



## 2021-2022 Florida Job Growth Grant Fund Public Infrastructure Grant Proposal

Proposal Instructions: Please read this document carefully and provide the information requested below. Some questions may request that a separate narrative be completed. If additional space is needed, attach a word document with your entire answer.

### Governmental Entity Information

Name of Governmental Entity: City of St. Pete Beach

Government Federal Employer Identification Number: [REDACTED]

Primary Contact Name: Alex Rey

Title: City Manager

Mailing Address: 155 Corey Avenue

St. Pete Beach, FL 33706

Phone Number: 727.363.9250

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Secondary Contact Name: Vincent Tenaglia

Title: Assistant City Manager

Phone Number: 727.363.9250

### Public Infrastructure Grant Eligibility

Pursuant to section 288.101, F.S., the Florida Job Growth Grant Fund was created to promote economic opportunity by improving public infrastructure and enhancing workforce training. Eligible entities that wish to access this grant fund must submit public infrastructure proposals that:

- Promote economic recovery in specific regions of the state, economic diversification or economic enhancement in a targeted industry. ([View Florida's Targeted Industries here.](#))
- Are not for the exclusive benefit of any single company, corporation or business entity.
- Are for infrastructure that is owned by the public and is for public use or predominately benefits the Public.

## 1. Program Requirements:

(If additional space is needed, attach a word document with your entire answer.)

Each proposal must include the following information describing how the project satisfies eligibility requirements listed on page 1.

- A. Provide a detailed description of the public infrastructure improvements.

Please see attached.

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- B. Provide location of public infrastructure, including physical address and county of project.

Please see attached.

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- C. Is this infrastructure currently owned by the public?  Yes  No

If no, is there a current option to purchase or right of way provided to the County?

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- D. Provide current property owner.

City of St. Pete Beach, FL

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- E. Is this infrastructure for public use or does it predominately benefit the public?

Yes  No

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- F. Will the public infrastructure improvements be for the exclusive benefit of any single company, corporation, or business entity?

Yes  No

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**G.** Provide a detailed description of, and quantitative evidence demonstrating, how the proposed public infrastructure project will promote:

- Economic recovery in specific regions of the state;
- Economic diversification; or
- Economic enhancement of a Targeted Industry ([View Florida's Targeted Industries here.](#))
  - Describe how the project will promote specific job growth. Include the number of jobs that will be retained or created, and in which industry(ies) the new net jobs will be created using the North American Industry Classification System ([NAICS](#)) codes. Where applicable, you may list specific businesses that will retain or create jobs or make capital investment.
  - Provide a detailed explanation of how the public infrastructure improvements will connect to a broader economic development vision for the community and benefit additional current or future businesses.

Please see attached.

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## **2. Additional Information:**

(If additional space is needed, attach a word document with your entire answer.)

**A.** Provide the proposed commencement date and number of days required to complete construction of the public infrastructure project.

Phase 1 of the project is nearing conclusion. This funding request is for Phase 2 which can begin immediately upon a grant award. Project design is estimated at six months. Estimated duration of construction is 18 months.

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**B.** What permits are necessary for the public infrastructure project?

FDEP Application for Constructing a Domestic Wastewater Collection/Transmission System - Individual Permit  
City of St. Pete Beach permits

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- C. Detail whether required permits have been secured, and if not, detail the timeline for securing these permits. Additionally, if any required permits are local permits, will these permits be prioritized?

Permitting will take place at the same time as design of the project and will take approximately the same amount of time - six months. Issuance of the city permits will be prioritized by the City.

- D. What is the future land use and zoning designation on the proposed site of the infrastructure improvements, and will the improvements conform to those uses?

Community Redevelopment District. The improvements conform to the designated uses.

- E. Will an amendment to the local comprehensive plan or a development order be required on the site of the proposed project or on adjacent property to accommodate the infrastructure and potential current or future job creation opportunities? If yes, please detail the timeline.

Yes  No

- F. Is the project ready to commence upon grant fund approval and contract execution? If no, please explain.

Yes  No

- G. Does this project have a local match amount?

Yes  No

If yes, please describe the entity providing the match and the amount.

Yes. Phase 2 is estimated to cost \$4 million. The City requests \$2 million in funding and will provide a \$2 million match.

- H. Provide any additional information or attachments to be considered for this proposal. Maps and other supporting documents are encouraged.

Please see attached information.

### 3. Program Budget

(If additional space is needed, attach a word document with your entire answer.)

**Estimated Costs and Sources of Funding:** Include all applicable public infrastructure costs and other funding sources available to support the proposal.

**1.) Total Amount Requested**      \$ 2,000,000.00  
 Florida Job Growth Grant Fund

**A. Other Public Infrastructure Project Funding Sources:**

City/County                      \$ 2,000,000.00

Private Sources                      \$

Other (grants, etc.)                      \$

Please Specify: \_\_\_\_\_

**Total Other Funding**                      \$ 2,000,000.00

**B. Public Infrastructure Project Costs:**

Construction                      \$ 3,700,000.00

Reconstruction                      \$

Design & Engineering                      \$ 300,000.00

Land Acquisition                      \$

Land Improvement                      \$

Other                      \$

Please Specify: \_\_\_\_\_

**Total Project Costs**                      \$ 4,000,000.00

**Note:** The total amount requested must be calculated by subtracting the total other public infrastructure project funding sources in A. from the total public infrastructure project costs in B.

- C. Provide a detailed budget narrative, including the timing and steps necessary to obtain the funding and any other pertinent budget-related information.

This cost estimate is based upon the city upgrading all of the pumps that transfer the sewage to St Petersburg. The engineering and design costs include a hydraulic model update to approve/coordinate available capacity within the sewer system.

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#### 4. Approvals and Authority

(If additional space is needed, attach a word document with your entire answer.)

- A. If the governmental entity is awarded grant funds based on this proposal, what approvals must be obtained before it can execute a grant agreement with the Florida Department of Economic Opportunity (e.g., approval of a board, commission or council)?

Approval by the St. Pete Beach City Commission.

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If board authorization is not required, who is authorized to sign?

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- B. If approval of a board, commission, council or other group is needed prior to execution of an agreement between the governmental entity and the Florida Department of Economic Opportunity:

- i. Provide the schedule of upcoming meetings for the group for a period of at least six months.
- ii. State whether entity is willing and able to hold special meetings, and if so, upon how many days' notice.

7/13/2021, 7/27/2021, 8/10/2021, 8/24/2021, 9/14/2021, 9/28/2021, 10/12/10/26/2021, 11/9/2021, 11/23/2021, 12/07/2021, 12/21/2021. Willing to hold special meetings with one week notice.

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- C. Attach evidence that the undersigned has all necessary authority to execute this proposal on behalf of the governmental entity. This evidence may take a variety of forms, including but not limited to: a delegation of authority, citation to relevant laws or codes, policy documents, etc.

Article IV, Section 4.04 of the City Charter

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I, the undersigned, do hereby certify that I have express authority to sign this proposal on behalf of the above-described entity and to the best of my knowledge, that all data and information submitted in proposal is truthful and accurate and no material fact has been omitted.

Name of Governmental Entity: City of St. Pete Beach

Name and Title of Authorized Representative: Alex Rey, City Manager

Representative Signature: 

Signature Date: 2/9/21

**City of St. Pete Beach  
2021-2022 Florida Job Growth Grant Fund  
Narrative**

Location of public infrastructure – This application is for Phase 2 of a significant wastewater project that, when completed, will allow for new jobs in the City of St. Pete Beach. The project includes upgrading three pump stations that are the current “pinch” in the City’s wastewater system.

**Challenges for the City of St. Pete Beach Economy:**

The City of St. Pete Beach is a small coastal community on the Gulf of Mexico known for its outstanding beaches and strong tourism trade. ***The City is frequently recognized as a top beach destination and received a Travelers’ Choice award in 2021 from TripAdvisor as the top-ranked beach in the United States.*** The City’s beaches, hotels, and historic resources attract tourists and visitors from all over the world.

The City has a population of approximately 10,000 residents and a geographic area of only 2.2 square miles of land. Incorporated in 1957, the City combined the communities of Pass-a-Grille, Belle Vista, St. Petersburg Beach and unincorporated Pinellas County. The long and narrow waterfront community (both Gulf and Bay) has nearly reached build-out and landowners are actively investigating renovating and redeveloping their properties. The City has a high concentration of resorts, hotels, and other tourist accommodations, many of which are aging and in need of redevelopment.

Redevelopment can bring growth. The City of St. Pete Beach contracted a “Density Analysis of the Community Redevelopment District” which concluded that the allowable densities under the 2013 Comprehensive Plan categories within the CRD provide for a potential 5,289 temporary lodging units or 3,836 residential units - indicating the ability to construct an additional 2,460 temporary lodging units, 2,086 residential units, or some share of each.

While the City’s landowners are poised for growth, the city infrastructure system is not. Very little of the redevelopment or renovation can move forward due to limitations in the City’s sanitary sewer system. In 2016, the City declared a moratorium on new hotel development on Gulf Boulevard in St. Pete Beach. The existing overburdened sewer system has reached capacity and occasionally leaks onto city streets, onto the beach and into waterways in the wake of heavy storms. The hotel district is at a stand-still until the sewer capacity is expanded.

***The moratorium has had a significant impact on the St. Pete Beach economy.***

With a small geographic area, each commercial property plays an important role in the economic base of the city. Like every other community, the City was deeply impacted by the 2008 drop in the real estate market. However, while the city has participated in the rebounding real estate market, it has not experienced the growth of other communities



due to the limitations of the sanitary sewer system. While neighboring coastal cities have cranes and active constructions sites, redevelopment and growth in St. Pete Beach remains stalled until financing for the sewer system expansion project can be finalized. The following data illustrates the extent of growth taking place in other Pinellas County communities, and the degree to which St. Pete Beach has lagged by comparison:

	2021 Tax Roll		Composition of new construction
	Total Taxable Value	New Construction	
St Petersburg	24,622,128,159	309,414,620	1.26%
Largo	5,970,685,323	55,642,823	0.93%
Clearwater	13,380,209,671	64,821,300	0.48%
Seminole	1,806,762,545	8,456,527	0.47%
Treasure Island	2,232,143,308	7,614,849	0.34%
St Pete Beach	3,612,367,969	6,428,957	0.18%

### **History of the Wastewater System:**

In 1957, when the City was incorporated, the Long Key Sewer District construction project was completed to provide the entire beach community with a sewer system capable of handling flows for the development at the time of construction. A large majority of the original infrastructure is still in place today.

The City's Wastewater Division operates, maintains and repairs the City-owned wastewater collection system which consists of 2.8 miles of force main, 41.5 miles of gravity lines, 751 manholes, 3 pump stations and 14 lift stations. The system currently transmits an average of 2.6 million gallons per day to the water Reclamation Facility in the City of St. Petersburg.

In 2014, as other Florida cities were rebounding from the collapsed real estate market, St. Pete Beach was placed under a consent order by the Florida Department of Environmental Protection for what was seen as an inadequate sewage system. In September 2016, Kimley-Horn and Associates, Inc. completed a Model Capacity Report of the City's sanitary sewer system. The report concluded that the sewer system is surcharged and could not accept any additional wastewater flows. The system had virtually zero capacity to handle any additional sewage along "hotel row" on Gulf Boulevard south of 64<sup>th</sup> Avenue, according to the 2016 consultant study.

The 2016 report recommended completion of the sanitary sewer expansion project, including the construction of a new force main from the southern area of the City to the north end to create additional capacity and to eliminate or reduce potential environmental issues due to overflow. Phase 1 of the project is now underway. Phase 2 includes pump station upgrades to send the flows off island.

Meanwhile, the St. Pete Beach City Commission adopted a Resolution to prioritize the City's sanitary sewer infrastructure, directing the City Manager to inform all applicants for

new development or redevelopment that the City could not issue a certificate of occupancy for new projects that increases flow into the system until capacity is restored to the sanitary sewer system.

***The project is therefore absolutely vital to economic development and job creation in this top-ranked, tourist community.***

The City is nearing completion of Phase 1 to resolve the sanitary sewer limitations. The \$15.6 million project increased the capacity of the primary 24-inch gravity main running along Gulf Winds Drive and Boca Ciega Drive as well as the primary 21-inch gravity main running along Gulf Boulevard.

While Phase 1 increased the capacity of the force mains, the City must complete Phase 2 to upgrade the three main pump stations to pump the wastewater off the island to the City of St. Petersburg. This includes the Master Pump Station (Pump Station 1) and two major re-pump stations (Pump Stations 2 and 3). The Master Pump Station (Pump Station #1) is key to the City's wastewater collection system since it receives all wastewater collected by the City and pumps it all under the Boca Ciega Bay through a 18-inch force main to the City of St. Petersburg's Northwest Water Reclamation Facility for treatment.

***Completion of the sewer project will restore capacity to the wastewater system and allow pent-up development demand to proceed.*** The project is an integral component of the City's capital improvement plan due to its unique ability to address aged infrastructure while directly facilitating economic development.

Project design is estimated at six months. Estimated duration of construction is 18 months.

#### **City and Project Budget:**

Phase 1 of the project, which is nearing completion, has cost \$15.6 million for which the City borrowed approximately \$13 million from the State Revolving Loan program. Phase 2 is estimated to cost \$4 million, a substantial obligation for a City with a \$40 million total five-year capital improvement plan. The project cost includes \$300,000 for engineering and design and \$3,700,000 for construction.

The City funds its wastewater operation via an enterprise fund, which is already challenged. FY 2022 will include a third, consecutive 7% sewer rate increase for residents, with a fourth 7% increase tentatively planned in FY 2023. Reserves are nowhere near recommended levels. Due to the poor condition of the system, a consulting study recommended the City maintain reserves equivalent to 150 days' operating and maintenance expenses, or approximately \$2.1 million. Estimated FY 2022 reserves are only approximately \$500,000.

***The City therefore requests \$2 million in funding from the Florida Job Growth Grant Fund to complete Phase 2 of the sanitary sewer project and lift the moratorium on***

**redevelopment within the City. This will open the pipeline to hotel redevelopment, large construction projects and expanded hotel staffing and employment. The City will provide a \$2 million match.**

\* \* \* \* \*

*Program Requirements (1G) - Provide detailed description of, and quantitative evidence demonstrating, how the proposed public infrastructure project will promote: economic recovery in specific regions of the state; economic diversification; or economic enhancement of a targeted industry. Describe how the project will promote specific job growth. Include the number of jobs that will be retained or created, and in which industry(ies) the new net jobs will be created using the North American Industry Classification System (NAICS) codes. Where applicable, you may list specific businesses that will retain or create jobs or make capital investment. Provide a detailed explanation of how the public infrastructure improvements will connect to a broader economic development vision for the community and benefit additional current or future businesses.*

Completion of Phase 2 will end the moratorium and open the gates to redevelopment and renovation along Gulf Boulevard. The Project area includes 2.8 miles of Gulf-front land zoned (14+) Large Resort and (18) Boutique Hotel Condo. On the Bay side the area is zoned Activity Center (AC) and Commercial Center (CC-2). Landowners along Gulf Boulevard have been delayed in their attempts to upgrade resorts and hotels to maintain their competitive edge.

The City has received significant interest in redevelopment and anticipates the following projects moving forward upon completion of the sanitary sewer expansion project:

1. **Corey Landings (East End Corey Avenue)** – A proposal for the East end of Corey Avenue, also located in the **Town Center (TC-2) District**, would develop a mixed-use concept to anchor the Intra-coastal side of St. Pete Beach’s historic downtown. The 4.67-acre area that is largely vacant, with the developer under contract proposing a 243-residential unit mixed-use project that includes a 4,750 square foot restaurant and 3,000 square feet of retail. The first community meeting regarding this project was held in June 2021. Construction could begin by June 2022.
2. **600 Blk 75<sup>th</sup> Ave. (West End Corey Avenue)** – A proposal for the Coquina West end of Corey Avenue, located in the **Town Center District (TC-2)**, would develop a mixed-use concept to anchor the Gulf of Mexico side of St. Pete Beach’s historic downtown. The 2.4-acre site would be eligible for up to 120 temporary lodging units from the district’s combined density pool, with over 30,000 square feet of retail and restaurant space accessible at street level.

3. **4220 Gulf Blvd.** – **Miramar Resort**, located in the center of the city's Boutique Hotel and Condominium District (BHC), has submitted conceptual plans for a redevelopment of the site. The site has a total acreage of 1.15 acres, and the applicant is seeking the maximum 60 temporary lodging units allowed (based on the information provide) in the redevelopment concept which will integrate the city's design standards for the Gulf Boulevard Redevelopment District. The existing resort has 27 rooms.
4. **4506 Gulf Blvd.** – **Plaza Beach Hotel**, situated at the northern end of the city's Boutique Hotel and Condominium District (BHC). The city has been involved in discussions of this 0.954-acre buildable site that would allow for a redevelopment of the hotel to add an additional 27 temporary lodging units, while contributing to the aesthetic character and pedestrian-friendly business frontages that the city has sought in its redevelopment projects.
5. **4500 Blk Gulf Blvd.** – The city has been in discussions with a developer for a mixed-use hotel concept on the eastern side of Gulf Boulevard. Situated in the city's Activity Center District (AC), this area promotes commercial and office development and lower-rise standards as transitional to the residential districts beyond. A project would be eligible for up to 50 temporary lodging units from the district's consolidated density pool and required to provide commercial and office uses that comprise at least 0.35 of the site's floor area ratio.
6. **5500 Gulf Blvd.** - **TradeWinds Island Grand Resorts**, located in the Large Resort District (LR), has discussed a conceptual plan for the redevelopment of their resort campus, including the newly acquired Alden Suites, which includes a 1,700 foot beach walk. The approximately 3.5-acre addition to a formidable 18.1-acre campus may allow for future redevelopment to a resort containing 1,600 or more temporary lodging units, and more than 140,000 square feet of shopping, dining and amenity space. The current resorts contain 756 lodging units. TradeWinds currently claims the title of largest employer on St. Pete Beach, employing 1,100 individuals.
7. **6100 Gulf Blvd.** – **Hilton Garden Inn**, located in the Large Resort District (LR), has recently completed renovations and rebranding of a former Howard Johnson. The 3-acre site increased the 136-unit hotel an additional 8 units while redeveloping the site to integrate the city's design standards along the Gulf Boulevard Redevelopment District.
8. **9555 Gulf Blvd.** - **Sea Hags Waterfront Bar and Grill**. A concept has been presented to the city for a redevelopment of this property at the northern end of St. Pete Beach. The resort condominium project would be eligible for approximately 65 temporary lodging units and 21,000 square feet in amenity space.
9. **7201 Sunset Way** – The owner of the recently renovated The Saint Hotel at 7201 Sunset Way is proposing a 66-unit temporary lodging extension on the northern vacant parcels. An additional 56 temporary lodging units are proposed.

City staff has also been in discussions on smaller-scale projects including a mixed bed-and-breakfast and Turkish bath concept, redevelopment of a former Christmas store into doctor's offices, and restaurant redevelopments.

**Job calculation:**

The following analysis indicates 1,068 jobs to be created by the proposed projects – an unprecedented impact to a community with approximately 10,000 full-time residents.

New Net Units Proposed by Redevelopment Projects:

1. Corey Landings: 243 units
2. 600 Blk 75th Ave: 120 units
3. 4220 Gulf Blvd: 33 units
4. 4506 Gulf Blvd: 27 units
5. 4500 Blk Gulf Blvd: 50 units
6. 5500 Gulf Blvd: 844 units
7. 6100 Gulf Blvd: 8 units
8. 9555 Gulf Blvd: 65 units
9. 7201 Sunset Way: 56 units

**Total: 1,446 units**

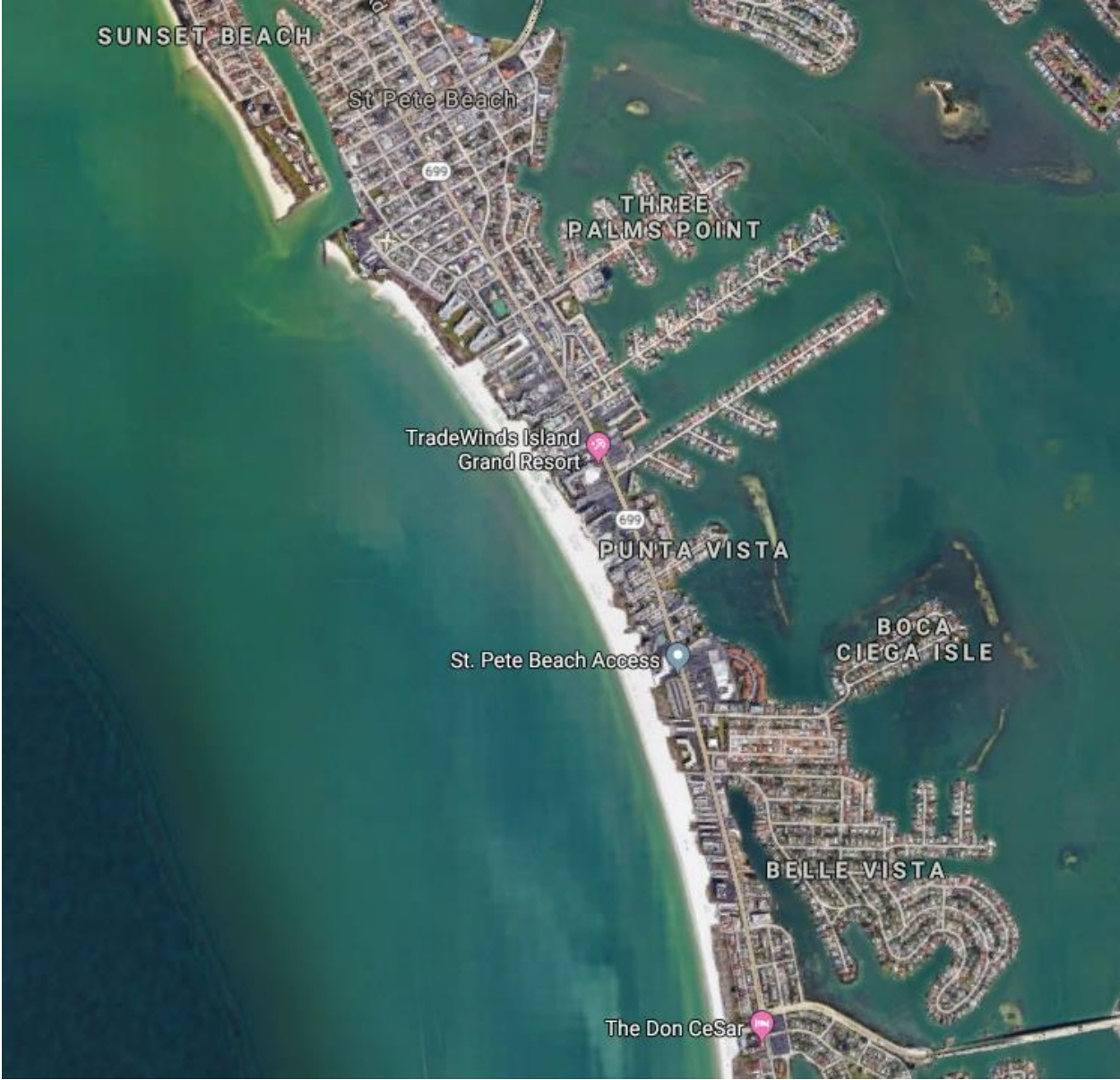
Jobs created by upscale hotels - In a 2011 study conducted for a Ft. Lauderdale hotel project, Evans, Carroll & Associates, Inc. cited a USA Today survey estimating the number of jobs created by upscale hotels at .91 employees per room. **The Projected Projects can therefore be reasonably expected to generate approximately 1,316 permanent (e.g. not temporary construction) jobs.** Using the Evans, Carroll, & Associates, Inc. report, the following job categories would be represented, primarily employed in NAICS category 721110.

Per 1,446 @ .91 employees per room

Per 100  
per Evans,  
Carroll:

Maid service	145	10
Front desk	217	15
Doormen	43	3
Bellhops	58	4
Parking valets	43	3
Concierge	43	3
Food service	289	20
Customer relations	87	6
Management	87	6
Security	87	6
Engineering/inside maintenance	87	6
Janitor/outside maintenance	87	6
Reservations	43	3
Meeting and banquet	-	0
<b>Total jobs created</b>	<b>1,316</b>	<b>91</b>

# Map of Development and Redevelopment Proposals



## Phase 2 Project Scope of Work:

- Upgrade pumps, control panels, and mechanical piping for increased flows or upgrade receiving station/force main infrastructure to reduce head condition (pending St. Pete discussion)
- Install flood-tight hatches (replace top slab if necessary for hatches)
- Relocate pump control/disconnect panels
- Replace odor control system
  - Current system is undersized
  - Site visits to evaluate alternatives
- Replace lift station generator
  - Diesel generator preferred/potentially both diesel and natural gas
- Install new site lighting
- Coat/Paint Building
- Construct new concrete wall in place of fence around lift station property
  - Demo vinyl fencing
  - Extend perimeter of concrete walls approximately 20 feet into neighboring City park (verify with conflicts)
  - Wall height to be maximum allowable per City code (apply for variance if requested by the City)
  - Improve accessibility to the southern wet well for cleaning
  - Improve accessibility to storage area under pump station control building
    - Install wider gates for truck access
    - Remove trees in front of access gates
    - Install drive isle for rear access and storage