



CRA Agency Meeting Minutes

April 8, 2020 at 3:00 p.m.

City Hall, Commission Chambers
401 S. Park Avenue | Winter Park, Florida

Present

Mayor Steve Leary
Commissioner Marty Sullivan
Commissioner Sheila DeCiccio
Commissioner Carolyn Cooper
Commissioner Todd Weaver
Hal George

City Manager Randy Knight
City Attorney Dan Langley
City Clerk Rene Cranis

1. Meeting called to order

The meeting was conducted via GoToWebinar. Mayor Leary called the meeting to order at 3:02 p.m.

2. Consent Agenda

- a. Approve the minutes of January 27, 2020

No action was taken on this item.

3. Discussion Items

- a. CRA Consideration of Community Assistance Program

Mr. Knight stated that at the Commission's direction in its March 30th meeting, staff, with input from the Chamber of Commerce, developed a proposal to address community need during the COVID-19 health crisis. Areas of support include food assistance, residential utility bill assistance, small business utility assistance and small business micro-loan program. He commented on the budgetary status, including the general reserve fund which has a balance of approximately \$16 million. This proposal utilizes approximately \$400,000 of reserve funds. He reviewed the following components of the proposal:

RESIDENTIAL SUPPORT

- Utility bill payment assistance: Heart of Florida United Way 211 Program:

Mr. Knight stated the city has worked with United Way's 211 Program for more than ten years and many members of the community contribute to this fund to help those needing utility payment assistance. The proposal includes a direct donation of \$25,000 to the program and up to an additional \$25,000 in matching community contributions over the next 90 days. Funding will be provided equally from the water and electric utility funds. This will provide

\$650 annually to eligible Winter Park utility customers. In response to questions, Mr. Knight stated that United Way has approximately 200 applications for assistance from Winter Park customers. He stated no CRA funds are proposed for this program.

Commissioner Weaver said he feels that \$25,000 is insufficient because it would only support approximately 77 customers at the \$650 maximum. Mayor Leary stated this is a start and can be increased later. Commissioners Cooper and Weaver supported using CRA funds.

- Suspension of late fees, interest rates and disconnects

Mr. Knight advised that no late fees or interest rate payments will be charged and no service disconnects will be made for nonpayment through May 31st. Staff is working with customers to schedule a six-month payment plan to bring their account current.

- Electric fuel rate reduction

Mr. Knight stated that this would suspend electric fuel costs for residential and commercial customers for May only. He explained how fuel costs are calculated and the city's policy for refunding over-recovery of fuel costs due to rate fluctuations. This proposal gives the reduction at one time as opposed to spread over a 12-month period.

Commissioner Cooper asked about the feasibility of returning customer utility deposits. Mr. Knight stated it could be managed; however, staff would have to determine the financial implications and provide it to the Commission.

Commissioner Sullivan suggested eliminating fuel costs for May and June.

BUSINESS SUPPORT

- Micro-Loan Program

Mr. Knight stated that this program would match community donations up to \$500,000 providing \$5,000 loans for small businesses that have already applied for loans under the CARES Act. He explained that details are being discussed as it relates to formation of a board to oversee the program and partnering with a local bank to process and issue loans. He responded to questions stating that \$250,000 will be funded from the CRA and from the general fund. He stated that decision-makers of loan applications have not been determined.

Betsy Eckbert, President and CEO of Winter Park Chamber of Commerce, provided the background of discussions with legislators and business leaders regarding Federal aid. A survey of local businesses that was concluded last week showed that 40% have funds to carry them for eight weeks and that about 1/3 have less than \$50k to carry them through the end of June. She said she has learned that banks are overwhelmed with loan processing and feels that banks do not have the capacity to administer another loan program. She recommended considering grants rather than loans. She summarized data which shows that 73% of local small businesses

have applied for paycheck protection and 34% have applied for the Florida Bridge Loan. She said that there is a sense of urgency in getting aid to the community.

Commissioner Sullivan asked if there are geographic limitations for use of CRA funds. Mr. Knight stated that this program is a legitimate use of CRA funds for businesses within the CRA, which is a fairly large geographic area with businesses on Park Avenue, New England Avenue and portions of Fairbanks and 17-92.

In response to Commissioner Cooper, Peter Moore, Division Director of Budget and Performance Measurement provided details of the previous microloan program which was implemented in 2009. Mr. Knight pointed out that in 2009 the city funded 10% of loan amounts; however, at this time the city would fund the entire amount. Mr. Moore added that this may not be the best option if the goal is to make funds available quickly.

Discussion followed on the loan criteria and process, who will evaluate loan applications and banks' ability to administer additional loan programs. Mayor Leary said it may be appropriate to consider funding with details of a program to be developed by staff and the Chamber.

Ms. Eckbert said they are looking for support from the community to meet the current need and they are working to create partnerships to support the community as it moves through the recovery process.

- Utility Assistance Program

Mr. Knight stated that this program will provide a \$1 million in small business utility payment assistance with \$250,000 funding from the CRA, general fund, and water and electric utility funds. It would provide a credit equal to the business's average utility bill over the previous 12 months, not to exceed \$5,000. He reviewed the criteria to receive these funds. He responded to questions stating that this grant would not affect a business' receipt of other assistance and that the financial impact would be \$1.3M if all businesses qualified but will likely be less than \$1M due to the criteria.

- Electric fuel rate reduction

Mr. Knight stated this program for businesses is the same as the residential program.

COMMUNITY SUPPORT

- Food and Hunger

Mr. Knight explained that under this proposal the city would make a \$50,000 contribution and work with the 4Rivers Feed the Need initiative and Second Harvest Food Bank to create a Winter Park specific food assistance program. He explained the current support provided by these agencies.

- Free Wi-Fi Connectivity

Mr. Knight stated that this accelerates the project to provide Wi-Fi in Central Park and Shady Park which has already been approved and budgeted with CRA funds.

RECOVERY SUPPORT

- Public Support
- Business Façade Matching Grants
- Energy Efficiency

Mr. Knight stated these items are informational with no need to take immediate action. The City's Sustainability Division has developed a program that provides a \$500 incentive for businesses to complete an energy audit without an obligation to implement recommended changes. This is funded through a \$30,000 annual contribution from WastePro.

Commissioner Cooper asked for the fiscal impact of suspension of fees and disconnects. Mr. Knight said that there is not a cash flow issue but the amount owed would appear this fiscal year although payment may not be received until next fiscal year.

Mayor Leary asked for information on reserve funds. Mr. Knight explained that the city has built a general reserve fund up to 30% of its annual expenditures with a current balance of approximately \$16M. The water utility has a separate reserve balance and the electric utility has no reserve but has approximately \$4.5M annual in discretionary capital spending for undergrounding. The CRA, which ends in 2027, has approximately \$27M in unallocated spending; however, the city has been looking at projects to be funded. Mayor Leary said that there may be an opportunity to extend the CRA.

Mr. George commented on overlapping support programs and asked who will be monitoring the use of funds. Mayor Leary stated that staff could be charged with developing processes and procedures working along with the Chamber, financial institutions and other organizations.

Commissioner Cooper said that she is not aware of other cities doing grants or loan programs and is not interested in being the first to offer such a program. She believes the CRA should put additional police on the streets in residential areas and in the CRA and that the city should look at items that can be accomplished to prepare for and during economic recovery. She spoke in opposition to a microloan or grant program.

Commissioner Weaver said he supports continuation of the business façade program, acceleration of the wi-fi project, increasing funds for humanitarian aid through Feed the Need and Second Harvest Food Bank. He opposed microloans as he feels short-term loans will not make businesses viable in the long run.

Commissioner Sullivan said the microloan program is complicated and will take a lot of work and cooperation with the Chamber but is worth moving forward with a \$250K contribution from the CRA.

In response to questions, Mr. Knight stated that United Way can separate the funds for Winter Park utility customers. He stated that the money is better in the hands of United Way as the city does not want to be responsible for deciding who gets assistance. Payment will be made directly from United Way to the City under the normal procedures of the 211 Program.

Motion 1: Motion made by Commissioner Weaver to contribute \$250,000 in CRA funds to the small business utility assistance program; seconded by Commissioner Cooper.

Motion 2: Motion made by Commissioner Leary to contribute \$50,000 in CRA funds to 4Rivers Feed the Need; seconded by Commissioner Cooper

Motion 3: Motion made by Commissioner Cooper to amend the motion to increase the contribution from the CRA by \$25,000 for a total of \$75,000; seconded by Commissioner Weaver.

In response to comments by Mayor Leary, Mr. Knight stated administration may be difficult so only those within the CRA receive support.

Motion 4: Motion made by Commissioner Weaver to contribute \$50,000 in CRA funds split equally to Feed the Need and Second Harvest Food Bank; seconded by Commissioner Sullivan.

Mayor Leary expressed his concern on the microloans because of the number of programs available and the time needed to implement them. He feels the quickest way to provide support is through utility payment assistance. He said he is cautious about spending \$250,000 from any fund for anything that may be perceived as being duplicative.

In response to questions by Commissioner Sullivan, Mr. Knight stated that staff has not estimated the recovery of loans but the goal is to help the small business that may not make it otherwise. There is no way to determine the longer-term financial impact to businesses. He concurred with Mrs. Eckbert that grants may be more appropriate.

Commissioner Sullivan stated that providing support to allow a business to succeed is better than having a business fail. He sees this as an opportunity to work with the Chamber of Commerce and improve the city's relationship with Chamber.

Motion 5: Motion made by Commissioner Sullivan to approve the microloan program with up to \$250,000 matching contribution from CRA; seconded by Mayor Leary.

Mayor Leary suggested that another discussion may be needed to convert this to a grant program if administration of a loan program becomes problematic.

Commissioner Cooper asked staff to look at increasing police presence in the downtown area and in neighborhoods. Mayor Leary stated that there has been a reduction in crime and unless there is data to support additional police presence, he is not in favor of directing the police department on how to police our community. Discussion followed on police presence and efforts and ability to use CRA funds for additional policing.

There were no public comments received on this item.

Vote on Motions

Motion 1: Upon a roll call vote, Mayor Leary, Commissioners DeCiccio, Cooper and Weaver, and Mr. George voted yes and Commissioner Sullivan voted no. Motion carried unanimously with a 5-1 vote.

Motion 3: (increasing total amount from \$50,000 to \$75,000): Upon a roll call vote, Commissioners Sullivan, DeCiccio, Cooper and Weaver, and Mr. George voted yes and Mayor Leary voted no. Motion carried unanimously with a 5-1 vote.

Mayor Leary clarified that his original motion was to contribute \$50,000 to Feed the Need and that Commissioner Weaver's motion was to contribute \$50,000 from the CRA split equally between Feed the Need and Second Harvest Food Bank.

Motion 2: Rescinded by Mayor Leary and Commissioner Cooper.

Motion 4: (as amended increasing the total contribution to Feed the Need to \$50,000 and \$25,000 to Second Harvest Food Bank): Upon a roll call vote, Mayor Leary, Commissioners Sullivan, DeCiccio, Cooper and Weaver, and Mr. George voted yes. Motion carried unanimously with a 6-0 vote.

Motion 5: Upon a roll call vote, Mayor Leary, Commissioners Sullivan and DeCiccio and Mr. George voted yes and Commissioners Cooper and Weaver voted no. Motion carried with a 4-2 vote.

The meeting adjourned at 4:54 p.m.

Mayor Steve Leary

ATTEST:

City Clerk Rene Cranis, CMC