

CITY OF ST. AUGUSTINE

Community Redevelopment Agency  
Special Meeting  
October 28, 2019

The Community Redevelopment Agency met in formal session Monday, October 28, 2019 at 3:30 P.M. in the Alcazar Room at City Hall. The meeting was called to order by Chairman Tracy Upchurch, and the following were present:

- 1. Roll Call:** Tracy Upchurch  
Leanna Freeman (arrived at 3:50 P.M.)  
Nancy Sikes-Kline  
Roxanne Horvath  
John Valdes

John Regan, City Manager  
Isabelle Lopez, City Attorney  
Darlene Galambos, City Clerk  
Mark Litzinger, Director, Financial Services  
Meredith Breidenstein, Director, Budget & Performance Management  
David Birchim, Director, Planning & Building  
Paul K. Williamson, Director, Public Affairs  
Barry Fox, Chief of Police  
Laura Morse, Recording Secretary

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**2. General Public Comment**

Chairman Upchurch noted that there would be additional Public comment after all presentations.

Public hearing was opened; however, there was no response.

**3. Agenda**

**A. Update and Discussion regarding  
Lincolnton Community  
Redevelopment Area**

**3.A.1. Institutional Rehabilitation  
Program**

Presentation by Mark Litzinger regarding policies and procedures handbook

Mr. Litzinger discussed the Program:

- Efforts were re-organized with the Lincolnton CRA project during the budget process
- The Institutional Rehabilitation Program was new, and staff was in the process of developing policies and procedures completion, which would then require Commission approval to move forward
- Additional adjustments may be required to the policy after Commission approval, and any adjustment material in nature would be brought before the Commission's approval

Mr. Litzinger outlined the application process:

- Process would begin with open enrollment for institutional applications, starting each fiscal

year October 1st through December 31<sup>st</sup>

- Upon completed review by the City Attorney, an internal committee, consisting of a historic preservation planner and the CRA Administration would review and rank applications
- A 15-point criteria would be used to rank the applicants for which projects to present to the Commission
- Once project was ranked and signed by administration, City would develop a contract to include: scope of work, cost assessment, construction schedule and phased approach
- Agency would get an overview of the project, cost, and timetable, financial projections for approval recommendation

Mr. Litzinger discussed the contractor procurement:

- Previous issues existed with the contractor bidding approach, due to apprehension of the projects, which led to poor participation
- There would be a negotiation process to find interested contractors, without assuming unknown liability for preservation projects
- Contractor would be expected to bring up to 100% design, with final costs brought to the CRA
- Once approved, the City would maintain a 3<sup>rd</sup> party for contract and technical detail oversight, that may surface from projects
- Stipulations would be turning site over to contractor and a twenty-year covenant on projects over \$100,000
- Part of the City grant would include churches opening their buildings to the public, and educating the public on the program

Mr. Litzinger requested approval of the proposed program.

Chairman Upchurch requested an estimate on how many parcels were in Lincolnton that may qualify, and the response was approximately ten.

Chairman Upchurch expressed confusion as to who the City's client would be and would the contractual relationship for construction projects exist with the City.

Ms. Lopez replied the City would control the contractor and the team, as it was a CRA/City project. She noted that State Statute required that all CRA projects must follow public procurement. She advised that the legal documents would address liability, and the contracting team must meet all public liability insurance requirements.

Commissioner Sikes-Kline appreciated the historic preservation covenant. She inquired about the process flow and questioned who would be the CRA administrator, to which Mr. Litzinger acknowledged the position.

Mr. Litzinger continued that over a twenty-year period, any renovations must meet City and State standards. He added that it had not been determined yet how standards would be adhered to, other than building and planning process, where people must apply for permits.

Mr. Litzinger added that monitoring should be put into place, and it was concluded with Commissioner Sikes-Kline that an accountability provision should be instituted, code enforcement issues addressed, along with a program that would be regular meetings held with the CRA.

Commissioner Horvath inquired about whether design build was in the document. She noted that procurement was not defined and did not want to commit to something that was not yet refined.

## **MOTION**

**Commissioner Horvath MOVED to approve the handbook document**

presented by Mr. Litzinger. The motion was **SECONDED** by Commissioner Sikes-Kline.

#### **VOTE ON MOTION**

**AYES:** Horvath, Sikes-Kline, Valdes Upchurch

**NAYES:** None

**MOTION APPROVED UNANIMOUSLY**

#### **3.A.2. Neighborhood Sidewalks**

Presentation by Mark Litzinger regarding the Lincolnville Streetscape Survey and Analysis

Mr. Litzinger discussed the following:

- A \$300,000 line item was in the CRA budget for mobility and pedestrian improvement, specifically sidewalks
- First step was to conduct an inventory of all sidewalks within the CRA, and a condition assessment
- Once the process was completed, an outreach would be conducted with those impacted, and brought back to the Agency for approval

Chairman Upchurch inquired about earmarked money for the project. Mr. Litzinger replied that the total was \$300,000, and the assessment would cost approximately \$12,000.

Commissioner Sikes-Kline inquired about special attention to historic features in the sidewalks, such as the blue slate sidewalk on South Street preservation and what protection assurances could be provided.

Discussion ensued about the small section of blue slate sidewalk on the south side of South Street that was broken. Repairs would not be recommended, unless it impeded mobility or safety.

The Agency consensus was unanimous for Mr. Litzinger to bring the matter back for further discussion.

#### **3.A.3. Dr. Martin Luther King, Jr. Avenue Streetscape plan from St. Frances Street to Lovett Street**

Mr. Litzinger addressed pedestrian street improvements and believed it was a great time to parallel the project with other ongoing items from standpoint of neighborhood needs.

- Landscape Master Plan was completed, but not reviewed by the community
- Several requests had been made for pedestrian improvements along Bridge Street

Mr. Litzinger requested the Agency's approval to move forward with community outreach. He noted that a cost analysis for underground power lines would need to be addressed.

Agency consensus was unanimously given to Mr. Litzinger for his request.

#### **3.A.4. Introduction to Neighborhood Stabilization Program including draft documents for City review and update to the Fix-It-Up Program**

Mr. Litzinger provided an update on the Program. He stated that part of the redevelopment plan that was updated and accepted included a line item called 'Land Trust Initiative' which was being introduced. He said if the Agency was interested, staff would work with Mr. Lazar and the Legal Department to provide a more formal outline for approval.

Bill Lazar presented on the Lift-Up Lincolnville program, a program for low income families in the Lincolnville district:

- Worked on approximately 50 homes since program inception
- Incentives started at \$7,000, went to \$12,000 and capped at \$20,000 with homeowner not required to reimburse funds, so long as they

reside in home. Should homeowner sell, funds would roll back to the City

- Completed ten to twelve homes per year, until the hurricanes hit
- Last two years spent working with several homes and seeking additional funding, as City incentive was not enough
- Homeowners have been referred to the CDBG Federal disaster money
- Block Grant money was the biggest funding source and provided the best outreach, as program would deal with all code violations and any issues required for restoring home
- If home could not be rehabilitated, the Block Grant program would demolish and build another home in same footprint
- Program only available for properties with homestead exemption

Mr. Lazar addressed some challenges and concerns from homeowner and investor on affordable housing and home restoration as follows:

- Working Class families moving out of the area
- Tax increase concern
- Clear title on homes for bank loans
- Homes that have been flooded or run down
- Many homes should be lifted prior to knowing restoration needs
- Waiting list for funds from Government
- Citizens frustrated about time taken to determine whether home could be repaired
- Job opportunities with appropriate wages to afford these homes not available for younger families; therefore, majority helped were seniors

The Agency and Mr. Lazar discussed the following government funding and statistical information:

- A couple million dollars in SHIP funds had been spent in CRA district, leveraged with City funds and community volunteers
- The City had allotted \$250,000 at \$20,000 per home in the current year
- Currently three homes were being worked on
- CDBG funds come from the Department of Economic Opportunity in the State, with the cap at \$100,000
- First funding awarded from CDBG was \$48 million for infrastructure, along with other joint projects
- Originally \$21 million was set aside by CDBG for home repairs and housing replacement for homes damaged by hurricanes
- Process for waiting on the CDBG funds slow, as the Federal government did not move quickly
- The Affordable Housing Program parameters and low-income qualifications were assessed by gross income and family size

The Agency continued discussion regarding the marketing distribution of funding information and citizen awareness.

Mr. Lazar advised that due to many not having internet, the outreach was through congregation meetings, flyers at churches, direct mailers, and talking to the public; however, since there were many on a waiting list, he did not think it necessary to focus on marketing efforts.

Further points were discussed by the Agency and Mr. Lazar:

- The number of Lincolnville CRA residents eligible for the program were unknown; however, there had been twenty to thirty households referred
- Many on waiting list had sold the property once contacted
- The physical construction for the Fix-it-Up Program was done by the

Housing Partnership under Mr. Lazar's license, any subcontracting work was put out for bid, and many volunteers also assist

- Appreciable decline in Homestead exemptions in Lincolnton
- A huge market existed in the area for investors to buy rental property
- Concern was expressed as to the effectiveness of the program; however, there were positive testimonials
- The primary motive for the establishment of the CRA was to allow families to remain in place for culture, economic and social preservation
- Majority of folks helped were seniors
- Title issues were being explored and the family dynamics of ownership, along with potential legal help

Mr. Lazar discussed the 'Land Banking' topic which started by looking at gentrification:

- Goal would be to keep someone permanently in their home
- Community Land Trusts surfacing for neighborhoods
- City would provide financing for purchasing the property at a fair market price
- Fair market assessment and City would be the Bank with a deferred note on property, contractor would find financing
- Paying \$5,000 for a lot vs. \$100,000 made a difference in contractor making offers on fix-up properties
- Attempt to make homes look like other homes in the area
- Income guidelines utilized have rent caps

Ms. Horvath inquired about interest in St. John's County having a Public Housing Authority as there currently was not a local one.

Mr. Valdes expressed his admiration for all the work that Mr. Lazar was doing in the community.

Chairman Upchurch addressed intent to explore the idea more and requested a proposal for the intent with Lincolnton because of the CRA specified 'pot of money.'

Mr. Lazar advised that historic preservation was very important where available, and home ownership was the ultimate goal. He added that it was incredibly difficult to find affordable properties and maintain a budget.

The Agency consensus was unanimously given to Mr. Lazar to move forward.

Public hearing was opened; however, there was no response.

Ms. Freeman would like to see backup information for CRA meetings on the City website.

Ms. Sikes-Kline would like to see a budget copy included with the packet, and a consideration of an assessment of the Lincolnton project, such as how many properties had title issues.

#### **4. Adjournment**

There being no further business, the meeting was adjourned at 4:25 P.M.<sup>1</sup>

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Tracy Upchurch, Chairperson

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Darlene Galambos, CITY CLERK

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<sup>1</sup> Transcribed by Laura Morse