

**ST. PETERSBURG CITY**

**COUNCIL Meeting of November 2,**

**2023**

**TO:** The Honorable Brandi Gabbard, Chair and Members of City Council

**SUBJECT:** A resolution authorizing the Mayor, or his designee to execute (I) an agreement with the Board of Trustees of St. Petersburg College for the purchase of a property located at 7045 Burlington Avenue North for the contract price of \$4,200,000; (II) execute an agreement with the Board of Trustees of St. Petersburg College to give specific rights to the purchase of certain affordable housing units to be built on such property; (III) execute all other documents necessary to effectuate this transaction; (IV) pay for survey(s), inspections, environmental audit(s), title policy, and other acquisition/closing related costs, including the payment of state documentary stamps on the deed, all not to exceed \$100,000; approving a transfer in the amount of \$4,300,000 from the unappropriated balance of the Parking Revenue Fund (1021), to the Housing Capital Improvement Fund (3000); approving a supplemental appropriation in the amount of \$4,300,000 from the increase in the unappropriated balance of the Housing Capital Improvement Fund (3000), resulting from the above transfer, to the St. Pete College Acquisition Project (20095); and providing an effective date.

**BACKGROUND:** In 2022, St. Petersburg College ("SPC") made available for sale an improved property located at approximately 7045 Burlington Avenue North, commonly known as the Gibbs Wellness Center ("Property"), with the Property being further described as follows:

Site Size:	±5.23 acres
Improvements:	±20,732 square feet
Zoning: Legal:	NT-2 Neighborhood Traditional Single Family Tract A, PASADENA VISTA BLKS. 3 & 4 REPLAT, according to the map or plat thereof as recorded in Plat Book 61, Page 94, of the Public Records of Pinellas County, Florida, together with vacated portions of 70th Street North and Burlington Avenue North right of ways and being more particularly described in Ordinance No. 657-V, recorded in Official Records Book 7805, Page 615, of the Public Records of Pinellas County, Florida.

On December 6, 2022, the City of St. Petersburg ("City") submitted a Letter of Intent ("LOI") to SPC, offering to purchase the Property for the sum of \$4,200,000, for the purpose of constructing approximately 105 affordable housing units ("Housing Units"), subject to rezoning the Property, and offering to make available Housing Units to SPC students and staff on a right of first refusal basis.

In response to the LOI, SPC elected to negotiate the sale of the Property with the City, with City Administration ("Administration") and staff attending a SPC board meeting in February 2022 to answer questions and provide clarification of the City's intentions. Subsequently, the City drafted an Agreement for Sale and Purchase ("Purchase Contract"), resulting in the parties agreeing to the following terms and conditions, subject to City Council approval:

- Purchase Price: \$4,200,000
- Due Diligence: The City shall have ninety (90) days from the effective date of the Agreement to perform surveys, inspections and environmental audits.
- Evidence of Title: SPC at SPC's expense, shall deliver to City a title insurance commitment within forty-five (45) days from the effective date of the Agreement.
- Re-Zoning: The City shall have one hundred eighty (180) days from the effective date to substantially complete the re-zoning of the Property to allow for the City's intended use and development of the Property.
- Closing Date: The transaction shall be closed within sixty (60) days after the conclusion of the Due Diligence, Evidence of Title and Special Exception have been satisfied.
- Costs to City: The City shall be responsible for the costs associated with obtaining surveys, appraisals, inspections, environmental audits, owner's title policy, closing fees and recording fees.

In conjunction with the Purchase Contract, SPC and the City shall enter into an agreement to provide up to 30% of the Housing Units to SPC staff and students on a right of first refusal basis ("Agreement"). As part of the Agreement, the City shall notify SPC ninety (90) days prior to the initial advertising of the Housing Units and SPC shall notify their staff and students of the available Housing Units.

The acquisition and subsequent development of the Property to accommodate approximately 105 Housing Units requires a re-zoning from the current NT-2 Neighborhood Traditional Single Family zoning to NSM-1 Neighborhood Suburban Multi Family zoning, which is consistent with the zoning designation for property to north and south of the Property.

The Property is located approximately 750 feet from the SPC Gibbs campus, 1,100 feet from commercial mixed-use and is just east of the Pinellas Trail for supporting multi-modal options.

Upon the acquisition of the Property, the City will issue a Request for Proposal ("RFP") to solicit proposals from developers for the development of affordable housing, to include approximately 105 Housing Units to be made available for sale to qualified homebuyers, which includes the 30% to be made available to SPC staff and students.

SPC obtained two (2) appraisals for the Property in April 2023, resulting in a market value of \$4,600,000 as determined by Entrecken and Associates, Inc, and a market value of \$5,040,000 as determined by McCormick Seaman and Terrana.

**RECOMMENDATION:** Administration recommends that City Council adopt the attached resolution, authorizing the Mayor, or his designee to execute (I) an agreement with the Board of Trustees of St. Petersburg College for the purchase of a property located at 7045 Burlington Avenue North for the contract price of \$4,200,000; (II) an agreement with the Board of Trustees of St. Petersburg College to give Specific rights to the purchase of certain affordable housing units to be built on such property; and (III) to pay for survey(s), inspections, environmental audit(s), title policy, and other

acquisition/closing related costs, not to exceed \$100,000; to execute all documents necessary to effectuate this transaction; approving a transfer in the amount of \$4,300,000 from the unappropriated balance of the Parking Revenue Fund (1021), to the Housing Capital Improvement Fund (3000); approving a supplemental appropriation in the amount of \$4,300,000 from the increase in the unappropriated balance of the Housing Capital Improvement Fund (3000), resulting from the above transfer, to the St. Pete College Acquisition Project (20095); and providing an effective date.

**COST/FUNDING/ASSESSMENT INFORMATION:** Funds will be available after approval of a transfer in the amount of \$4,300,000 from the unappropriated balance of the Parking Revenue Fund (1021), to the Housing Capital Improvement Fund (3000); and a supplemental appropriation in the amount of \$4,300,000 from the increase in the unappropriated balance of the Housing Capital Improvement Fund (3000), resulting from the above transfer, to the St. Pete College Acquisition Project.

ADMINISTRATION McFoster

BUDGET/FINANCE Lance Stanford

**ATTACHMENTS:** Illustration and Resolution