

TAB 3



City of Palmetto Agenda Item

Meeting Date

11/9/10

Presenter:

Jeff Burton

Department:

CRA

Title:

2011 Residential Rehabilitation Program

BACKGROUND:

Housing rehabilitation is a direct deterrent to slum and blight:

163.335 Findings and declarations of necessity.--

(1) It is hereby found and declared that there exist in counties and municipalities of the state slum and blighted areas which constitute a serious and growing menace, injurious to the public health, safety, morals, and welfare of the residents of the state; that the existence of such areas contributes substantially and increasingly to the spread of disease and crime, constitutes an economic and social liability imposing onerous burdens which decrease the tax base and reduce tax revenues, substantially impairs or arrests sound growth, retards the provision of housing accommodations, aggravates traffic problems, and substantially hampers the elimination of traffic hazards and the improvement of traffic facilities; and that the prevention and elimination of slums and blight is a matter of state policy and state concern in order that the state and its counties and municipalities shall not continue to be endangered by areas which are focal centers of disease, promote juvenile delinquency, and consume an excessive proportion of its revenues because of the extra services required for police, fire, accident, hospitalization, and other forms of public protection, services, and facilities.

163.335 Findings and declarations of necessity.--

(2) It is further found and declared that certain slum or blighted areas, or portions thereof, may require acquisition, clearance, and disposition subject to use restrictions, as provided in this part, since the prevailing condition of decay may make impracticable the reclamation of the area by conservation or rehabilitation; that other areas or portions thereof may, through the means provided in this part, be susceptible of conservation or rehabilitation in such a manner that the conditions and evils enumerated may be eliminated, remedied, or prevented; and that salvageable slum and blighted areas can be conserved and rehabilitated through appropriate public action as herein authorized and the cooperation and voluntary action of the owners and tenants of property in such areas.

The CRA RRP is authorized to perform the functions of the RRP under the following requirements of law:

163.370 Powers; counties and municipalities; community redevelopment agencies.--

(2) Every county and municipality shall have all the powers necessary or convenient to carry out and effectuate the purposes and provisions of this part, including the following powers in addition to others herein granted:

(c) To undertake and carry out community redevelopment and related activities within the community redevelopment area, which may include:

5. Carrying out plans for a program of voluntary or compulsory repair and rehabilitation of buildings or other improvements in accordance with the community redevelopment plan.

The Community Redevelopment Action Plan (1993)

The CRA Plan identifies the need for Code Enforcement involvement in housing, the lack of maintenance which results in unsafe and unhealthy buildings.

Housing (page 55)

Point 1 - Lack of consistent code enforcement follow-through by City Council

Point 2 - Poor maintenance of older home sites in various sectors of City (primarily Eastern)

Point 4 - Unsafe building/home environment has led to significant public health issues

CRA District planning goals (page 63)

3. Community Role

e) Upgrading and expanding the residential neighborhoods.

Strategies for Neighborhoods - North East Quadrant (Page 75)

Point 6 - Continue CRA housing involvement; use current projects as good example

ACTION:

Proposed Partners

1. Palmetto Community Redevelopment Agency (CRA)
2. Manatee County Habitat for Humanity (Habitat)
4. Palmetto Code Enforcement Department (CE)
5. Palmetto Building Department (BD)
6. Palmetto Police Department (PD)
7. North Manatee Enterprise Zone (EZ)
8. North River Fire District (FD)

Program Summary:

Mission:

Under Florida Statute 163 part III, the primary mission of the Community Redevelopment Agency (CRA) is to eliminate slum and blight within the CRA area. A powerful tool in accomplishing this mission is this Residential Rehabilitation Program (RRP). The 1993 Palmetto's CRA Action Plan supports the creation of the RRP.

Description:

Under the RRP, certain owner-occupied properties within the CRA district that have been determined to have numerous code violations and an owner that has an inability to fund the necessary repairs, are identified. The RRP, through a partnership with Manatee County's Habitat for Humanity (HFH) and within CRA prescribed funding limits, will attempt to address the specified code violations. The maximum total cost budgeted for program inception will be \$23,450 per residence. For the CRA 2011 budget funds have been allocated for the rehabilitation of ten (10) houses.

Funding:

1. The program will be funded through the CRA to HFH.
2. The CRA will determine available funding and include the monies in their annual budget. For the initial year of the RRP, funding per house is limited to \$20,000 in construction repair and \$3,450 in fees, for up to a maximum of ten houses.

NOTE: It is anticipated, given the purchasing power of HFH and the value of unpaid volunteer labor, that the same construction repair cost through conventional contractors would be considerably higher.

3. No funds are directly dispersed to the property owner(s).
4. The CRA reserves the right to modify or cancel parts of or the entire RRP at any time without notice.
5. If the program is modified or eliminated, the CRA will ensure that any house undergoing renovation will be completed per contract as long as the owner(s) abide by the contract.
6. Properties with joint ownerships and a homestead exemption will be funded as long as the occupant's name is the same as the name on the homestead and on the mortgage or deed.
7. RRP is for "single family detached dwelling" only. A single family detached dwelling is defined as a structure containing one (1) dwelling unit with open spaces on all sides.
8. Properties, such as duplexes, multiplexes, apartments, mobile homes, and homes with apartments included under roof, do not qualify for this program.
9. Funding will be limited to one house per property and only one grant will be allowed per property or owner every ten (10) years.

Standard:

The program will be based on the current City adopted edition of the International Property Maintenance Code.

Budgeted Amount: \$250,000 **Budget Page No(s):** 94 **Available Amount:** \$250,000 **Expenditure Amount:** \$30,000

Additional Budgetary Information:

Money is budgeted and itemized for program.

Funding Source(s): 190559822
1 **Sufficient Funds Available:** Yes No **Budget Amendment Required:** Yes No **Source:** FY 11

City Attorney Reviewed: Yes No N/A **Advisory Board Recommendation:** For Against N/A **Consistent With:** Yes No N/A FS 163 CRA Plan

Potential **ADVISORY - Move to recommend approval of the Residential Rehabilitation Program and**

**Motion/
Direction
Requested:**

approve funds for ONE (1) pilot project not to exceed \$30,000. Funds shall \$20,000 for rehabilitation, \$3,450 for fees and \$6,550 for unknown overages related to rehabilitation of a home and not more than \$30,000 in total, unless approved by the CRA Board of Commissioners.

Staff Contact:

Jeff Burton

CRA Director

Attachments:

Residential Rehabilitation Program Document

Community Redevelopment Agency

Residential Rehabilitation Program

Palmetto, Florida

Nick Costides/ Jeff Burton
11/2/2010



Residential Rehabilitation Program





Residential Rehabilitation Program

Contents

MISSION:.....	5
PROGRAM DESCRIPTION:.....	5
APPLICANT REQUIREMENTS AND RESTRICTIONS:.....	5
DETERMINATION OF PRIMARY ELIGIBILITY:.....	6
FEE AND PROCEDURAL SCHEDULE:.....	7
FUNDING	8
RRP PROGRAM MEASUREMENT	8
APPENDIX A: CODE ENFORCEMENT LETTER TO OWNER.....	10
APPENDIX B: SAMPLE CODE ENFORCEMENT REPORT.....	11
APPENDIX C: SAMPLE CRA CHECKLIST.....	12
APPENDIX D: HABITAT FOR HUMANITY APPLICATION.....	13



Residential Rehabilitation Program

Palmetto Community Redevelopment Agency
Mayor Shirley Groover Bryant, Presiding Officer

Board of Commissioners:

Tamara Cornwell, Chair
Tambra Varnadore, Vice Chair
Mary Lancaster
Brian Williams
Alan Zirkelbach

Advisory Board Members:

Sia Mollanazar, Chair
Betty Ann Price, Vice Chair
Nick Costides
Macarthur Sellers
Charles Smith

Legal:

Mark Barnebey
Scott Rudacille

Staff:

Jeff Burton
Jenny Silverio
Zachary Schwartz
Antoinette Kilgore



Residential Rehabilitation Program

MISSION:

Under Florida Statute 163 part III, the primary mission of the Community Redevelopment Agency (CRA) is to eliminate slum and blight within the CRA area. A powerful tool in accomplishing this mission is this Residential Rehabilitation Program (RRP). The 1993 Palmetto's CRA Action Plan supports the creation of the RRP¹.

PROGRAM DESCRIPTION:

Under the RRP, certain owner-occupied properties within the CRA district that have been determined to have numerous code violations and an owner that has an inability to fund the necessary repairs, are identified. The RRP, through a partnership with Manatee County's Habitat for Humanity (HFH) and within CRA prescribed funding limits, will attempt to address the specified code violations. The maximum total cost budgeted for program inception will be \$23,450 per residence. For the CRA 2011 budget funds have been allocated for the rehabilitation of ten (10) houses.

APPLICANT REQUIREMENTS AND RESTRICTIONS:

1. Applicant must have owned and homesteaded the property for at least one (1) year prior to the grant application and own the property for a period of five (5) years after a RRP grant is awarded.
2. In the event of qualification and award of a RRP grant, applicants agree to permit the placement of a lien, for the amount of the grant and fees paid, on their property for a period of five (5) years. In the event the property awarded the grant is sold or the property is no longer the homestead for the purposes of property taxes during the five (5) year period, the grant shall be repaid to the CRA within forty-five (45) days and if not repaid, then the CRA may foreclose on the lien for the full amount of the lien. After the five (5) year period expires and the applicant has complied with the grant requirements, the lien shall be released.
3. Applicant must fill out all required forms, including a CRA waiver permitting reasonable entry into the home for purposes of inspection, repair and verification of continued code compliance during the program and lien time periods. Multi-media documentation not limited to photography may be used.
4. In the event the application is denied by HFH, the applicant may appeal the decision to the CRA Advisory Board.

¹ Page 55, Points 1, 2, and 4; Page 63, 3 e; page 75, Point 6



Residential Rehabilitation Program

DETERMINATION OF PRIMARY ELIGIBILITY:

Within the CRA's district, Palmetto's Code Enforcement Department (CED), through observations from the street or owner permitted entrance, will determine which homes have numerous code violations. The CED, knowing the funding limitation per house, will make an initial estimation as to whether the code violations can be corrected, staying within the allotted funding. After a potential residence has been identified the following procedures will be followed:

1. CED will notify owner(s) in writing by approved code enforcement methods and inform owner(s) of potential qualification for the RRP program. The initial RRP notification will state that successful eligibility will require individuals working under this program to gain access to the inside of the house in order to complete the initial inspection as well as entry in subsequent years to insure that repairs have been maintained. Failure to grant individuals under the RRP program access to the inside of the house will disqualify the house from the program.
2. Owner(s) will have to complete form supplied (Appendix A) and mail or deliver to the CED.
3. Upon granting access, CED, under the guidance of the current City adopted edition of *International Property Maintenance Code (IPMC)* will estimate the cost of bringing the residence up to code, both inside and outside. If after final estimation, the house still qualifies under the program, CED will fill out IPMC Code Enforcement Report (Appendix B) and submit same to the CRA.
4. The CRA will verify that the house is within the CRA District. Properties that are non-conforming to the City of Palmetto Comprehensive Plan will not be funded. It will also verify that real estate taxes and utilities are current. If the property is delinquent in real estate taxes or utilities it will not qualify for the RRP, and the CRA will notify the owner in writing. Qualified properties at this point will be submitted to the Manatee County Habitat for Humanity's manager. The CRA will also initiate the CRA Checklist (Appendix C).



Residential Rehabilitation Program

FEE AND PROCEDURAL SCHEDULE:

Preliminary HFH Qualification - \$175

1. After a preliminary approval of information supplied by the CRA, HFH will have an initial phone interview with the owner(s). Upon completion of the phone interview, HFH will determine if the residence meets preliminary HFH qualification. If it does not HFH will notify the owner in writing. If it does they will have the owner complete and sign the full application (Appendix D, HFH Application).
2. HFH will conduct a background check and a detailed review of owner's financial situation. It is important from a financial standpoint that it is ascertained that the owner is unable to correct code violations on their own, but do have income that is adequate to maintain the property to code.
3. HFH will meet with the owner at their house to discuss details of the program.
4. Habitat Construction Manager schedules and visits house to assess repairs with Palmetto Code Enforcement, Palmetto Police CPTED, Palmetto Building Department, North River Fire District and AmeriCorps/VISTA.

Due Diligence - \$325

1. HFH makes determination on final project approval.
2. HFH conducts title search and a final review of documents and application/agreement.
3. HFH's Construction Manager creates project budget, researches cost for materials/tools, determine work schedule and determines 50% rule (Building Code).
4. HFH determines if other community partner agencies or subcontractors/vendors are necessary to complete repair work.
5. HFH Program Manager in coordination with AmeriCorps/VISTA plans work days needed and number and kinds of volunteers.
6. HFH conducts a family orientation class.
7. HFH presents project plan to the CRA staff.
8. CRA staff presents project plan to CRA Advisory Board.
9. Upon approval from CRA Advisory Board, CRA Staff with HFH provides documentation and recommendation to proceed to CRA Commissioners.
10. CRA Commission determines final approval.

Field Work -

15% Administrative Fee up to \$3,000. The 15% is taken times the cost of the repairs up to a maximum of \$20,000 in repairs

1. Habitat's staff and AmeriCorps/VISTA volunteers begin repair/renovation project.
2. Other community partners or subcontractors are engaged as necessary.
3. Project is completed and documentation, photos and video (if any) provided to CRA.



Residential Rehabilitation Program

FUNDING

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7. RRP is for "single family detached dwelling" only. A single family detached dwelling is defined as a structure containing one (1) dwelling unit with open spaces on all sides.²
8. Properties, such as duplexes, multiplexes, apartments, mobile homes, and homes with apartments included under roof, do not qualify for this program.
9. Funding will be limited to one house per property and only one grant will be allowed per property or owner every ten (10) years.

RRP PROGRAM MEASUREMENT

The measurement of a project's success will be determined as follows:

1. RRP property will be photographed by Code Enforcement prior to rehabilitation.
2. All quantifiable spatial, financial, construction, CPTED and legal information regarding the project will be recorded into a database.
3. A CRA based questioner will be filled out by owner(s) within 10 days of completion of construction.
4. Code enforcement will photograph the project within 15 days of completion.
5. 20% of the projects will be audited for financial accountability by a third party Florida licensed building contractor (minimum Class C), architect, or engineer.
6. On an annual basis, CED will re-inspect property including pictures. A written report will be given to the CRA.

² City of Palmetto Zoning Code Article III DEFINITIONS, Page 2653



Residential Rehabilitation Program

7. A report will be provided to the CRA Advisory Board from CRA staff at the beginning of each calendar year detailing all prior year projects as well as any properties with remaining liens on them. (Annual report).
8. When properties qualify for lien removal, the CRA staff will present a report to the CRA Advisory Board and the CRA Board. Upon recommendation of the CRA Advisory Board and the approval of the CRA Board, the project lien will be removed.



Residential Rehabilitation Program

APPENDIX A: CODE ENFORCEMENT LETTER TO OWNER

Please be advised that Code Enforcement has identified violations at the property at 1234 56th Street West, Palmetto, Florida.

The violations noted are as follows:

The exterior of this home requires repainting – Chapter 7, Buildings and Building Regulations, Article XI Minimum Maintenance Standards, Section 7-237 (2) & (3); Chapter 17 Housing, Section 17-28 Palmetto Property Maintenance Code, Section 304 Exterior Structure, Subsections 304.2 & 304.6.

A roof leak is causing damage to the interior of this home - Chapter 7, Buildings and Building Regulations, Article XI Minimum Maintenance Standards, Section 7-240 (b); Chapter 17 Housing, Section 17-28 Palmetto Property Maintenance Code, Section 304 Exterior Structure, Subsection 304.7.

The living room ceiling is stained and moldy from a roof leak - Chapter 17 Housing, Section 17-28 Palmetto Property Maintenance Code, Section 305 Interior Structure, Subsections 305.1 & 305.3.

Uncorrected plumbing leaks in the kitchen and bathroom have resulted in mold and deteriorated cabinets - Chapter 17 Housing, Section 17-28 Palmetto Property Maintenance Code, Section 305 Interior Structure, Subsections 305.1 & 305.3; Section 504, Subsection 504.1; and Section 505, Subsections 505.1 & 505.3.

The central A/C system and thermostat are inoperative - Chapter 17 Housing, Section 17-28 Palmetto Property Maintenance Code, Section 603, Subsection 603.1, and Section 605, Subsection 605.1.

In view of the above, the City of Palmetto Code Enforcement Department would like to further inspect the property for rehabilitation consideration through the City of Palmetto, CRA Residential Redevelopment Program.

If you have any questions regarding the above noted violations, please feel free to contact me at Palmetto City Hall either in person or by telephone at (941) 723-4570, extension 105.

Thank you for your cooperation.

Sincerely,

Code Enforcement Director



Residential Rehabilitation Program

APPENDIX B: SAMPLE CODE ENFORCEMENT REPORT

Please be advised that Code Enforcement has identified violations at an owner occupied property at 1234 56th Street West, Palmetto, Florida.

The violations noted are as follows:

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A roof leak is causing damage to the interior of this home - Chapter 7, Buildings and Building Regulations, Article XI Minimum Maintenance Standards, Section 7-240 (b); Chapter 17 Housing, Section 17-28 Palmetto Property Maintenance Code, Section 304 Exterior Structure, Subsection 304.7.

The living room ceiling is stained and moldy from a roof leak - Chapter 17 Housing, Section 17-28 Palmetto Property Maintenance Code, Section 305 Interior Structure, Subsections 305.1 & 305.3.

Uncorrected plumbing leaks in the kitchen and bathroom have resulted in mold and deteriorated cabinets - Chapter 17 Housing, Section 17-28 Palmetto Property Maintenance Code, Section 305 Interior Structure, Subsections 305.1 & 305.3; Section 504, Subsection 504.1; and Section 505, Subsections 505.1 & 505.3.

The central A/C system and thermostat are inoperative - Chapter 17 Housing, Section 17-28 Palmetto Property Maintenance Code, Section 603, Subsection 603.1, and Section 605, Subsection 605.1.

In view of the above it is requested that this property be considered for rehabilitation through the City of Palmetto, CRA Residential Redevelopment Program.

If you have any questions regarding the above noted violations, please feel free to contact me at Palmetto City Hall either in person or by telephone at (941) 723-4570, extension 105.

Thank you for your cooperation.

Sincerely,

Code Enforcement Director



Residential Rehabilitation Program

APPENDIX C: SAMPLE CRA CHECKLIST

CRA ACTIVITY

DATE
YYYY/MM/DD

1. CE delivers RRP CE IPMC report including CRA District, Homestead verification and pictures to CRA.
2. CRA verifies CRA district residence and homestead through Manatee County Property Appraiser.
3. Habitat Construction Manager schedules group assessment visit with partners. Habitat notifies CRA.
4. If scope is amended; CE amends IPMC inspection report to CRA.
5. Habitat makes final project approval determination.
6. CRA Commission approves project

7. Project plan presented to CRA staff.
8. CRA pays Habitat \$325.00
9. Project is completed and documentation, photos and video (if any) provided to CRA.
10. CRA Boards notified of completion



Residential Rehabilitation Program

APPENDIX D: HABITAT FOR HUMANITY APPLICATION