Eastside Redevelopment Board Meeting

Wednesday, January 10, 2018 – 4:00 P.M. CST
222 W. Main Street, 1st Floor, Pensacola FL 32502
Vince Whibbs, Sr. Conference Room

REGULAR AGENDA

1. Call to Order
2. Determination of Quorum
3. Election of Officers
4. Approval of Minutes – October 11, 2017
5. Old Business
    a. General "Chappie" James Museum and Flight Academy Update
    b. Eastside CRA Overlay of Design Standards Update
    c. Residential Property Improvement Program Update
6. New Business
7. Reports and Announcements
8. Board Member Comments
9. Adjournment

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Eastside Redevelopment Board

Wednesday, October 12, 2017 – 4:00 P.M. CST
222 W. Main Street, 1st Floor, Pensacola FL 32502
Vince Whibbs, Sr. Conference Room

DRAFT RECORD OF MINUTES

BOARD MEMBERS PRESENT

Gerald Wingate .... Council Member Representative
Jeannie Rhoden .... Homeowner Representative
Aretta Anderson .... Neighborhood Association

BOARD MEMBERS ABSENT

William Brown .... Homeowner Representative
Vacant Position........ Business Owner

STAFF PRESENT

Helen Gibson .... CRA Administrator
Victoria D'Angelo .... Asst. CRA Administrator

1. Call to Order

The meeting was called to order at 4:00 p.m. by Acting Chairwoman, Jeannie Rhoden.

2. Determination of Quorum

A quorum was present.

3. Election of Officers

Acting Chairwoman Rhoden nominated Board member Aretta Anderson to serve as Chair of the Eastside Redevelopment Board (ERB) for a term of one (1) year with eligibility for re-election.

Councilman Gerald Wingate made a motion to elect Ms. Anderson as Chair. Motion was seconded by Acting Chairwoman Rhoden, and carried unanimously.

Councilman Wingate nominated Ms. Rhoden to serve as Vice-Chair of the ERB for a term of one (1) year with eligibility for re-election.

Chairwoman Anderson made a motion to elect Ms. Rhoden to serve as Vice-Chair. Motion was seconded by Councilman Wingate, and carried unanimously.

Chairwoman Anderson requested that Vice-Chair Rhoden conduct the remainder of the meeting. Vice-Chair Rhoden obliged.

4. Approval of Minutes

Chairwoman Anderson made a motion to approve the November 9, 2016, January 11, 2017, April 12, 2017, and July 12, 2017 meeting minutes. Motion was seconded by Councilman Wingate and carried unanimously.

5. Old Business

a. General "Chappie" James Museum and Flight Academy

CRA Administrator, Helen Gibson, provided an update on the status of the General "Chappie" James Museum and reviewed an annual report provided by the Chappie James Museum of Pensacola. Ms. Gibson advised the ERB that substantial completion of the Chappie James Museum and Flight Academy was anticipated within the next two to three months. She informed the Board that the Museum had been awarded a grant for exhibit design and was actively undergoing negotiations with various agencies for the lease of artifacts for display within the Museum. She announced that a grand opening is tentatively scheduled to be held during February 2018, in the coordination with the birth date of General "Chappie" James.

Ms. Gibson informed the ERB that the flight academy had applied for an Impact 100 grant to support their equipment and furniture needs but did not receive the grant. She explained that the flight academy continued to seek support for these items through alternative sources and stated that she felt confident that the flight academy would identify the necessary means to obtain the required items.

Chairwoman Anderson questioned who would be responsible for the operation of the museum and flight academy once construction of the facility had been completed. Ms. Gibson informed the ERB that the museum and flight academy would each, independently be responsible for their operations, and maintenance of the facility. The Community Redevelopment Agency, through an interlocal agreement with the City of Pensacola's Parks and Recreation Department would be responsible for the maintenance of the grounds and the overflow parking lot.

6. New Business

a. Eastside CRA Overlay of Design Standards

Assistant CRA Administrator, Victoria D'Angelo, informed the ERB that the CRA had issued a Request for Qualifications (RFQ) to hire a consultant to provide urban design and code amendment services to support the development, adoption and codification of the CRA Overlay of Design Standards. She explained that a selection committee had met and recommended the firm DPZ, as the top ranking firm to the CRA for approval. Ms. D'Angelo informed the ERB that the CRA approved the recommended ranking on October 9, 2017.

b. Affordable Housing Improvement Program

Ms. Gibson provided an overview of the proposed Residential Property Improvement Program Guidelines to the ERB.

Councilman Wingate made a motion to recommend approval of the Residential Property Improvement Program to the CRA for approval. Motion seconded by Vice-Chair Rhoden, and carried unanimously.

c. Fiscal Year 2018 Meeting Schedule

Ms. D'Angelo presented the proposed Fiscal Year 2018 Meeting Schedule to the ERB.

Vice-Chair Rhoden made a motion to approve the Fiscal Year 2018 Meeting Schedule. Motion seconded by Councilman Wingate.

7. Reports and Announcements

a. Financial Report

Ms. Gibson presented a financial report which included the estimated fund balance for the close of the 2017 fiscal year, and proposed allocations for fiscal year 2018.

8. Board Member Comments

No comments were provided.

9. Adjournment

With no further business, the meeting adjourned at 4:58 p.m.

RESIDENTIAL PROPERTY IMPROVEMENT PROGRAM GUIDELINES

1. **GOAL**: The goal of this program is to encourage and support blight removal, affordable housing, and neighborhood revitalization within targeted districts of the designated Pensacola community redevelopment areas by funding improvements to enhance residential properties.

2. **TYPE OF ASSISTANCE: The program offers a zero percent (0%) interest, Deferred Payment Loan secured by a lien agreement. Eligible property owners whose household income is equal to or less than 120 percent of the Area Median Income (AMI), as defined by the most recent HUD Median Income Limits for Escambia County, Florida, may receive funding up to $35,000 for eligible improvement costs. Property owners whose household income exceeds 120% AMI, or whose property is non-homesteaded at the time of application may receive funding, up to $17,500 for eligible improvement costs.**

3. **FUNDING SOURCE:** City of Pensacola Community Redevelopment Agency (CRA) funds will be used to fund improvements and repairs under this program. Funding is subject to availability and approval under the terms of the program guidelines.

4. **MARKETING & OUTREACH:** The West Florida Regional Planning Council (WFRPC) will lead an outreach campaign, in coordination with the Pensacola CRA staff, to attract interest in the program from residents in the identified areas of eligibility. WFRPC will develop appropriate marketing materials, contact property owners, and identify a communication strategy to bring community awareness to the program.

5. **ELIGIBLE PROPERTIES**: Properties eligible for consideration for this program are residential units within identified target areas. These units may either be owner-occupied or rental properties and may include both single and multi-family dwellings.

6. **ELIGIBLE APPLICANTS**: This program will invite applications from property owners in target areas interested in making exterior and other improvements to their residential properties. Applicants must own the property to be rehabilitated. Types of ownership may include fee simple, including heir or multiple ownership properties (with the notarized written consent of all heirs or owners). Ownership must be verified by official documentation including the following: legal opinion and title letter, copy of property tax bill, or deed. To qualify as an owner-occupied property, applicants must provide proof of homestead exemption or application for homestead exemption.

7. **RENTAL PROPERTIES:** A certified copy of any existing lease agreement must be submitted by the property owner for occupied rental properties and must be certified to the program annually during the term of the loan. Owners of rental property may neither pass through the cost of the funded improvements to tenants nor displace tenants. Should the property owner increase rent(s) by more than five percent (5%) in a given year, the remaining balance of the loan will become immediately due and payable. Owners of rental

properties must execute an assignment of leases, rents and profits agreement with the CRA for the duration of the lien agreement.

8. **EXISTING MORTGAGE:** Applicants must be current on any existing mortgage on the property. A certified letter from the mortgage holder will be requested as documentation. The right is reserved to request additional documentation confirming mortgage status.

9. **TAXES, LIENS AND OTHER CHARGES:** All property tax assessments, levies, license fees, permit fees and other charges levied, assessed, confirmed, or imposed on, or in respect of, or which may be a lien upon the property or upon the rents, issues or income or profits must be paid completely up to date at the time of application. Applicants shall submit evidence of payment as requested. Taxes may be verified by: 1) property tax payment receipt from the City/County, or 2) affidavit certifying payment or mortgage statement from lender saying taxes are completely paid.

10. **PROPERTY INSURANCE:** Program participant must have, maintain and provide proof of homeowner's insurance in accordance with the requirements of the funding agreement. Program participant shall name the CRA as a certificate holder on all required insurance policies and shall renew the required policies on an annual basis until the lien is satisfied or released.

11. **COMPLIANCE WITH CITY REGULATIONS:** Prior to project completion the property must be clear of any care of grounds violations. Compliance with any applicable exterior design guidelines is required.

12. **ELIGIBLE REPAIR AND IMPROVEMENTS**: Eligible rehabilitation activities include, but are not limited to, the following:
    - Structure cleaning, exterior painting, re-siding, or refinishing (Low maintenance improvement options should be selected. Colors must be selected from an approved palette.
    - Doors (including kick plates, hardware upgrades, and storm doors)
    - Windows
    - Roofing (including eaves and overhangs)
    - Landscaping and irrigation
    - Exterior lighting
    - Fencing
    - Porch repair/replacement
    - Drain fields
    - Eaves and Overhangs
    - Shutters
    - Paving areas facing the street (such as driveways)
    - Foundation work
    - Design and technical assistance

Additional structural and interior repairs and improvements may be approved for eligibility, subject to inspection and fund availability. Permit fees may be included in the total project cost.

13. **FUNDING LIMITATIONS**: The maximum amount available for each home is $35,000 (for HH Income of 120% AMI or less) or $17,500 (for HH Income greater than 120% AMI or Rental Properties).

14. **FORM OF ASSISTANCE**: Grantees will receive a Deferred Payment Loan secured by a lien agreement on the property. The loan is forgiven in full at the expiration of the lien period and no payment is required on the loan unless: any or all of the funded improvements are modified, altered, removed, or demolished, the property is sold, transferred, demolished or assigned, converted to 100% non-residential use, directly or indirectly encumbered, pledged, or conveyed, the owner fails to maintain the property, unresolved code violations occur, or rents are increased by more than 5% per year during the lien period.

15. **TERM**: Liens are for a term of three (3) years for owner-occupied properties and five (5) years for rental properties, and are forgiven on a daily basis over the course of the full indenture period for such property type. A violation of the terms of the lien shall be a default, and in that event all unforgiven sums shall be immediately due and payable.

16. ASSUMABILITY: In the event of the death of the original grantee or sale of the property prior to the expiration of the date determined in the lien agreement, the amount of the loan or any remaining prorated balance shall be repaid.

17. HOW TO APPLY: Interested property owners should contact the West Florida Planning Council for determination of eligibility. An inspection of the property will be scheduled to determine the scope of work needed. Applications will be considered on a first come first served basis.

18. PROGRAM PROCEDURES

a) **<u>Application</u>**
To apply for funding under the Residential Property Improvement Program, prospective applicants shall submit a Program Application and supporting documentation to the office of the West Florida Regional Planning Council (WFRPC). Upon preliminary review, WFRPC staff will provide notice of eligibility determination. Eligible applications will be scheduled for an initial inspection to determine the scope of work needed.

Required Documentation	
Owner-Occupied Properties	*Rental Properties*
Property Deed, Property Tax Bill or Legal Opinion and Title Letter Establishing Legal Ownership*	Property Deed, Property Tax Bill or Legal Opinion and Title Letter Establishing Legal Ownership*
Copy of Homestead Exemption or Homestead Exemption Application	Lease Agreement (Certified Copy)
Income Verification Documentation (See below)	Income Verification Documentation (See below)

Proof of Paid Taxes: Property Tax Payment Receipt or Affidavit Certifying Payment or Mortgage Statement from Lender saying Taxes are Paid	Proof of Paid Taxes: Property Tax Payment Receipt or Affidavit Certifying Payment or Mortgage Statement from Lender saying Taxes are Paid
Any other documentation as requested.	Any other documentation as requested.

*Properties owned by multiple parties must provide a notarized affidavit from all legal owners consenting to program participation.

Applicant(s) must submit income/employment verification for all household members 18 years or older or signed statement indicating unemployment, and describing source of financial support. All financial and asset income will be verified by a third party within 120 days.

Acceptable forms of documentation include:

Pay stub issued within the past three (3) months containing pay period, and/or pay frequency, and rate of pay and/or;
Federal Income Tax Return from the previous tax year and/or;
Social Security Administration Letter/Statement issued within the past twelve (12) months containing current benefit amount and/or;
SSI Letter/Statement issued within the past twelve (12) months containing current benefit amount and/or;
Retirement, Pension and/or VA Payment Letter/Statement and/or;
Proof of all other sources of income including workers compensation, alimony, child support, interests, and/or dividends, overtime, bonuses, etc.

No member, officer or employee of the City of Pensacola, CRA or its designees or agents, no member of the City Council of the City of Pensacola, and no other public official of such locality who exercises any functions or responsibilities with respect to the Program during his tenure or for one (1) year thereafter shall have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed in connection with this Program.

b) Initial Inspection

A Rehabilitation Inspector will schedule and conduct an initial inspection of the home with the property owner present to develop an initial scope of work and itemized cost-estimate. Design and color selection options for cosmetic project improvements may be recommended for the property owner's selection. If a recommendation is provided, colors must be selected from the recommended palette.

The Rehabilitation Inspector will document the inspection with detailed photographs.

A bid proposal form will be attached to the approved work write-up, which constitutes an official bid packet.

c) **Funding Approval**

Once the required Program Application, supporting documentation, cost estimates, and contractor documentation have been sufficiently submitted, the CRA's Assigned Program Administrator will review the completed application package for funding approval.

Upon approval, the applicant shall provide proof of the required insurance and execute a Program Funding Agreement which establishes the terms, conditions and requirements of program participation, Lien Agreement, and all other applicable contractual forms as may be required.

Following execution of the required documents, WFRPC shall issue a Notice to Proceed.

d) <u>Insurance Requirements</u>

The participant shall be required to keep all buildings and improvements on the property insured against loss or damage by fire or other such risks and matters as defined within the Funding Agreement and shall furnish proof of adequate hazard insurance on the property prior to project commencement.

During the lien period, the participant must have, maintain and provide proof of the required insurance. The participant shall name the CRA as certificate holder on all insurance policies required under the agreement, and shall renew the required policies on an annual basis until the lien is satisfied or released.

Required Documentation
Proof of Insurance (See Funding Agreement for Full Details)
Submit Insurance Renewals to CRA During Lien Period

e) Lien Agreement/Closing

Funding provided by the CRA pursuant to this program shall be secured by a zero interest deferred loan, forgivable over a three (3) or five (5) year period, as determined by applicant income and the property type, and measured from the date of execution of the Lien Agreement.

If at any time during the loan term, the participant fails to comply with the terms of this program then the remaining prorated share of the loan shall become due and payable to the CRA within thirty (30) calendar days.

f) <u>Contractor Selection</u>

Once the bid packet is compiled, bids will be solicited from a list of pre-approved licensed and insured contractors. An award will be made to the lowest, most responsive bidder.

Prior to the deadline for submission of bids, the Rehabilitation Inspector will coordinate a pre-bid meeting and site visit with interested contractor(s) to review initial rehabilitation specifications.

Following a bid-opening, WFRPC shall select the lowest, most responsive bidder and shall provide notification of the selected contractor, along with all bids, proof of licensing or registration and insurance coverage to the CRA's assigned Program Administrator.

A conference including the property owner, the Rehabilitation Inspector, and the selected contractor shall be conducted at the home prior to issuance of a Notice to Proceed and execution of the required Program Funding Agreement. Each party shall receive a copy of the contract and scope of work listing all the repairs or improvements to be done. A walk-around of the home will be conducted to ensure that all parties are in agreement with the repairs and improvements to be done.

All proposed improvements and rehabilitation work must comply with the City zoning and building code regulations and other local and state laws and ordinances. The contractor shall be responsible to obtain all applicable permits. The property owner shall not conduct any work or apply for a permit for any project component.
Notice to Proceed shall not be issued and work shall not commence prior to execution of the required Program Funding Agreement and Lien Agreement by the property owner.

19. Project Commencement

The project shall commence upon Notice to Proceed, and full project completion shall be achieved no more than 60 calendar days following such issuance. If the work is delayed at any time while in progress then the deadline may be extended by written authorization for such reasonable time as the WFRPC/CRA may jointly determine. The participant shall notify the WFRPC in writing of such delay within ten (10) calendar days of its occurrence.

20. Inspections

WFRPC will monitor all work in progress.

Change orders submitted by the contractor, shall be approved by WFRPC and executed by the property owner. Change orders shall be limited by the maximum funding amount of $35,000 (120% AMI/-), or $17,500 (120% AMI+). Change orders in excess of the allowable funding amounts shall be the responsibility of the property owner.

The contractor may request a draw for 50% of the project cost after 60% of the work has been completed. Disbursement shall be subject to approval by WFRPC.

WFRPC shall conduct a final inspection of all contracted repairs to ensure work was done in accordance with the program terms and applicable rehabilitation standards.

Photographs of the completed project will be taken.

21. Project Completion/Final Payment

After the final inspection is completed and all work is approved by WFRPC and the property owner, has submitted an Owner's Statement of Completion, the Contractor may submit the necessary documentation and request final payment.

Required Documentation
Completed Owner's Statement of Completion Form
Completed Contractor's Affidavit Form for Each Authorized Contractor
Certificate of Insurance Policies (See Program Funding Agreement)

Completed W-9 Form

Upon the receipt of all required documentation and verification of program compliance, a payment request will be submitted to City of Pensacola CRA staff by WFRPC. The CRA will process payment as outlined in the Funding Agreement. Payment of the approved program funds, will be disbursed.

22. Code Violations

During the term of the lien period, the property shall not incur any code violations.

23. Lien Satisfaction

Upon a finding of satisfactory program compliance, the Lien Agreement will be released. CRA staff will file a Release of Lien in the official records of the Escambia County Clerk of Court, and the loan will be forgiven.

Eastside CRA Affordable Housing Target Areas