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City of Palmetto Agenda Item

Meeting Date

5/8/12

Presenter: **Department:**

Title:
Residential storefront

BACKGROUND:

In striving to meet its main goal of eliminating slum and blight in the Community Redevelopment District, the Palmetto Community Redevelopment Agency (CRA) has undertaken infrastructure improvements, incentives for businesses to build in the district, redevelopment of parks, façade enhancement opportunities for commercial buildings, and other projects targeted to the business community. However, more than 57% of the parcels within the CRA district are considered single family residential, with another 7% classified as multi-family, and interest has been expressed in exploring ideas for enhancing the image of that residential property that makes up a large portion of the district.

Three questions need to be addressed when considering the possibility of residential beautification:

- Does the CRA want to fund residential rehabilitation & beautification within the district?
- If so, how much funding should be devoted to those programs?
- What redevelopment activities are most suited for residences in the Palmetto CRA District?

PROCEDURE:
Recommendation at May 8, 2012 CRAAB meeting to proceed with policy creation.
Recommendation at July 10, 2012 CRAAB meeting of written policy with budget recommendation.
Delivery to CRA board on August 6 2012.

Budgeted Amount: **Budget Page No(s):** **Available Amount:** **Expenditure Amount:**

Additional Budgetary Information:

Funding Source(s): **Sufficient Funds Available:** Yes No **Budget Amendment Required:** Yes No **Source:**

City Attorney Reviewed: Yes No N/A **Advisory Board Recommendation:** For Against N/A **Consistent With:** Yes No N/A

Potential Motion/Direction Requested:

Staff Contact:

Attachments:

Residential Façade Enhancement Discussion

In striving to meet its main goal of eliminating slum and blight in the Community Redevelopment District, the Palmetto Community Redevelopment Agency (CRA) has undertaken infrastructure improvements, incentives for businesses to build in the district, redevelopment of parks, façade enhancement opportunities for commercial buildings, and other projects targeted to the business community. However, more than 57% of the parcels within the CRA district are considered single family residential, with another 7% classified as multi-family, and interest has been expressed in exploring ideas for enhancing the image of that residential property that makes up a large portion of the district.

Three questions need to be addressed when considering the possibility of residential beautification:

- Does the CRA want to fund residential rehabilitation & beautification within the district?
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- What redevelopment activities are most suited for residences in the Palmetto CRA District?

The possibilities for residential beautification are varied, ranging from planning assistance & small “mini-grants” to residential rehabilitation, which has already begun on a limited basis through a partnership between the City of Palmetto, Manatee Habitat for Humanity and the CRA. Below, are ideas gleaned from web searches, existing local programs and/or recent “brain storming.”

- Adapt some of the provisions in the Palmetto CRA’s Storefront Grant Program for use with residential property, with a fairly large maximum amount of probably \$15,000 to \$25,000.
- The City of Sunrise has a financial incentive program to encourage and promote new single family homebuyers to locate and acquire a foreclosed property or short sale in the district as their homesteaded residence and to modernize the building systems.
- Richfield, MN has a program for architectural home consultation, whereby a homeowner in the district can meet can have a two-hour consultation with an architect for a \$25 co-pay.
- The Lake Worth CRA has Home Repair Grant program assists low and moderate income, single-family homeowners with grants of up to \$15,000 to make necessary improvements to their homes to increase their livability and life span. The focus is on emergency repairs.
- The Lake Worth CRA also has a Residential Beautification Grant of up to \$10,000 matching funds to moderate income, owner-occupied households for the repair of certain exterior residential fixtures as well as the beautification of exterior portions of the site.
- Belle Plaine, MN offers up to \$1,000 to homeowners of low or moderate income to encourage the renovation or rehabilitation of the exteriors of existing homes to remedy or avoid code violations.
- Possibly in conjunction with a local college or university as a student project, the CRA could offer free or low cost landscape designing for homeowners within the district.
- The CRA could offer vouchers to subsidize all or part of the purchase of trees and other horticultural products to beautify yards, possibly in conjunction with a landscape design assistance program.
- “Mini-grants” of up to \$500 to homeowners for the purchase of materials for exterior building or landscape aesthetic improvements.

MORE DETAILED PROGRAM INFORMATION

Sunrise, FL: City of Sunrise established the New Homebuyer Incentive Program is to provide financial incentives to encourage and promote prequalified new homebuyers to locate and acquire a foreclosed property or short sale in the City of Sunrise as their homesteaded residence and improve the livability of their residence by modernizing the building systems.

ELIGIBILITY: The Owner/Buyer must meet the following requirements:

- Type of Property - Only single-family homes, townhomes, or villas, used for residential purposes as a primary residence that are purchased as a foreclosed property or short sale are eligible for participation in the Program. Condominiums and Rental properties, including apartments, and dwelling units not occupied for primary residential use by the property owner, are not eligible.
- Ownership - The Owner/Buyer must reside in the single-family homes, townhomes, or villas, as their primary residence.
- Occupancy - The home must be the primary residence within six months of purchase.

INCENTIVE AWARD: The incentive is a maximum reimbursement of \$2,000 for one or a combination of the items listed below. The incentive award also includes certificates for six free rounds of golf at the Seven Bridges of Sunrise Golf Course.

BUILDING SYSTEM IMPROVEMENTS ELIGIBLE

1. Landscaping improvements including new irrigation system
2. Roof replacement
3. GFI outlets, smoke detectors, electrical upgrade to 150 amps
4. Hurricane Mitigation to include storm shutters, impact resistant windows and doors.
5. Air-conditioning (gas or electric), 16 SEER
6. Hot water heater (gas or electric)
7. Energy Efficient Appliances include: stove, washing machine, dryer, garbage disposal, and dishwasher
8. Exterior House painting

All materials and supplies purchased through the Program shall be new or replacements. Repairs are not eligible for Program reimbursement.

All Building or Code violations are to be corrected by the owner and may result in additional costs borne by the owner but not eligible for reimbursement.

APPLICATION PROCESS:

Homebuyers may submit an application and certifications prior to purchase of a single family home, townhome, or villa from a foreclosing bank or affiliated company or as a Short Sale from an existing owner-occupant with the approval from the lending institution. After the required documents have been received and approved, the City will provide reimbursement up to \$2,000.

Belle Plaine, MN – Residential Façade Beautification Grant Program

The purpose of the Residential Façade Beautification Grant Program is to encourage the renovation or rehabilitation of the exteriors of existing housing stock located within the City of Belle Plaine in order to remedy existing City ordinance violations or prevent potential City ordinance violations. Homeowners of low or moderate income may apply for assistance under this grant program for up to \$1,000.

Eligible Uses for Grant Funds

1. Proposed improvements must conform to the City of Belle Plaine's Zoning Ordinance.
2. Eligible improvements are any improvements to the outside of the home or residential building, including repair or replacement of windows, siding, doors, roofs, stucco, brick, and awnings. Eligible improvements also include landscaping, painting, and lighting. All labor and design costs are also reimbursable with grant proceeds.

LAKE WORTH, FL - OWNER OCCUPIED RESIDENTIAL REHABILITATION GRANT PROGRAMS:

Residential Beautification Grant & Home Repair Grant

The Lake Worth CRA Home Repair Grant and Residential Beautification Grant programs were developed to provide Low and Moderate Income, single-family homeowners with the financial assistance needed to make necessary improvements to their homes to increase their livability and life span. Funds available on a "first come, first qualified, first served" basis and reimbursed as work is completed.

HOME REPAIR GRANT

The Home Repair Grant is to improve the quality of life for homeowners and residents by assisting them with necessary repairs and property improvements to make homes safe, secure and sanitary. The focus is to provide funding for emergency repairs and is for low-income, owner occupied households. Grants are limited to \$15,000 per dwelling during a three year period. Home Repair grants require no matching funds and do not need to be paid back.

Eligible Repairs include:

- _ Electrical and plumbing repairs
- _ Structural repairs – especially roofs, porches, windows, doors and foundations
- _ Repairs to meet City code (must be verified by City Building Official)
- _ Pest control work (inspection must reveal infestation)
- _ Repairs or replacement of water heaters
- _ Removal of asbestos or other potentially hazardous materials

Ineligible Repairs include:

- _ Additions
- _ Flooring, such as tile, hard wood, etc.
- _ New windows or doors
- _ New Cabinetry
- _ Repairs otherwise covered by home owners insurance
- _ Any luxury item – spa, hot tub, interior decorating, etc.

HOMESTEAD, FL - RESIDENTIAL BEAUTIFICATION GRANT

The Residential Beautification Grant is for moderate income, owner-occupied households. This grant will provide up to \$10,000 in matching funds for the repair of certain exterior residential fixtures as well as the beautification of exterior portions of the site.

Eligible improvements include:

- _ Exterior painting
- _ Exterior door or window replacement
- _ Installation of a privacy fence (no chain link)
- _ Landscaping improvements (plans must abide by City Landscape Regulations). Plans extensive in nature must be reviewed and approved by the City Horticulturist.
- _ Installation or repair of driveway
- _ Installation of hurricane shutters

Ineligible Improvements include:

- _ Swimming pool or hot tub/spa installation or repair
- _ Installation of satellite dishes
- _ Installation of new patio, porch or deck
- _ Interior Improvements

HOMESTEAD, FL - RESIDENTIAL FAÇADE IMPROVEMENT GRANT

- ✓ The Goal of the Residential Façade Improvement Grant is to stabilize the community, to preserve the quality of the neighborhoods and assist residents with improvements, creating a

sense of pride, preserving the value of the homes equity, as well as, the well being of the occupants and the neighborhood.

- ✓ The Residential Façade Improvement Grant is for low and moderate income to provide up to \$10,000 per residence for the repair of certain exterior residential fixtures as well as the improvement of exterior portions of the site. Grants are limited to one per residence for the life of the program.
- ✓ Residential Façade Improvement Grants require no matching funds and do not need to be paid back.

Eligible improvements include:

- Exterior painting (exterior paint colors from the approved City of Homestead color palette).
- Exterior door or window replacement
- Installation of a privacy fence (no chain link)
- Irrigation System
- Landscaping improvements (plans must abide by City Landscape Regulations)
- Installation or repair of driveway
- Installation of hurricane shutters

Ineligible Improvements include:

- Swimming pool or hot tub/spa installation or repair
- Installation of satellite dishes
- Installation of new patio, porch or deck
- Interior Improvements
- Additions
- Flooring, such as tile, hard wood, etc.
- New Cabinetry
- Any luxury item – spa, hot tub, interior decorating, etc.
- Repairs otherwise covered by home owners insurance

General Eligibility Requirements:

- Applicants must reside within the Homestead CRA boundaries.
- The applicant must be the property owner or have approval from the owner of the property.
- Only one property under the same owner will qualify for the grant.
- All work must be performed by a licensed contractor under necessary building permits.
- Applicants must have gross annual incomes at or below the applicable income limits.
- Grantees are subject to a two year registered lien on their property after completion of work and payment is made from the CRA. If the amount of the project is not significant, the CRA will determine whether or not a lien is placed on a property. If a grantee sells the property within the two year lien period, the funds will be required to be paid back funds on a prorated basis.
- All projects and improvements must comply with design guidelines.
- The minimum requested amount for either grant is \$500. Projects must commence after applying and receiving an award. Any repairs or improvements underway will not be funded.
- In the event that the property has an outstanding lien against it, the grant will not be awarded until the lien is satisfied. However, CRA funds may be used to correct code violations on owner occupied properties solely at the discretion of the CRA.
- It is not the intent to engage in any rehabilitation activity that requires vacating property.
- The Grant Program shall be available to anyone meeting the eligibility requirements, and no one shall be denied the benefits of said program because of race, color, national origin, or sex.

Grant Procedures:

- A. The CRA may place a lien against the property for the value of the CRA's contribution to the project, to be in force for two years after the work is completed.
- B. The amount of the loan will be forgiven over the two-year period. If the property is sold during that period of time, the applicant will reimburse the CRA, the amount of the loan at zero percent interest.

- C. Should the property change ownership through inheritance, the heirs must clear the lien by retaining ownership through the remainder of the two-year period or by reimbursing the CRA of the loan.
- D. If the property is sold, other than through inheritance, the loan must be repaid by the original owner.

HOMESTEAD, FL - LANDSCAPE GRANT PROGRAM

The purpose of the Landscape Grant Program is to assist Low and Moderate Income, single-family residents with the financial assistance needed to enhance the street visible appearance of their property. The CRA is making available to residents up to \$5,000 to assist in the installation or improvement of their landscaping and is reimbursed as work is completed. Landscapes Grants require no matching funds and do not need to be paid back. Improvements must meet the Landscape Code.

Eligible expenses include:

- Purchasing of plants, palms and trees (excluding seasonal plants)
- Purchasing of landscape materials
- Asphalt removal
- Irrigation system and installation
- Dumpster enclosures
- Installation of trash receptacles

Ineligible expenses include: Sculptures/ Statues, fountains and any luxury item

HOMESTEAD, FL - EMERGENCY HOME REPAIR GRANT

This Program will assist the residents with necessary repairs and property improvements to make their homes safe, secure and sanitary. The focus of the grant is to provide funding for emergency repairs. This grant will provide up to \$10,000 per residence and is limited to one per residence for the life of the program. Emergency Home Repair Grants require no matching funds and do not need to be paid back.

Eligible Repairs include:

- Electrical and plumbing repairs
- Structural repairs – especially roofs, porches, windows, doors and foundations
- Repairs to meet City code (must be verified by City Building Official)
- Pest control work (inspection must reveal infestation)
- Repairs or replacement of water heaters
- Removal of asbestos or other potentially hazardous materials
- Connection to City Sewer Lines

Ineligible Repairs include:

- Additions
- Flooring, such as tile, hard wood, etc.
- New windows or doors
- New Cabinetry
- Landscape
- Repairs otherwise covered by home owners insurance
- Any luxury item – spa, hot tub, interior decorating, etc.