

CITY OF ST. AUGUSTINE, FLORIDA

Lincolville Community Redevelopment Area Steering Committee
January 5, 2017

The Lincolville Community Redevelopment Steering Committee met in formal session at 7:00 P.M., Thursday, January 5, 2017, at the Willie Galimore Center. The meeting was called to order by Nicholas Noloboff, Chairman, and the following were present:

1. **ROLL CALL** Nicholas Noloboff
Nathan Baer
Carolyn Wright
Reverend Rory Hermann
Theresa Segal

Staff Present: Erin Minnigan, Historic Preservation & Community Development Planner
David Birchim, Director, Planning & Building
Denise May, Assistant City Attorney

2. **APPROVAL OF MINUTES**
(November 7, 2016)

MOTION

Mr. Noloboff moved to approve the minutes. Mr. Baer seconded the motion and the motion was approved by a unanimous voice vote.

3. **GENERAL PUBLIC COMMENT**

None.

4. **GENERAL DISCUSSION**

4. **(a) Clarification of the Fix-it-Up and Emergency Assistance Programs.**

Ms. Minnigan gave an overview of the agenda item. She said there were two programs currently in the Lincolville Redevelopment Plan (plan) and were

funded under this year's budget: The Remediation of Blighted Structures and the Down Payment Assistance Program. She said the LCRA could purchase blighted structures, rehabilitate them, and re-sell them with down payment assistance. She said the purpose of the discussion was to gather feedback from the Steering Committee and Public to hand over to the consultant for refinement and incorporation into the plan amendment.

Toni Wallace asked how historic structures would be defined.

Ms. Minnigan said the City Code included a definition for historic property. She said for purposes of the program, historic structures could be defined as those contributing to the Lincolville National Register District, recorded on the Florida Master Site File, and 50 years old or older.

Ms. Wallace asked if the programs only applied to historic structures.

Ms. Minnigan said that was a topic for discussion. She said it might be possible to prioritize historic structures, while remaining inclusive to any structure in the neighborhood that might be a good fit for the programs.

Irene Arriola asked if the programs worked together or were viewed as independent of each other.

Mr. Nolofoff said the programs were independent of each other in the plan.

Ms. Wallace asked if eminent domain would be exercised or if the owner of the property needed to be willing to sell it.

Mr. Nolofoff said the intention was to not use eminent domain.

Bill Lazar said the City of Tampa had a similar program where they used aggressive code enforcement to acquire properties.

Ms. May said properties with a mortgage provided an obstacle to the City acquiring properties through code enforcement, because it would require the City to pay off the mortgage. She said an analysis would be done on a property to see if it had a mortgage, how many code enforcement fines it accumulated, and how much the LCRA could acquire it for.

Ms. Minnigan reiterated that the programs were just being established,

and the Steering Committee had suggested in the past to ease into the programs by first acquiring a small property through a straight purchase.

Rev. Hermann asked if there was a definition for blighted structures.

Ms. Minnigan said yes that definition was contained within the Florida Statutes Chapter 163, Part III.

Mr. Birchim said structures in Lincolnton were surveyed at the time of the LCRA's creation where buildings were given a rating from 1 to 4 based on their condition.

Ms. Minnigan said an updated blighted structure inventory was part of the scope of work for the consultant conducting the plan amendment.

Ms. Segal suggested targeting small, one-story cottage or shotgun homes because the rehabilitation would not be cumbersome and the property could be sold at an affordable price point.

Ms. May said the targeted properties would need to meet the definition of blight in the Florida Statutes, which characterizes blighted structures as endangering life or property, or leading to economic distress.

Mr. Baer suggested the criteria for targeted structures should include capping the amount a property was valued, in addition to the size of the structure.

Mr. Noloboff said the historic preservation objective and affordable housing objective may be more successful functioning independent of each other.

Ms. Wallace said a historic property rehabilitation was only successful if an adaptive use was determined for it.

Mr. Lazar said emphasis would likely be put on the outside of the building to keep it historically accurate in terms of material and design.

Ms. Minnigan said that Lincolnton was currently not regulated by design review, however the LCRA would have the authority to impose that type of review on structures they rehabilitated. She said that could be done at the staff or board level.

Blake Souder asked what would happen if the LCRA rehabilitated a house and there was an economic downturn so the LCRA could not sell it at a price that would recoup their investment.

Ms. May said the purpose of the LCRA was to remediate blight, not to make a return on an investment.

Ms. Minnigan added the purpose of these programs were not to make a profit, but rehabilitate blighted structures and sell it to someone so it would be used and maintained.

Mr. Lazar suggested starting with a blighted structure inventory and sort out

those with a 1-story size, had title issues, or code enforcement fines.

A suggestion was made to demolish blighted structures that could not be salvaged.

Mr. Noloboff said it would be a possibility for the LCRA to purchase such a blighted structure, demolish it, and rebuild a home appropriate to the scale and character of the neighborhood on the lot.

Ms. Segal said it would be better to target structures that could be salvaged to alleviate blight and preserve character. She said it was possible to combine the two programs and sell rehabilitated structures as affordable or low-income housing, but it was also possible to apply the down payment assistance program to existing, non-blighted structures.

Mr. Lazar said it might be possible to leverage other funds, such as from the State Housing Initiative Partnership (SHIP) program, but the LCRA should first prioritize the types of structures it wanted to target and the situation of selling the property may vary from case to case.

Ms. Segal said the current plan briefly described the Remediation of Blighted Structure Program and did not give the LCRA direction on how to implement it. She said the consultant conducting the plan amendment should better outline the program, including different

scenarios for different types of structures.

Ms. May suggested taking the following approach to the program: first inventory, second research, third prioritize, fourth contact the owner or pursue acquisition.

Ms. Wright said there might be blighted structures without historic value, and the LCRA should not focus on rehabilitating historic structures.

Ms. Segal asked about property values in Lincolntown.

Ms. Arriola said at the low end were vacant lots for around \$100,000 and lots with vacant or blighted structures might sell for around \$130,000. She said the real estate market in Lincolntown was very competitive.

Mr. Lazar said properties with title issues may be easier to acquire because the LCRA can clear the title, while other buyers cannot.

Ms. Segal suggested rehabilitating structures that could be purchased, and while that was occurring, work on clearing titles of other properties.

Mr. Lazar said there may be some property owners who would be willing to donate or sell their property for a lower price, because they understand that the LCRA would preserve the structure.

Mr. Noloboff asked about the criteria for the Down Payment Assistance Program.

Mr. Lazar said the LCRA could simply copy or base their applicant qualifications on the SHIP Program. He said income criteria was based on area median income.

Mr. Noloboff suggested using a scale of income to assistance ratio, where those with lower income would receive more down payment assistance.

Mr. Lazar suggested mirroring the St. Johns County Homeownership Program. He said the program had stipulations on sale contracts to ensure the buyer stayed in the home for a certain number of years.

Mr. Souder asked about someone who might offer cash for the full asking price of a property.

Ms. May said there would still be a lien put on the property to keep the homeowner in the house for a number of years.

Ms. Wallace asked if this would act as a revolving fund.

Mr. Birchim said that was something to be evaluated during the plan amendment process.

Mr. Noloboff asked if it was necessary to offer down payment assistance to first time homebuyers, or if it could just be generalized to low-income homebuyers.

Mr. Lazar said first time homebuyers were often in the workforce.

Ms. Arriola said first time homebuyers could be defined as those who have not purchased a home in a certain number of years.

Rev. Hermann noted another city's Down Payment Assistance Program example as defining a first time homebuyer as one who had not purchased a home in 3 years.

Mr. Baer said the LCRA should allow buyers who had not bought a house in a number of years, versus those who had never bought a house.

Ms. Segal agreed and said income should be prioritized.

Ms. Segal said rehabilitations should use the Secretary of the Interior Standards as a guideline, but it did not have to be that rigorous.

Mr. Lazar suggested the rehabilitations be done by a licensed contract and the LCRA be specific in the scope of work.

Ms. Segal asked who would conduct the rehabilitation work.

Ms. Wallace asked how much design review authority would be given to these rehabilitations.

Ms. Minnigan said design standards would be defined by the plan amendment. She said that her suggestion would be to use the Secretary of the Interior Standards as a guideline, and staff would create the scope of work and review the project on

a regular basis. She said an Request for Qualifications could be solicited and a pool of qualified contractors be created to choose from for the rehabilitation work.

Ms. Segal asked about the cost and extent of rehabilitations.

Mr. Lazar said all electric and mechanical systems would likely need replacement to meet code.

Ms. Arriola suggested avoiding structure that needed to be elevated to meet code.

Ms. Segal asked if repairs exceeded 50% of the property value if the structure would have to be brought up to code.

Mr. Birchim said that only applied to elevating structures out of the flood plain.

Mr. Lazar suggested the LCRA look at the Neighborhood Stabilization Program for guidance on purchasing and selling properties.

Mr. Nolofoff asked about prioritizing Lincolnton residents.

Ms. May said the LCRA could not discriminate applicants due to the Fair Housing Act.

Mr. Lazar suggested marketing the program aggressively to the local community and businesses.

Mr. Lazar suggested having the homebuyers go through a Housing and Urban Development (HUD) ownership course.

5. CITY ATTORNEY ITEMS

None.

6. OTHER BUSINESS

6. (a) Update on the Lincolnton Redevelopment Plan Amendment

Ms. Minnigan announced that a consultant had been selected to conduct the plan amendment. She said they were the Strategic Planning Group, Inc. out of Ponte Vedra Beach, who had a great deal of experience with community redevelopment plans and plan amendments. She said the first public workshop would be held in the following month.

7. ADJORNMENT

The meeting was adjourned at 8:30pm.

Nicholas Nolofoff, Chairman

Erin Minnigan, Historic Preservation & Community Development Planner