

SUMMARY COMPARISON:

Community Benefit Commitments of the Two Finalist Developers for Tropicana Field

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The 86-acre Tropicana Field redevelopment project marks the first time in the history of St. Petersburg that **race equity** was a required focal point of a major development. It is also one of the first projects that will be subject to the new Community Benefits Agreement (CBA) policy adopted by City Council in July 2021.

This summary report was created to help local leaders, activists, and residents better understand the bevy of community-centered commitments offered by the two finalist developers for the Tropicana Field project - JMA Ventures/Sugar Hill and Midtown Development.

As readers will see, the developers offer different approaches to community investments. The two proposals differ not only in the types and scale of benefits offered, but in the groups who will benefit, and the process by which benefits, and beneficiaries will be decided.

Data Sources & Reporting Method

The data in this report were sourced from three sets of documents - 1. proposals submitted by developers in January 2021; 2. summaries of proposals, created in the fall of 2021; and 3. developers' answers to a set of questions by Mayor Ken Welch, in reports submitted in April 2022. The three sources were cross-checked against an evaluation by HR&A Advisors on behalf of the City of St. Petersburg, dated May 2021. To download and view these documents, visit the City's Tropicana Field [webpage](#).

In addition, multiple drafts of this report were shared with the developers to afford them an opportunity to fact-check the data and provide suggestions and clarifications.

With questions or feedback on this report, please email gypsy@powerbrokermagazine.com.

Side-by-Side Comparison of Community Benefits Named in Tropicana Field Developer Proposals

1. New Housing to be Built

Key Questions: How many new housing units will be built? And how many will be "affordable and workforce" units?

	JMA/Sugar Hill	Midtown
All New Housing Units		
Total New Housing Units	4,800 to 6,300	6,000 to 8,000
Affordable & Workforce Housing Units		
Affordable & Workforce Units (% of total)	50%	20%
Affordable & Workforce Units (number of)	2,401 to 3,165	1,200 to 1,600
Affordable Units ($\leq 80\%$ AMI)	1,339 to 1,917	800
Workforce Units (81% - 120% AMI)	1,062 to 1,248	400 to 800
Market Rate Housing Units		
Market Rate Units (as % of total)	50%	80%
Market Rate Units (number of)	2,399 to 3,135	4,800 and 6,400
Homeownership Units		
New Affordable Homeowner Units	100+ (Note 1)	To be determined (Note 2)

1. Sugar Hill's original proposal had 100 homeowner units; Sugar Hill's April 2022 report to the Mayor noted: "While more work is required to determine the location and total revised unit count, we will increase the number of affordable, for sale units as part of our revised residential program." 2. Midtown's April 2022 report to the Mayor had this note (abbreviated): "Midtown is committed to working with the City to create the right programs to make homeownership attainable within the project. At this time, we cannot provide a specific number...because it would not be accurate. This will be a collaborative effort with government agencies and programs at the municipal, state, and federal level...this will be a key discussion in the next 90 days."

2. Hiring Targeted Workers During Construction

Key Question: What percentage of new hires for construction jobs will be from targeted areas of the city? (Note 1)

	JMA/Sugar Hill	Midtown
% of Construction Workers to be Hired From...		
South St. Petersburg CRA	Unspecified	Unspecified
South St. Petersburg	20%	Unspecified
St. Petersburg	Unspecified	20%

1. Figures in the table above are from the developers' April 2022 reports to the Mayor; the developers cited different figures in prior documents, e.g., the original proposal by Midtown had 15%; a subsequent summary document in August 2021 had 20% of jobs targeted to the South St. Petersburg CRA; and Midtown's April 2022 report to the Mayor notes that the Pinellas County Urban League has set a goal for Midtown that at least 20% of initial hires for construction jobs be St. Pete residents, with emphasis on African Americans.

Key Question: How many construction jobs will be created and targeted to community or city residents?

	JMA/Sugar Hill	Midtown
No. of Construction Jobs Available		
All Jobs	2,500	1,900-2,600
Jobs to be Filled by Targeted Workers	500	380-520

3. Business Contracting

Key Question: What percent of the development budget will be spent with targeted business types? *IMPORTANT NOTE:* More clarity is needed from developers; their documents show different goals for contracting with various groups; as well as differences in the portion of the budget that will be subject to the goals. The top part of this table shows the differences.

	JMA/Sugar Hill	Midtown
% of Construction Contracts to be With... (Note 1)		
Original Proposal Jan 2021	15%-20% SBE for all phases of development	10% of direct hard costs to contractors in city & 15% to MWBEs
HR&A Evaluation May 2021	20% SBE/MBE contracting	10% local contractors/15% MWBEs
Summary Terms c. Aug 2021	20% SBE/MWBE for all phases	20% SBE/MWBE for all phases
Responses to Mayor Apr 2022	20% MBE & 20% SBE/MBE	Not specified
Est. \$ of Construction Contracts to be With...Businesses (Note 2)		
SBE, MBE & WBE	\$ 910.0 million	\$ 649.8 million

1. SBE = Small Business Enterprise; MBE = Minority Business Enterprise; WBE = Woman Owned Business Enterprise; MWBE = Minority or Woman Owned Enterprise 2. Estimates calculated as follows: a) 20% SBE/MWBE ratio reported by developers in summary reports c. August 2021, multiplied by b) the average of the total development cost ranges reported by developers (for Sugar Hill, \$4.0 billion to \$5.1 billion; for Midtown, \$2.75 billion to \$3.75 billion).

4. Investment/Business Opportunities Available to Community

Key Question: What are the opportunities for community stakeholders to be involved as developers, investors, and paid project partners?

	JMA/Sugar Hill	Midtown
Opportunities for Inclusion in Development Value Chain		
Community Investment Opportunities	Yes (Note 1)	No
Mentor-Protégé Partnerships	Yes (Note 2)	No
Land Allocation for Local Non-Profit	No	Yes (Urban League)
Minority Developers Involved	Yes (African American)	Yes (Latino)
MBEs on Project Team (Note 3)	10	3

1. See Table 10 on page 6 for details on investment opportunities offered by the JMA/Sugar Hill proposal. 2. Mentor-Protégé partnerships pair large businesses with smaller, often minority- or woman-owned firms to mentor the latter's growth. 3. MBEs on board at proposal stage; these figures do not include MBEs that will be onboarded during project design, construction, and operations phases.

5. Cash Investments in Community or City, By Use Type

Key Questions: How much are the developers investing toward community and City uses? What impact areas are they investing in? See page 6 for more detail on cash investments.

	JMA/Sugar Hill	Midtown
To Citywide Priorities		
Funds to Purchase Site from City	\$ 106,000,000	\$ 60,000,000
To Community Benefits		
Small Business Development	\$ 10,000,000	\$ 15,000,000
Affordable Housing & Homeownership	\$ 10,000,000	\$ 6,000,000
Community Benefits (Uses TBD)	\$ 10,000,000	\$ 1,000,000 (Note 1)
Workforce Development	\$ 2,000,000	(Note 2)
Campbell Park Redevelop. /Expansion	\$ 5,000,000	
Woodson African American Museum	\$ 1,000,000	
Hwy 1-175 Taskforce	-	\$ 500,000
TOTALS:	\$ 144,000,000	\$ 82,500,000

1. This \$1 million from Midtown is for "uses TBD by City, for projects related to vocational training, education, equitable justice, art in public places, conservation, and cultural initiatives." 2. Midtown's April 2022 report to the Mayor notes that "Midtown and [Pinellas County Urban League] will work together to create a requisition format to fund training expenses of up to \$1,500 for each position remaining to be filled."

6. Groups/Sectors that Benefit from Cash Investments

Key Question: Which groups or sectors are slated to receive cash investments committed by the developers (not counting cash to purchase the site from the City)? See page 6 for more detail on cash investments.

	JMA/Sugar Hill	Midtown
Beneficiary Groups/Sectors		
Local Small Businesses*	\$ 12,500,000	\$ 15,000,000
Non-Local Businesses	\$ 2,500,000	
Woodson African American Museum*	\$ 1,000,000	
Local Post Secondary Institutions*	\$ 2,000,000	
Affordable Home Buyers/Builders*	\$10,000,000	\$ 1,000,000
Housing Developers at the Trop Site		\$ 5,000,000
City/Consultant for Hwy I-175 Taskforce		\$ 500,000
Other Beneficiaries, TBD by Community*	\$ 10,000,000	\$ 1,000,000
TOTALS:	\$ 38,000,000	\$ 22,500,000
\$ COMMUNITY-TARGETED*:	\$ 35,500,000	\$ 17,000,000
% OF CASH COMMUNITY-TARGETED*	93%	76%

7. Decision-Makers on Uses/Recipients of Cash Investments

Key Questions: Who will decide on uses and recipients of cash investments? How much of cash funding will community stakeholders be able to influence?

	JMA/Sugar Hill	%	Midtown	%
Decision-Makers on Uses of Cash Investments				
Community Stakeholders TBD (Note 1)*	\$ 30,000,000	79%		0%
Developers	\$ 5,000,000	13%	\$ 15,000,000	67%
Developers, Urban League, et al (Note 2)*		0%	\$ 5,000,000	22%
City of St. Petersburg	\$ 2,000,000	5%	\$ 2,500,000	11%
Woodson African American Museum Team*	\$ 1,000,000	3%		0%
TOTALS:	\$ 38,000,000		\$ 22,500,000	
\$ DECIDED BY COMMUNITY*:	\$ 31,000,000		\$ 5,000,000	
% DECIDED BY COMMUNITY*:		82%		22%

1. For a description of how uses of community funds will be decided, see pages 42-44 under "Design" header, of [Sugar Hill's April 2022 report to the Mayor](#). 2. From [Midtown's April 2022 report to the Mayor](#): "Midtown and the [Pinellas County Urban League] will partner with additional local organizations...to establish the program's criteria" (page 50).

8. Structure of Community Benefits Funding Mechanism

Key Question: How will community-targeted cash investments be managed?

	JMA/Sugar Hill	Midtown
Details About Funding Mechanisms		
Amount Going to Local Fund(s)	Est. \$30 million (Note 1)	Est. \$7 million (Note 2)
Home of Fund (proposed)	Foundation for a Healthy St Pete	City Community Benefits Fund
Type/Structure of Fund	Community Equity Endowment	City Community Benefits Fund
Revenue Source of Fund	Developer + project profits	Developer
Recurring Revenue (yes or no)	Yes, 1% of profits, in perpetuity	No
Day 1 Fund Deposit (amount)	\$5 million	\$1 million

1. \$30 million Sugar Hill's estimate of a revenue from a profit interest, over the first 20 years of the project, that will go to a Community Equity Endowment for community uses; the profit-interest continues in perpetuity. 2. Estimated to include a) \$2 million to go to City-housed Community Benefits Fund and b) \$5 million committed to Unlocking Opportunities Program (see page 6 for more detail on these community investments).

9. Asset & Business Growth Opportunities

Key Questions: What opportunities are there for community and city residents to invest in the project? What opportunities are there for local, small businesses to lease/use space there?

	JMA/Sugar Hill	Midtown
Details on Investment Opportunities		
Black Investor Opportunities	<ul style="list-style-type: none"> • 10% of market rate housing will be capitalized by black investors, with local emphasis • 25% of affordable/workforce housing development will be capitalized by local black investors, with local emphasis • 10% of commercially developed assets may be financed by black investors, with local emphasis (e.g., office, hospitality, retail) • A black-owned brewery will be mentored and developed onsite • JMA/Sugar Hill is partnering with Liberty Bank, one of the largest black-owned banks in the country, to provide debt financing on affordable and workforce housing. 	<ul style="list-style-type: none"> • Not specified
Details on Business Space Opportunities		
Special Focus on Local Small Business Tenants	<p>A Small Merchant Benefits Program that consists of:</p> <ul style="list-style-type: none"> • “Pop up” storefront opportunities to allow merchants to cost-effectively test drive a concept and gain exposure without significant investment. [JMA/Sugar Hill] is a participant in and sponsor of the Saturday Morning Shoppes, so we have seen firsthand the value and vitality of these kinds of merchant-friendly events.” • Short-term leases to provide additional flexibility to local merchants. • Flexible lease terms that calculate rent as percentage of revenue only. • A retail incubator program to assist small businesses with set-up, launch, and operations, and ultimately help graduate merchants into permanent locations. 	<p>Focus on Independent Local Businesses:</p> <ul style="list-style-type: none"> • “Midtown’s business model...shies away from the national chain, credit tenant. When neighborhood building, retail should be an amenity...the reason you leave your apartment to have bite to eat, and the reason you decide to ride you bike across town on the Pinellas Trail. The uniqueness of smaller artisan shops is what will make this newly created neighborhood a special place...” In addition, a park west of 16th St. will be “a local market and a place for pop-up entrepreneurs and artists to set up.” • The Midtown proposal focuses on 16th Street as a Main Street for South St. Pete’s extension onto the site. • The Midtown proposal names a “Farmers Market” and surrounding park, as part of Phase 3.

10. More Details on Cash Investments for Community Uses

	JMA/Sugar Hill	Midtown
Details on Cash Contributions to Community		
Amounts, Uses & Decision Makers on Uses	<p>\$38 million* to be used as follows:</p> <ul style="list-style-type: none"> • \$10 million to small business growth initiatives, to provide grants to small, minority- and women-owned businesses to offset startup and operating costs. In addition to retailers, grants will be available to minority and women-owned businesses leasing workspace onsite • \$10 million to affordable housing development, uses TBD by community • \$10 million to other community benefits, uses TBD by community • \$5 million for redesign & development of Campbell Park • \$2 million to workforce training and support costs (outreach & mentoring) via a Vocational Academy, uses TBD and approved by City • \$1 million to Woodson African American Museum of Florida <p>*\$30 million is estimate of a profit interest to go to a Community Equity Endowment for community uses during the first 20 years of project; the profit-interest continues in perpetuity.</p>	<p>\$22.5 million to be used as follows:</p> <ul style="list-style-type: none"> • \$10 million to retail tenants on site, to support independently-owned businesses through buildout assistance, incentives, and promotion (\$5M at the start of the project; \$5M at the start of Phase 3) • \$5 million gap financing to affordable housing developers on site (\$1M per phase) • \$5 million Unlocking Opportunities Program, making grants to small businesses, criteria TBD by developer, Pinellas County Urban League & partners • \$1 million to Community Benefits Foundation, uses TBD by City, for projects related to vocational training, education, equitable justice, art in public places, conservation, and cultural initiatives • \$1 million for affordable housing development throughout the city, uses TBD by City • \$500,000 to Hwy I-175 Taskforce convened by Clary Consulting and comprised of City staffers
Cash to City Coffers		
Funds to Purchase Site from City	<p>\$106 million</p> <p>Uses to be determined by City leaders (Administration + Council)</p> <p>NOTE: This may present an opportunity for community stakeholders to influence uses of these funds .</p>	<p>\$60 million</p> <p>Uses to be determined by City leaders (Administration + Council)</p> <p>NOTE: This may present an opportunity for community stakeholders to influence uses of these funds.</p>

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