and the value at the end of each year is available for improvements within the area. The City staff and County staff have negotiated an agreed estimate of the increment and a list of projects, but those projects are subject to County Commission approval. There is nothing in the CRA Plan that requires the City to commit to any project that is not adequately funded.


Both the CRA program and Community Improvement Fee program were designed to help the City realize the Gulf Boulevard Improvement Plan that has been in the works with the beach communities and the County for over 10 years. That plan includes construction of medians, crosswalks and intersection improvements to make Gulf Boulevard safer for residents and tourists; and undergrounding of utilities, public spaces, benches and plantings to make

Kenneth L. Weiss, Esq.  
January 13, 2011  
Page 3

Gulf Boulevard more attractive. However, none of these projects can get off the ground until the protracted litigation by your clients has concluded.

We hope this helps your clients to understand the goals and objectives of the plan, as well as debunk the myth that new development under the plan will mean increased taxes.

Sincerely,



Suzanne Van Wyk

SVW:htc

cc: Honorable Mayor and Members of the City Commission  
Mike Bonfield, City Manager  
Mike Davis, Esq.  
Susan Churuti, Esq.  
David Miller, Esq.