

Community Redevelopment Agency (CRA) Meeting – April 16, 2018

At approximately 3:02 P.M. Mayor Dyer recessed the City Council meeting and convened the Community Redevelopment Agency (CRA) meeting.

4. Community Redevelopment Agency

(CRA) (1) Accepting Community Redevelopment Agency Advisory Board (CRAAB) meeting minutes of February 21, 2018. Commissioner Robert F. Stuart moved and Commissioner Patty Sheehan seconded a motion to accept the meeting minutes, and the CRA voted unanimously to accept the meeting minutes for filing by the City Clerk, filed and documentary **#180416401**.

(2) Approving Community Redevelopment Agency (CRA) meeting minutes of March 19, 2018. Commissioner Patty Sheehan moved and Commissioner Robert F. Stuart seconded a motion to approve the meeting minutes, and the CRA voted unanimously to approve the meeting minutes and accept for filing by the City Clerk, filed and documentary **#180416402**.

Mayor Dyer called on CRA Executive Director Thomas Chatmon to present the following item(s):

(3) Approving MEBA Funding Agreement and Security Agreement for Neu Blooms, LLC. The Minority/Women Business Assistance Program was approved by the Community Redevelopment Agency on August 28, 2006. The MEBA Program assists with small business retention and creation in the MEBA target area as defined within the Downtown Orlando Community Redevelopment Area. The MEBA Program provides financial assistance of up to \$40,000 to qualified new and existing retail and service businesses for retention/relocation expenses, purchase of capital equipment, marketing services, and business start-up expenses. Neu Blooms, LLC is a floral and event design business located two blocks west of the Amway Arena on the first floor of the City View property at 595 West Church Street, Suite H. The business was incorporated in the state of Florida on May 4, 2017. Its co-owners, Alysha Smith and Latina Smith began operating their small business from their home before moving to their current location. The owners have extensive experience in the floral industry and pride themselves in creating beautiful arrangements that their clients are sure to love and enjoy. The applicant has requested a MEBA grant funding for capital equipment, rent abatement, relocation/expansion cost, and marketing assistance, totaling \$39,400.11. The MEBA Advisory Board recommended approval of funding for up to \$39,400.11 at the February 21, 2018 MEBA Advisory Board meeting. The CRA Advisory Board recommended approval of funding for up to \$39,400.11 at the March 28, 2018 CRA Advisory Board meeting. Staff is requesting approval of the MEBA Funding Agreement and Security Agreement between the CRA and Neu Blooms, LLC, and authorization for the Chairman and Executive Director of the CRA to execute said Agreements, subject to the review and approval of the City Attorney's Office. Commissioner Regina I. Hill moved and Commissioner Patty Sheehan seconded a motion to approve the funding agreement and the security agreement, and the CRA voted unanimously to approve the funding agreement and the security agreement, filed and documentary **#180416403**.

(4) Approving Community Redevelopment Agency (CRA) Infill Housing Down Payment Assistance Program. Mr. Chatmon stated in an effort to increase owner-occupancy of single family homes in the Parramore area, the CRA has started constructing homes on some CRA and City owned lots within the Downtown CRA. To ensure the success of the project, the CRA desires to provide down payment/closing cost assistance to purchasers of the CRA constructed homes. The amount of assistance in each case will be based on the actual need of the applicant. This amount will be determined by the CRA in consultation

with the lender and based on the difference between the Buyers' loan qualifying amount, as determined by the lender, and other down payment/closing cost assistance funds available to the Buyer. The CRA assistance will be no greater than the difference between the amount determined with the lender and appraised value of the property, with maximum funding of \$100,000 per applicant. Applicants must meet certain criteria to be eligible for such assistance from the CRA:

- Be a first time homebuyer (not owned within previous 3 years) UNLESS are City of Orlando Employee, Teacher/School Administrator, Healthcare Professional, or Public Safety Personnel
- Complete a first time home buyer education course by a HUD approved housing counseling agency as listed on the City and CRA websites
- Be able to obtain a loan commitment for a first mortgage of at least \$125,000 with a fixed rate from a City of Orlando certified lender as listed on the CRA and City websites and meet the following underwriting criteria:
 - 1) Housing expense ratio of 38% or less
 - 2) Maximum debt-to-income ratio of 45%
 - 3) Minimum credit score of 640
- Maintain the home as applicant's homestead/principal residence for a minimum of five (5) years; if rented or sold within such period, the full amount of assistance must be paid back to the CRA (a recorded mortgage and note will be placed on the property for the five (5) year period)
- Provide a minimum of \$1,000 of household money toward down payment/closing costs

Staff is requesting approval of the CRA Infill Housing Down Payment Assistance Program for new construction homes that are part of the CRA's infill housing initiative, subject to review and approval of the City Attorney's Office, and authorization for the Chair and Executive Director to execute all necessary program documents including but not limited to notes and mortgages. Commissioner Jim Gray asked if the City has the ability to buy back mortgages upon default; for example, if the homeowner should lose their job. He believes the City should provide help, but should also protect its investment. Mr. Chatmon responded that they had not contemplated this question. Mayor Dyer asked City Attorney Mayanne Downs to work on adding appropriate language to address Commissioner Gray's concern. Commissioner Regina I. Hill moved and Commissioner Patty Sheehan seconded a motion to approve the CRA Infill Housing Down Payment Assistance Program, and the CRA voted unanimously to approve the CRA Infill Housing Down Payment Assistance Program, filed and documentary **#180416404**.

(5) Approving Community Redevelopment Agency (CRA) Infill Housing Sales Authorization. In an effort to increase owner-occupancy of single family homes in the Parramore area, the CRA commenced on its infill housing initiative to construct ten (10) or more single family homes on CRA and City owned lots in Parramore. A Request for Proposals (RFP) for qualified design-build firms was issued on March 21, 2017. Two firms were selected and approved and construction commenced on the initial phase of homes in January 2018. The initial phase includes construction of three (3) one-story single family homes on 730 Short Avenue, 732 Short Avenue, 734 Short Avenue, and 736 Short Avenue. One of the four addresses will be eliminated upon completion. The design-builder anticipates delivery of these homes in mid 2018 and the CRA intends to sell the homes to qualified owner-occupant purchasers with all transactions providing a minimum sales proceeds of \$125,000 per home (exclusive of closing costs) to the CRA.

Staff is requesting to authorize the Executive Director of the CRA to enter into contracts for the sale of homes constructed as part of the CRA Parramore Infill Housing Initiative to owner-

occupants as set forth above and execute closing and other documents necessary to effectuate such sales, including but not limited to deeds, covenants and restrictions. Commissioner Regina I. Hill moved and Commissioner Patty Sheehan seconded a motion to approve the CRA Infill Housing Sales Authorization – District 5, and the CRA voted unanimously to approve the CRA Infill Housing Sales Authorization – District 5, filed and documentary **#180416405**.

At approximately 3:22 P.M. Mayor Dyer adjourned the Community Redevelopment Agency (CRA) meeting and reconvened the City Council meeting.

City Clerk

Chairman