

# ECONOMIC DEVELOPMENT

## Mission

*Our mission is to improve and expand the economic base of the community through the retention and expansion of existing businesses and the attraction of new businesses and real estate investments, and by implementing value-added strategies and programs that enhance the community's overall high quality of life and local and national image. Further, our mission is to provide quality affordable housing and community services to the citizens of Clearwater.*

## Department Description

The Economic Development and Housing Department consists of 12 employees and is divided into two divisions, the Economic Development Division and the Housing Division.

## Financial Projections

<b>Department Summary</b>					
	<i>Actual 2002/03</i>	<i>Actual 2003/04</i>	<i>Budget 2004/05</i>	<i>Budget 2005/06</i>	<i>% Change</i>
Economic Development	1,037,049	978,477	1,056,490	<b>904,320</b>	<b>-14.4%</b>
Housing Division	<u>490,572</u>	<u>472,157</u>	<u>468,740</u>	<b><u>493,010</u></b>	<b><u>5.2%</u></b>
<b>Total</b>	<b>1,527,621</b>	<b>1,450,634</b>	<b>1,525,230</b>	<b>1,397,330</b>	<b>-8.4%</b>

<b>Department Full-Time Equivalent Positions</b>				
	<i>Actual 2002/03</i>	<i>Actual 2003/04</i>	<i>Budget 2004/05</i>	<i>Budget 2005/06</i>
Economic Development	7.0	7.0	7.0	<b>5.0</b>
Housing Division	<u>7.0</u>	<u>7.0</u>	<u>7.0</u>	<b><u>7.0</u></b>
<b>Total</b>	<b>14.0</b>	<b>14.0</b>	<b>14.0</b>	<b>12.0</b>

## Performance Measures

<u>Measure</u>	<u>2005</u>
Progress on beach issues	South Beach Parking Study updated. Hyatt project underway adds 400 public spaces and Devon Drive project adds 25. Coordinated Beach Walk Virtual Animation project.
Progress on downtown infrastructure issues	Wayfinding Signage project completed. Coordinating with Acqua Development for 360 public spaces. Coordinating Cleveland Street Streetscaping with PWA. Improvements made to Gaslight Alley.
Redevelopment proposals	Released Request for Proposals (RFP) for City Hall Site and Downtown Movie Complex. Developers selected. Released RFPs for Façade Design Analysis and Study for TIF Projections, Coordinated Hyatt / Sand Pearl / Patel Developers on beach, All three approved by CDB.
Improvements to commercial corridors	Processed applications to Florida Department of Revenue for \$400,000 Sales tax refunds. Assisted local company qualify for Qualified Targeted Industry Refund Program that created 65 new jobs. Provided \$37,000 assistance to build three homes and increase new taxable value of over \$400,000 in City.

## Program Description

The Economic Development Division, in concert with the department's Housing Division, interrelates its activities with all other city departments and a wide spectrum of public and private organizations.

Operationally, the division's staff collectively administers all programs that impact the economic development of vulnerable parts of the City, including the activities and incentives for the Community Redevelopment Agency (CRA), the Downtown Development Board (DDB), and the Main Street, Brownfields, Enterprise Zone and Hub Zone programs. The division also manages the City's tourism and economic development linkages with the Clearwater Regional Chamber of Commerce and the Tampa Bay Partnership.

In addition, the division assumes responsibility for assisting the existing business community to stabilize their operations, and to retain and expand their employment base, through education on available enhancement programs and growth incentives, assistance with physical building improvements, attraction of new tenants, and providing access to available public and private financing programs.

A key division responsibility, in concert with the review and code enforcement responsibilities of other departments, is the development coordination of new real estate projects being proposed and constructed within the community. In turn, the division is responsible for enhancing the "livability" and "image" of the community by strategizing real estate investment opportunities within the central business district, the beach area and community at large.

The potential for quality economic development growth is further defined by the division's lead role in outreach and targeted marketing for the recruitment of value-added new affordable and market-rate residential, retail, office, industrial, mixed land use, cultural, and tourist-based resort developments.

## ECONOMIC DEVELOPMENT

The Economic Development Division consists of 5 FTEs funded by the General Fund, the CRA, and the DDB through a contract with the CRA. The positions include a Director, an Assistant Director, and three Economic Development Coordinators.

<b>Program Summary</b>					
	<i>Actual</i> <i>2002/03</i>	<i>Actual</i> <i>2003/04</i>	<i>Budget</i> <i>2004/05</i>	<i>Budget</i> <i>2005/06</i>	<i>%</i> <i>Change</i>
Personnel	522,664	536,993	561,750	<b>384,030</b>	<b>-31.6%</b>
Operating	442,617	363,427	419,370	<b>450,620</b>	<b>7.5%</b>
Internal Services	<u>71,768</u>	<u>78,057</u>	<u>75,370</u>	<u><b>69,670</b></u>	<b>-7.6%</b>
<b>Total</b>	<b>1,037,049</b>	<b>978,477</b>	<b>1,056,490</b>	<b>904,320</b>	<b>-14.4%</b>
Program Full-Time Equivalent Positions	7.0	7.0	7.0	5.0	

### Program Highlights

- ❖ The Economic Development program is supported by five full-time equivalent positions, a decrease of two positions from the 2004/05 budget. Two FTE positions are being transferred to the City Manager's Office, an Assistant City Manager and an Executive Assistant. Due to the broadening of responsibilities for these positions, they are more appropriately reflected in the City Manager's Office. The transfer of positions results in a 31.6% decrease in the personnel costs of this program budget.
- ❖ The tourism contracts in the amount of \$217,840 include the Chamber of Commerce (\$170,000) and costs associated with the Beach Visitors Center (\$47,840) and are funded in the Economic Development program.
- ❖ Operating expenditures include \$50,000 (the same level as the prior year budget) for membership in Tampa Bay Partnership and \$70,000 (a \$10,000 increase) for outside contractual services for market analysis, appraisals, and projections assistance.
- ❖ The Community Redevelopment Agency (CRA) will reimburse the General Fund in the amount of \$191,250 for administrative support provided to the CRA in fiscal 2005/06.
- ❖ Internal service costs decrease 7.6% in this budget due to a decreased need for computer and telephone services after the transfer of positions out of this program.
- ❖ There have been no other significant changes in the Economic Development program in this fiscal year. The Economic Development program reflects a decrease of 14.4% from the 2004/05 budget.

**Program Description**

The mission of the Housing Division is to provide quality affordable housing, community and economic development services to the citizens of Clearwater. These goals are achieved through the administration of two federal grants, Community Development Block Grant (CDBG) and Home Investment Partnership Grant (HOME), and one state grant, State Housing Initiatives Partnership (SHIP) Program Grants, totaling approximately \$3 million. Using these grant funds, the division funds a wide variety of housing, social service and economic development programs.

Approximately \$1 million of the total grant funds are redistributed to community organizations that directly provide social services to the community. Examples of these community organizations include: Partners in Self-Sufficiency, the Community Service Foundation, Pinellas Opportunity Council, Community Pride Child Care and Family Resources. The division annually solicits, reviews and recommends to the City Council for their final approval the selection and funding level of the grantee organizations. Contract management and grant supervision is provided by the division throughout the year to insure effective use of the grant funds.

The division provides affordable housing funding for very low to moderate-income residents for down payment assistance or rehabilitation loans and construction of new infill housing units. The division's loan officer and rehabilitation officer evaluate and process loan applications, close real estate transactions and perform property inspections during construction. Where grant funds for new infill housing are provided to a nonprofit housing partner, the division provides technical assistance to the nonprofit organization and supervision of the grant. Due to the extensive federal and state grant regulatory requirements, two full time positions as well as a substantial portion of the Assistant Housing Director's time are devoted to financial reporting, grant management and coordination with the City's Finance Program.

The Housing Division is fully funded through the administrative portion of the federal and state grant funds and no City general operating funds are used to support this division.

The staff of the Housing Division is composed of seven FTEs including an Assistant Housing Director, one Housing Manager, one Housing Coordinator, one Controller, one Accounting Technician, a Staff Assistant, and one Senior Staff Assistant.

<b>Program Summary</b>					
	<i>Actual</i> <i>2002/03</i>	<i>Actual</i> <i>2003/04</i>	<i>Budget</i> <i>2004/05</i>	<i>Budget</i> <i>2005/06</i>	<i>%</i> <i>Change</i>
Personnel	379,131	368,475	383,850	<b>402,830</b>	<b>4.9%</b>
Operating	22,720	22,907	23,170	<b>23,060</b>	<b>-0.5%</b>
Internal Services	88,721	65,775	61,720	<b>67,120</b>	<b>8.7%</b>
Transfers	-	15,000	-	-	<b>n/a</b>
<b>Total</b>	<b>490,572</b>	<b>472,157</b>	<b>468,740</b>	<b>493,010</b>	<b>5.2%</b>
Program Full-Time Equivalent Positions	7.0	7.0	7.0	<b>7.0</b>	

## Program Highlights

- ❖ The Housing Division is a self-supporting division, supported entirely by the Community Development Block Grant (CDBG), Home Investment Partnership Grant (HOME), and State Housing Initiatives Partnership (SHIP). These programs reimburse the General Fund for the administrative and programming functions provided by the Housing Division.
- ❖ The Housing Division is supported by seven full-time equivalent positions, the same as the previous year's budget.
- ❖ Personnel services reflect a 4.9% increase due to general wage increases and higher contributions to the City's pension fund.
- ❖ Internal service costs increase 8.7% in this budget. Higher garage charges for the program's one vehicle are due to increased fuel prices and results in this increase.
- ❖ There have been no other significant changes in the Housing Division program in this fiscal year. The 2005/06 budget for this program reflects a 5.2% increase over the 2004/05 budget.