

**Community Redevelopment Area Advisory Board  
Meeting Minutes  
Thursday, July 11<sup>th</sup>, 2019  
3:00 – 5:00 PM  
City Commission Conference Room, City Hall**

**Attendance**

Board Members: Ben Mundy (Chair), Dean Boring, Harry Bryant, Brandon Eady, Brian Goding, Frank Lansford, Commissioner Stephanie Madden, Cory Petcoff and Cliff Wiley

Absent: Pastor Edward Lake (Vice-Chair) and Zelda Abram

Staff: Alis Drumgo, Valerie Ferrell, D’Ariel Reed and Jonathan Rodriguez

Guests: Steven Boyington, Brandy Gillenwater, Carole Philipson, Mitchell Rosenstein, Tzeporaw Suhade, Gene Strickland, Damaris Stull, Officer Rick Taylor (LPD) and Sara-Megan Walsh

**Packets**

- Meeting Minutes dated June 6<sup>th</sup>, 2019
- Financial Update
- Project Progression Report
- Memo- Midtown Lofts Loan Request & Purchase and Sale Agreement Amendment

**Housekeeping**

**Action Items – Old Business**

**Meeting Minutes dated May 2<sup>nd</sup>, 2019**

Brandon Eady moved approval of the minutes. Dean Boring seconded the motion which passed unanimously.

**Financial Update**

Ben Mundy noted the inclusion of the update for informational purposes.

**Midtown Lofts Loan Request**

In March 2018, the CRA entered into an Agreement for Purchase and Sale with Green Mills Holdings, LLC for the sale of CRA-owned property located south of Parker Street, east of Stella Avenue, west of Lake Avenue and north of Myrtle Street. The 1.8-acre property was assembled between 2006 and 2008 and contains only one remaining vacant structure, a concrete block duplex. The developer proposed an affordable housing development, with no less than 70 multifamily residential units on the site, with the anticipation of successfully receiving Florida Housing Finance Corporation (FHFC) Low Income Housing Tax Credits. The developer offered a purchase price of \$324,000, less an 8% (or \$25,920) broker fee to be paid by the CRA, so the net proceeds would total \$298,080 for the property. After securing site control, Green Mills pursued the tax credit application cycle in 2018, and after a delayed appeal period were successful in obtaining the tax credits for the project.

As pre-development efforts continued, Green Mills monitored construction cost increases as well as other adjustments to their development budget. The proposed development is one 4-story building containing 80 units, with on-site amenities. Extra effort was made to enhance the street facing elements such as street landscaping, fencing and sidewalks as well as decorative fencing and civic open space.

This is to accommodate minimum development standards as well as complimenting the existing Parker Street neighborhoods, providing a cohesive transition. The developer has provided a total development budget of \$16.2 million. A breakdown is below:

<b>Project Costs</b>	<b>Total</b>	<b>% Total</b>	<b>Per Unit</b>	<b>Per Net Sq. Ft.</b>
Land / Acquisition (inc. Brokerage Fee)	374,000	2%	4,675	5.24
Hard Cost (inc. Owner Items, Solar)	10,326,840	64%	129,086	144.59
Hard Cost Contingency	502,092	3%	6,276	7.03
Developer Fee	2,151,110	13%	26,889	30.12
Construction Interest	363,000	2%	4,538	5.08
Financing Fees / FHFC Fees	689,577	4%	8,620	9.65
Operating Reserves	258,445	2%	3,231	3.62
Soft Costs	1,562,930	10%	19,537	21.88
<b>Total Project Costs</b>	<b>16,227,994</b>	<b>100%</b>	<b>202,849.93</b>	<b>227.21</b>

Green Mills requested a loan to offset an \$800,000 gap in project expenses. The original request submitted included a loan request of \$324,000, at 0% interest for a period of 30-years, which would have offset the land acquisition cost and resulted in a net zero cost to the CRA. However, further negotiations yielded terms that were more favorable for both parties. With this understanding and after meeting with Green Mills representatives, the CRA staff supports the following considerations:

- The CRA will loan 50% of the land value (\$162,000) to Green Mills, as a 0% interest loan to be coterminous with the senior permanent development loan.
- The loan will be for a period of 15-years and will have a 2-year additional grace period for leasing up the total number of rental units, for a total loan period not to exceed 17 years. The CRA expires before this time, so the loan will need to be accepted by the City.
- The CRA loan would be subordinate only to the senior permanent development loan, taking second position over all other obligations.
- The CRA loan will not be forgivable.
- Green Mills would provide an amendment to the Agreement of Purchase and Sale removing the CRA's brokerage fee obligation.
- The CRA will support the additional hardscape improvements within public right-of-way on Parker Street, including enhanced sidewalks and landscaping, up to and not exceeding \$25,000. This cost will be further refined during actual construction and will be disbursed at the time of certificate of occupancy on all units of the development.
- The CRA will continue to support expedited plans review through the City's development review process with the expectation that building plans be submitted no later than August 30th.

Staff recommended approving the loan request and purchase agreement amendment as outlined above to be sent for consideration by the Community Redevelopment Agency Board (with City Commissioners serving in this official capacity).

Discussion ensued regarding the loan conditions and design concepts.

Cory Petcoff moved approval of Staff's recommendation. Dean Boring seconded the motion which passed unanimously.

## **Action Items – New Business**

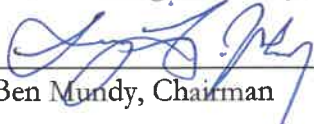
## Discussion Items

Staff met with Framework Group to discuss utility rerouting for the Mirrorton project. There is a potential that the developer may need an additional extension, outside of the current contract term which expires September 21<sup>st</sup>. Staff is working with the City Attorney to finalize the language of the extension.

Staff has received interest in four CRA owned single family lots. Dispositions for the lots will go out and subsequent proposals will be shared with the Board at the September meeting.

**Adjourned at 3:22 PM**

**Next Meeting, Thursday, September 5<sup>th</sup>, 2019 3 PM, City Commission Conference Room.**

  
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Ben Mundy, Chairman

9/12/19  
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Date