



**Community Redevelopment Agency
September 11, 2023
Council Chambers
6:30 PM**




- I. Call to Order
- II. Minutes of Previous Meeting
 1. Community Redevelopment Agency Meeting Minutes of March 27, 2023.
- III. Public Period
- IV. Consent Agenda
 1. Fiscal Year 2023 CRA Auditor Engagement / Communication Letter - Carr, Riggs & Ingram, LLC.
 2. Resolution Amending Fiscal Year 2023 Budget
 3. Right-of-Way Purchase Independence Lane North - RLP Maitland Holdings
 4. Design of Independence Lane North - CPH, Inc.
- V. Adjournment


More than one member of the City Council may be present and speak at this meeting.

Notice: Any person who desires to appeal any decision made at this meeting or hearing will need a record of the proceedings and, for this purpose, may need to ensure that a verbatim record of the proceedings is made which includes testimony and evidence upon which the appeal is to be based. Persons with disabilities needing assistance to participate in any of these proceedings should contact the City Clerk's office (407-539-6219) 48 hours in advance of the meeting.

MEETING DATE		AGENDA
September 11, 2023		Section: Minutes of Previous Meeting
Department/Office : City Clerk	AGENDA REPORT	Item #: 1.
Subject: Community Redevelopment Agency Meeting Minutes of March 27, 2023.		
Requested Action or Motion: Move to approve the Community Redevelopment Agency meeting minutes of March 27, 2023.		
Summary Explanation & Background:		
Fiscal Impact: N/A		
Exhibits: 1. CRA Draft Minutes 3-27-2023		
Commission/Board: Community and Redevelopment Agency		
Contact Person: Lori Hollingsworth 407-539-6219		
Reviewed by City Attorney No		

MEETING DATE	 MAITLAND FLORIDA	AGENDA
September 11, 2023		Section: Consent Agenda
Department/Office : Finance Department	AGENDA REPORT	Item #: 1.
Subject: Fiscal Year 2023 CRA Auditor Engagement / Communication Letter - Carr, Riggs & Ingram, LLC.		
Requested Action or Motion: Move to receive the 2023 Auditors Engagement Letter and authorize execution by both the Mayor and City Manager, as presented.		
Summary Explanation & Background: The City Council engaged the independent certified public accounting firm of Carr, Riggs & Ingram (Auditors), to perform the annual audit of the City of Maitland, and due to changes in F.S. 163.387, requiring a separate audit of the CRA and CRA attestation letters. Auditors are required to make certain communications to “those charged with governance” – that is, the elected officials with responsibility for overseeing the strategic direction of the City and obligations related to the accountability of the City. The engagement letter covers: <ul style="list-style-type: none"> • Audit Scope and Objectives • Auditors' Responsibilities for the Audit of the Financial Statements • Audit Procedures - Internal Control • Audit Procedures - Compliance • Compliance with Chapter 10.550, Rules of the Auditor General • Other Services • Responsibilities of Management for the Financial Statements • Engagement Administration, Fees, and Other • Reporting Attached to this agenda report is an electronic copy of the engagement letter. Fees for FY 2023 remain unchanged at \$6,000.		
Fiscal Impact: \$6,000		
Exhibits: 1. EL 2023 CRA Audit Engagement Letter - City of Maitland		
Commission/Board: Community and Redevelopment Agency		
Contact Person: Jerry Gray 407-539-6201		

Reviewed by City Attorney
N/A

MEETING DATE	 MAITLAND FLORIDA	AGENDA
September 11, 2023		Section: Consent Agenda
Department/Office : Finance Department	AGENDA REPORT	Item #: 2.
Subject: Resolution Amending Fiscal Year 2023 Budget		
Requested Action or Motion: Move to adopt a resolution amending the Fiscal Year 2023 CRA expenditure budget by \$791,919.		
Summary Explanation & Background: When the FY 2023 budget was proposed and adopted, the progress for the purchase of the land for the extension of Independence Lane North was unknown. With these unknowns, when budgeting for the repayment of advances to others funds, we included \$264,018 to the Road Impact Fund in the FY 23 budget to leave capacity for the additional appropriation of funds to cover costs related to the construction of Independence Lane north. The CRA's budgeted revenues are \$3,237,866 and expenditures are \$2,398,673; leaving a surplus of \$839,193. The combined purchase price for the Independence Lane land is \$1,808,500 with \$1,109,371 budgeted and paid for from the Road Impact Fund, leaving a funding deficit of \$699,929 for the ROW purchase. In addition, to begin the process of the design for construction of Independence Lane, the CRA will need \$92,790 to cover the cost of design for an additional appropriation total of \$791,919. The final CRA expenditure budget will be \$3,190,592.		
Fiscal Impact: Increases CRA expenditure appropriation by \$791,919.		
Exhibits:		
Commission/Board: Community and Redevelopment Agency		
Contact Person: Mark Reggentin 407-539-6220		
Reviewed by City Attorney N/A		

MEETING DATE		AGENDA
September 11, 2023		Section: Consent Agenda
Department/Office : City Manager	AGENDA REPORT	Item #: 3.

Subject:

Right-of-Way Purchase Independence Lane North - RLP Maitland Holdings

Requested Action or Motion:

Move to authorize the City Manager to execute the purchase agreement and proceed to closing for the acquisition of property from RLP Maitland Holdings along with the Memorandum of Understanding regarding parking credits.

Summary Explanation & Background:

This memorandum requests authorization by the Maitland Community Redevelopment Agency for execution by the City Manager of a purchase agreement for the acquisition of a real property interest required for construction of the Independence Lane Improvement Project. The proposed fee simple acquisition of 16,720 square feet from this subject property is required for construction of the project. The purchase price is \$923,900, which does not include the property owner's \$7,500 in attorney fees and costs.

I THE PROPERTY

A. Location Data

In April 2022, when the appraisal for this proposed acquisition was prepared for the City, there were four tax parcels considered to be consolidated under the same ownership since the officers were the same for the property's owned by Rueljo, LLC and CMMS, Inc. In September 2022, these four tax parcels were sold to Maitland Business District, LLC (MBD) and RLP Maitland Holdings, LLC (RLPMH), whose entities have a development partner type of affiliation. RLPMH owns the property located at the northwest corner of North Orlando Avenue (US Highway 17-92) and Horatio Avenue containing 12,045 square feet and the 16,720 square foot property located at the northwest corner of unimproved Independence Lane and Horatio Avenue. This 16,720 square foot parcel is the area that is proposed to be acquired by the City. The three tax parcels owned by MBD are located along the east side of the unimproved Independence Lane right-of-way and along the north side of Horatio Avenue, which contain a combined land area of 29,622 square feet. Thus, the total land area for all four tax parcels which was utilized for preparation of the appraisal is 1.342 acres.

B. Address

201 East Horatio Avenue (RLPMH West Property)

Maitland, FL 32751

111 North Orlando Avenue (RLPMH East Property)

Maitland, FL 32751

C. Description

The parent tract consists of the four tax parcels located on the east side of the unimproved Independence Lane right-of-way and the north side of Horatio Avenue, which contain 41,667 square feet, and the 16,720 square foot parcel located at the northwest corner of Horatio Avenue and the unimproved Independence Lane right-of-way. The eastern portion of the parent tract is irregularly shaped, and is not contiguous with the western portion of the parent tract, which is rectangular in shape, since they are separated by the unimproved Independence Lane right-of-way. All five tax parcels

contain a total of 1.342 acres. The tax parcel located at the northwest corner of the North Orlando Avenue and Horatio Avenue intersection is improved with a former gas station/used car lot, and the adjacent tax parcel to the west contains an older three-unit building. The other tax parcels, including the property proposed to be acquired by the City, are unimproved.

II AUTHORITY TO ACQUIRE

Acquisition of the fee simple interest from the referenced property is necessary for construction of the Independence Lane project improvements, serves a City and public purpose, and is in the best interest of the citizens of the City of Maitland.

III ACQUISITION/REMAINDER

The proposed fee simple interest acquisition area is located along the west side of the unimproved Independence Lane right-of-way and the north side of Horatio Avenue. This acquisition area is rectangular in shape and contains 16,720 square feet with 63.5 feet of frontage along the north side of Horatio Avenue and 263.3 feet of frontage on the west side of Independence Lane. The acquisition of only the eastern portion of this tax parcel is necessary for construction of Independence Lane between Horatio Avenue and East George Avenue. Since the remainder of this tax parcel would be uneconomic as a stand-alone property, this whole tax parcel is proposed to be acquired by the City. A portion of this acquisition area will be utilized for Independence Lane roadway and appurtenant improvements, and the balance of the land area will be utilized as part of the reconstruction of the City's parking lot on the adjacent City-owned property.

IV APPRAISED VALUE

The City's estimate of value in April 2022 for the 16,720 square feet of land area to be acquired was \$756,600. The basis for the City's initial written Statement of Offer was an Appraisal Report that was approved by the City as representative of full compensation for the proposed partial acquisition.

V OFFER TO PURCHASE/NEGOTIATIONS

The City's initial written Statement of Offer to Purchase was in the amount of \$756,600, which reflects the approved estimate of value. The owner's first counteroffer was \$1,176,840, and to receive development credit for 14 parking spaces that theoretically could be located on the acquisition parcel. The owner's counteroffer also requested approval for all existing driveway connections on the remainder of the property's Horatio Avenue frontage to remain, and for the City to approve two driveway connections on the Independence Lane frontage.

The City did not agree that the subject property had a market value of \$70 per square foot or that 14 parking spaces could be located on the acquisition parcel. The City cannot agree to approve driveway connections without an application as part of the development review process and the requested driveway connections would not be in compliance with City Access Management criteria, so this was not a feasible request. The City's counteroffer in January 2023 was \$907,900, and development credit for 14 parking spaces.

In late February 2023, the owner indicated preliminary acceptance of the City's counteroffer. The owner's terms and conditions included a request for a Memorandum of Agreement to be executed by the parties addressing development credit for 14 parking spaces, approval by the City Council within 15 days of receipt of the owner's executed Agreement, for the closing to occur within 60 days of approval of the Purchase Agreement by the City Council, and reimbursement of attorney fees not to exceed \$7,500.

Since acquisitions are needed from this property and from the Maitland Presbyterian Church property, and with the necessity for both Purchase Agreements to be submitted to the City Council at the same Council Meeting, the City could not agree to this expedited approval and closing terms unless an Agreement for the acquisition of the Church's Property had also been obtained. Due to the difficulties encountered in obtaining current cost to cure estimates for implementation of the Church's parking lot cure plan, and the necessity of following the Church's requirements for approval of the sale of a portion of their property to the City, final approval from the Church was not received until August 27, 2023. Due to the passage of time, in July 2023 the owner requested a \$19,000 increase in the purchase price,

attorney fees of \$13,500, a 30-day inspection period with the City not being able to extend the inspection period, and for the closing to occur within ten days after the end of the inspection period or 10 days after closing of the Maitland Presbyterian Church acquisition or by October 16, 2023, whichever occurs first.

The parties agreed in August 2023 to the terms and conditions in the Agreement that is being presented to the City Council for approval. These terms include owner compensation of \$923,900, reimbursement of owner attorney fees not to exceed \$7,500, development credit for 14 parking spaces as specified in the Memorandum of Agreement, a 45-day inspection period with no extension of the inspection period by the City, and for the closing to be ten days after the end of the inspection period or 10 days after closing of the Maitland Presbyterian Church acquisition or by October 16, 2023, whichever occurs first.

The property owner has agreed to accept the \$923,900 in compensation and with no increase in the \$7,500 reimbursement of attorney's fees incurred by the property owner. The owner wants to proceed to closing without further delay.

VI SETTLEMENT ANALYSIS/COST AVOIDANCE

This proposed settlement amount represents a \$167,300 increase over the amount of the City's initial offer of compensation to the previous property owner in June 2022 and is \$252,940 less than the current property owner's initial counteroffer. The potential costs for both the City's and the property owner's expert fees (appraiser, land planner, general contractor) that the City would be responsible for, in addition to the City's and property owner's attorney fees and costs to acquire only that portion of the 16,720 square foot property required for construction of the Independence Lane Project by eminent domain have not been incurred by the City. To date, the only property owner expense is for the \$7,500 reimbursement of the attorney fees incurred by the owner, and the only expert cost to the City has been for the City obtaining the appraisal report which served as the basis for the City's initial offer. Therefore, the \$923,900 in property owner compensation, and \$7,500 in owner attorney fees, are reasonable and appropriate when consideration is given to the City's potential exposure to those costs that could be incurred if a negotiated settlement had not been obtained and condemnation were to be necessary. If this property were to be acquired by eminent domain and litigated, the City would be responsible for substantial costs for the City's attorney and experts, the property owner's experts and attorney fees, and those other costs associated with litigating this matter.

VII RECOMMENDATION


The estimation of value and claim of severance damages are often debatable, and if this matter were to be litigated it would be left up to a jury to determine the amount of compensation to be awarded the property owner. Since necessity could only be established for acquisition of the area required for construction of the Independence Lane project, the remainder of the 16,720 square foot property would be uneconomic. It would also be reasonable to expect that the property owners would assert a claim for severance damages to the remainder of property located east of Independence Lane. It is important to note that the potential for additional attorney and expert fees/costs that would be incurred at the City's expense are eliminated with approval of the proposed settlement for the whole acquisition of this tax parcel. In addition, this acquisition will allow for the City to proceed with the design and construction of the section of Independence Lane between Horatio Avenue and George Avenue. As such, the proposed settlement presents an opportunity for a cost-effective resolution of this parcel acquisition. For these reasons, staff recommends that the City Council authorize the purchase of the 16,720 square foot property from RMLPH for \$923,900 and for reimbursement of the \$7,500 in attorney fees that have been incurred by the property owner.

Fiscal Impact:

\$699,129 from CRA funds, (balance of the total purchase price \$931,400; \$232,271 to be paid from Road Impact Fund)

Exhibits:

1. Agreement for Sale and Purchase - RLP Maitland Holdings (Signed)
2. Memorandum of Understanding - RLP Maitland Holdings
Commission/Board: Community and Redevelopment Agency
Contact Person: Mark Reggentin 407-539-6220
Reviewed by City Attorney

MEETING DATE	 MAITLAND FLORIDA	AGENDA
September 11, 2023		Section: Consent Agenda
Department/Office : City Manager	AGENDA REPORT	Item #: 4.
Subject: Design of Independence Lane North - CPH, Inc.		
Requested Action or Motion: Move to approve the scope of service with CPH, Inc. for the design and CEI services in the amount of \$92,790.		
Summary Explanation & Background: The FY 2023-2027 includes funds budgeted for the design and construction of the extension of Independence Lane North, between Horatio Avenue and George Street. The scheduling of the project has been contingent on the acquisition of additional right-of-way to accommodate the streetscape concept developed previously. As the right-of-way purchase agreements are ready for approval and execution, the design can now commence. CPH, Inc., one of the city's continuing engineering consultants, has provided a scope of services for the design services in the amount of \$92,790. It is anticipated that the construction of the project will be assigned to one of the city's continuing Construction Manager at Risk (CMAR) firms. Staff recommends approving scope of service with CPH, Inc. for the design and CEI services in the amount of \$92,790.		
Fiscal Impact: CRA Fund - \$92,790.		
Exhibits: 1. Maitland - Independence Streetscape Scope 9-5-23		
Commission/Board: Community and Redevelopment Agency		
Contact Person: Mark Reggentin 407-539-6220		
Reviewed by City Attorney N/A		