

Legistar #200182

03 DECEMBER 2020

# Heartwood Update

Gainesville City Commission



Gainesville  
Community  
Reinvestment  
Area



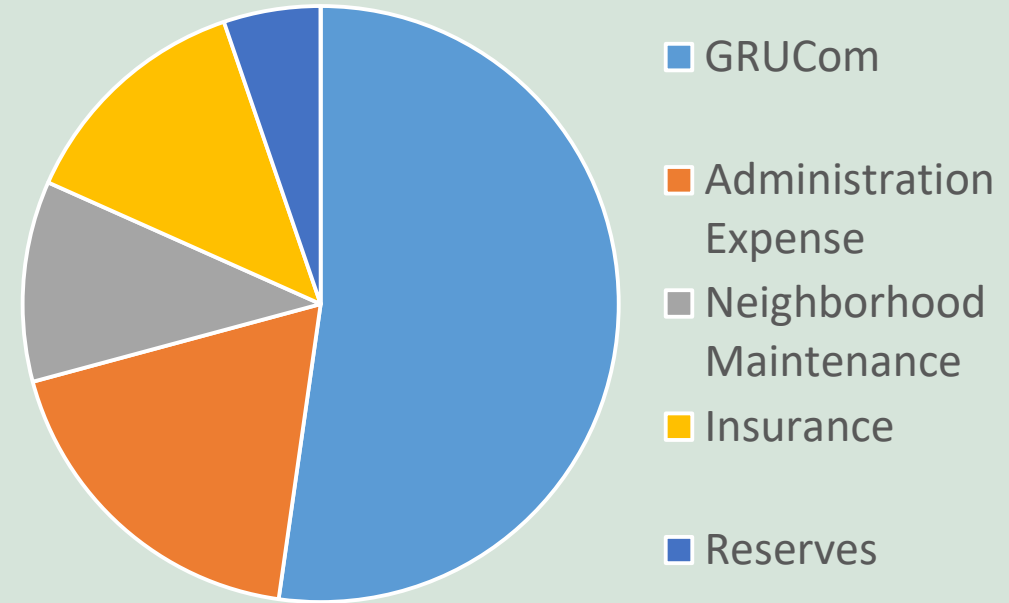
# Today's Agenda

- Equity Toolkit, HOA Dues & GRUCom
- Next Steps
- Listing Prices and Sales Process
- Model Home Progress



# Equity Toolkit, HOA Dues & GRUCom

GRUCom	\$ 62.48
Administration Expense	\$ 22.21
Neighborhood Maintenance	\$ 12.99
Insurance	\$ 15.63
Reserves	\$ 6.28
<b>Projected HOA Dues with GRUCom</b>	<b>\$ 119.59</b>
<b>Projected HOA Dues without GRUCom</b>	<b>\$ 57.11</b>



June 16, 2020 GCRA Advisory Board Recommendation: For Staff to look at ways of reducing HOA dues

# Equity Toolkit, HOA Dues & GRUCom

## Comparable HOA Dues

<b>Neighborhood</b>	<b># of Homes</b>	<b>Quarterly Due</b>	<b>Services Included</b>	<b>Average Home Price</b>
<b>Grand Oaks</b>	126	\$180	Amenity Center & Common Areas	\$330,000
<b>Oak View Village</b>	79	\$85	Restrictive Covenants, curbs, sidewalks, street lights	\$197,000
<b>Abbingdon Oaks</b>	30	\$50	Street lights & underground utilities	\$292,000

# Equity Toolkit, HOA Dues & GRUCom

## Comparable HOA Dues

Neighborhood	# of Homes	Quarterly Due	Services Included	Range of Home Price
Westchester of Gainesville	419	\$112.50	Community Pool & Ponds	\$160,000 \$270,000
Capri Neighborhood	291	\$225	10,000 sf Clubhouse w/ Full Amenities, Pool/Jacuzzi	\$150,000 \$220,000
Haile Plantation	850	\$120.99	Trails, Parks, Playgrounds, etc.	\$140,000 \$289,000
Heartwood Neighborhood	34	\$358.77	Nature Trail, Stormwater Pond, Street Lights, Common Areas	\$185,000 \$300,000

Economies of Scale with Homeowner's Associations

# Equity Toolkit, HOA Dues & GRUCom

## GRUCOM

Months in Contract	24	36	48	60	72	84
Monthly Service Charge Per Home	\$80.74	\$76.70	\$72.87	\$69.22	\$65.76	<b>\$62.48</b>
Total Monthly Service Charge to the HOA for 34 homes	\$2,745.16	\$2,607.80	\$2,477.58	\$2,353.48	\$2,235.84	<b>\$2,124.32</b>

## AT&T

GPON Fiber Network: \$60 – \$80 (plus taxes and fees) per month per household

## COX

On a non-contracted property, Cox can provide internet service, telephone, television, and home security/automation.

# Equity Toolkit, HOA Dues & GRUCom



## *Racial Equity Toolkit*



# Equity Toolkit, HOA Dues & GRUCom



## *Racial Equity Toolkit Assessment Worksheet*

**Question 1. – What conditions of well-being are you trying to get your neighbors to experience? What is the outcome you're trying to achieve?**

**Question 2. – What existing data do we have to rely on?**

**Question 3. – In what ways have we engaged the community on this issue?**

**Question 4. – Who will experience benefits? Who will experience burdens? How will you mitigate unintended consequences?**

# Equity Toolkit, HOA Dues & GRUCom



## *Racial Equity Toolkit Assessment Worksheet*

**Question 5. – Is this accessible regardless of ability or status?**

**Question 6. – Will this support or relief specifically address the most marginalized communities affected by COVID-19?**

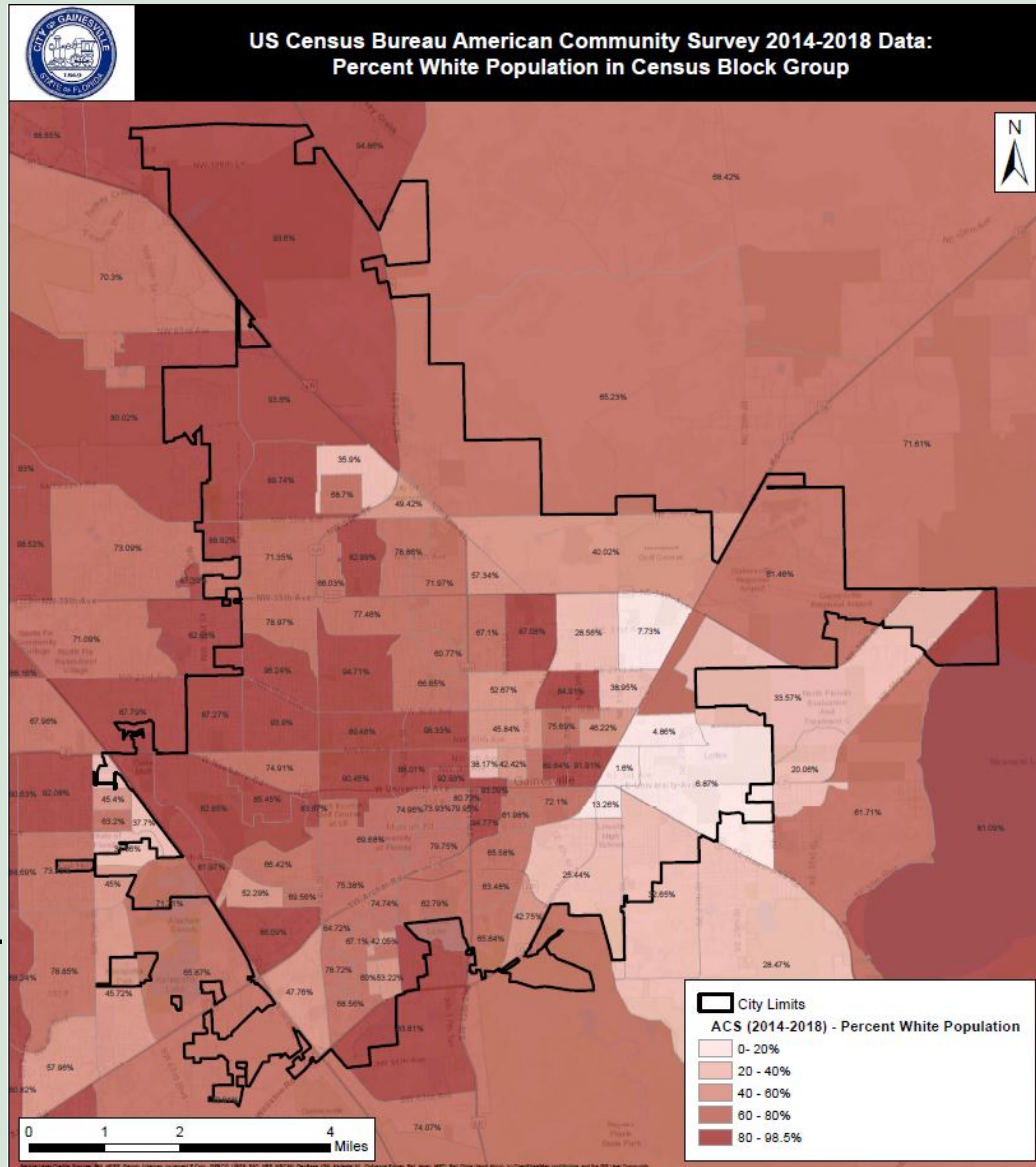
**Question 7. – What is your plan for implementation?**

**Question 8. – How will you ensure accountability? How will you communicate and evaluate results?**

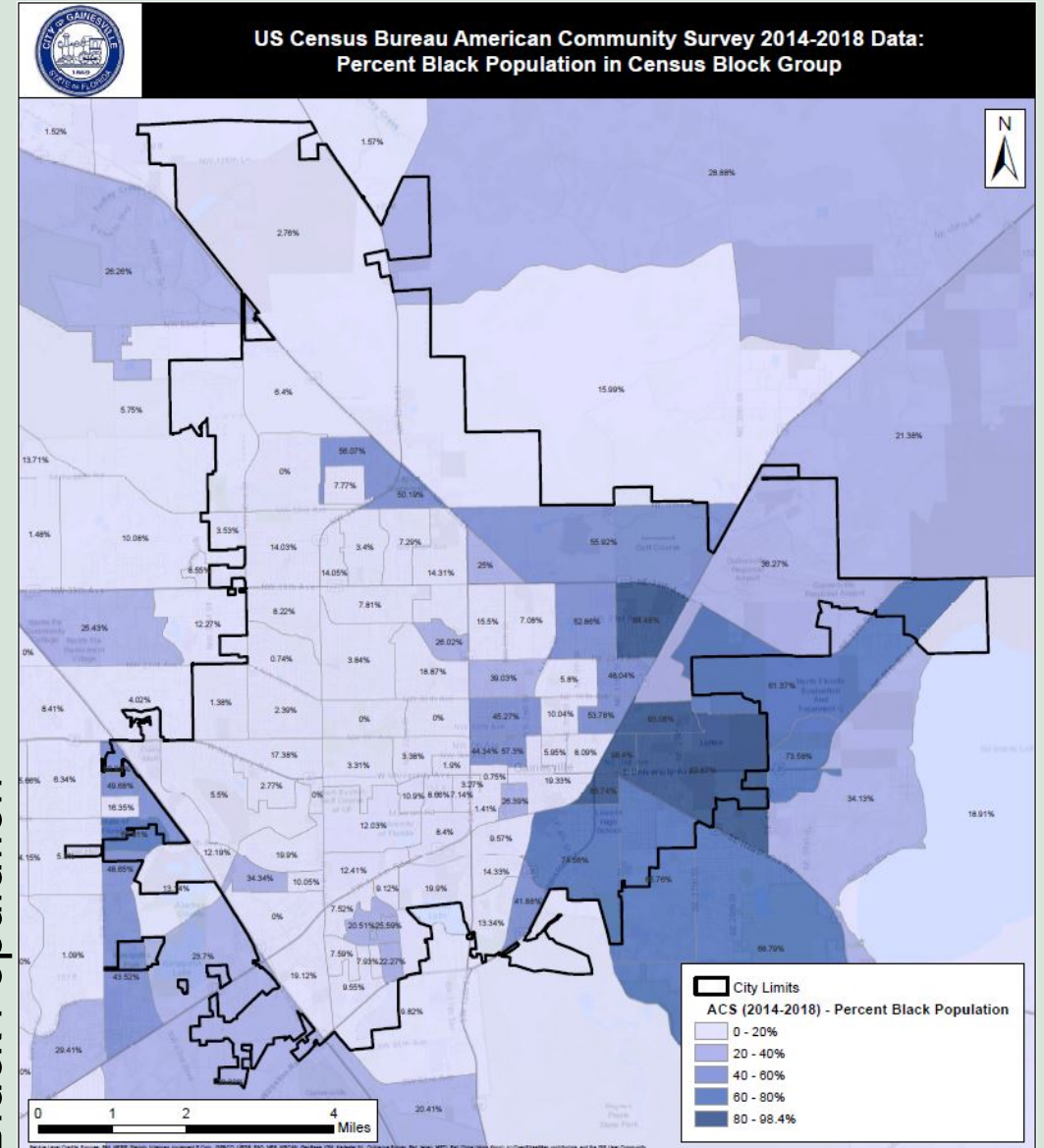
# Equity Toolkit, HOA Dues & GRUCom

## US Census Bureau – American Community Survey 2014 – 2018

White Population

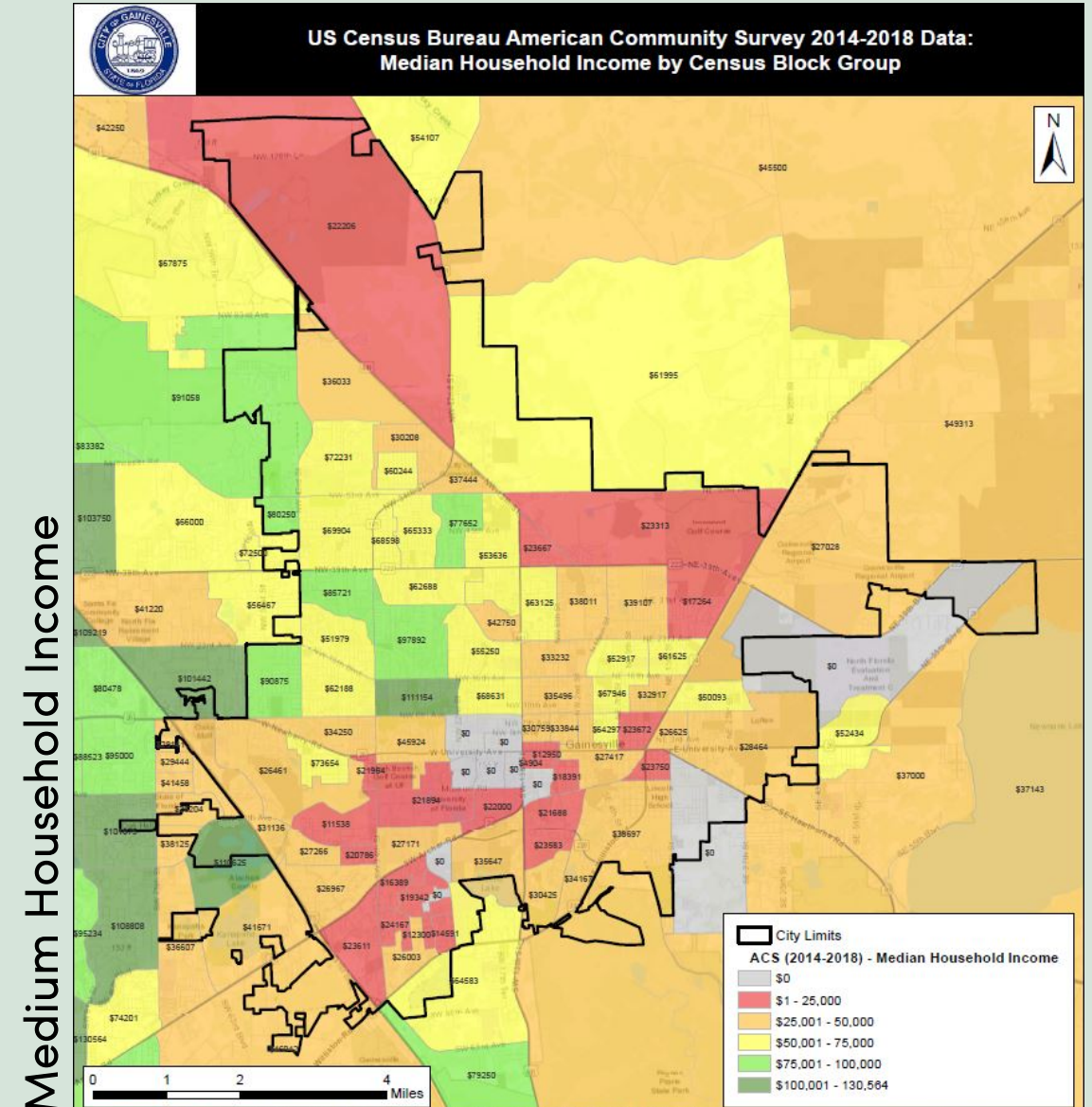
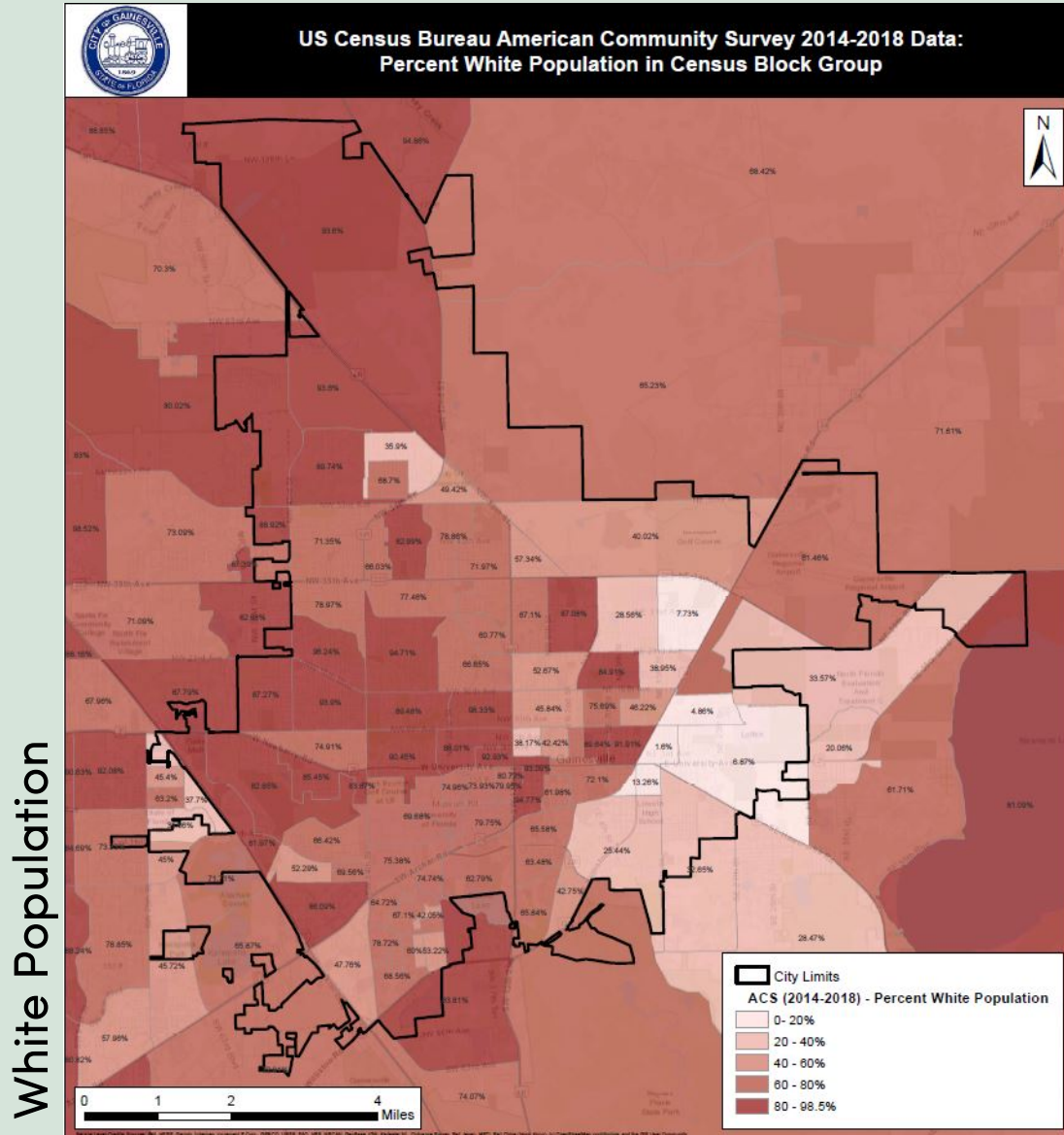


Black Population



# Equity Toolkit, HOA Dues & GRUCom

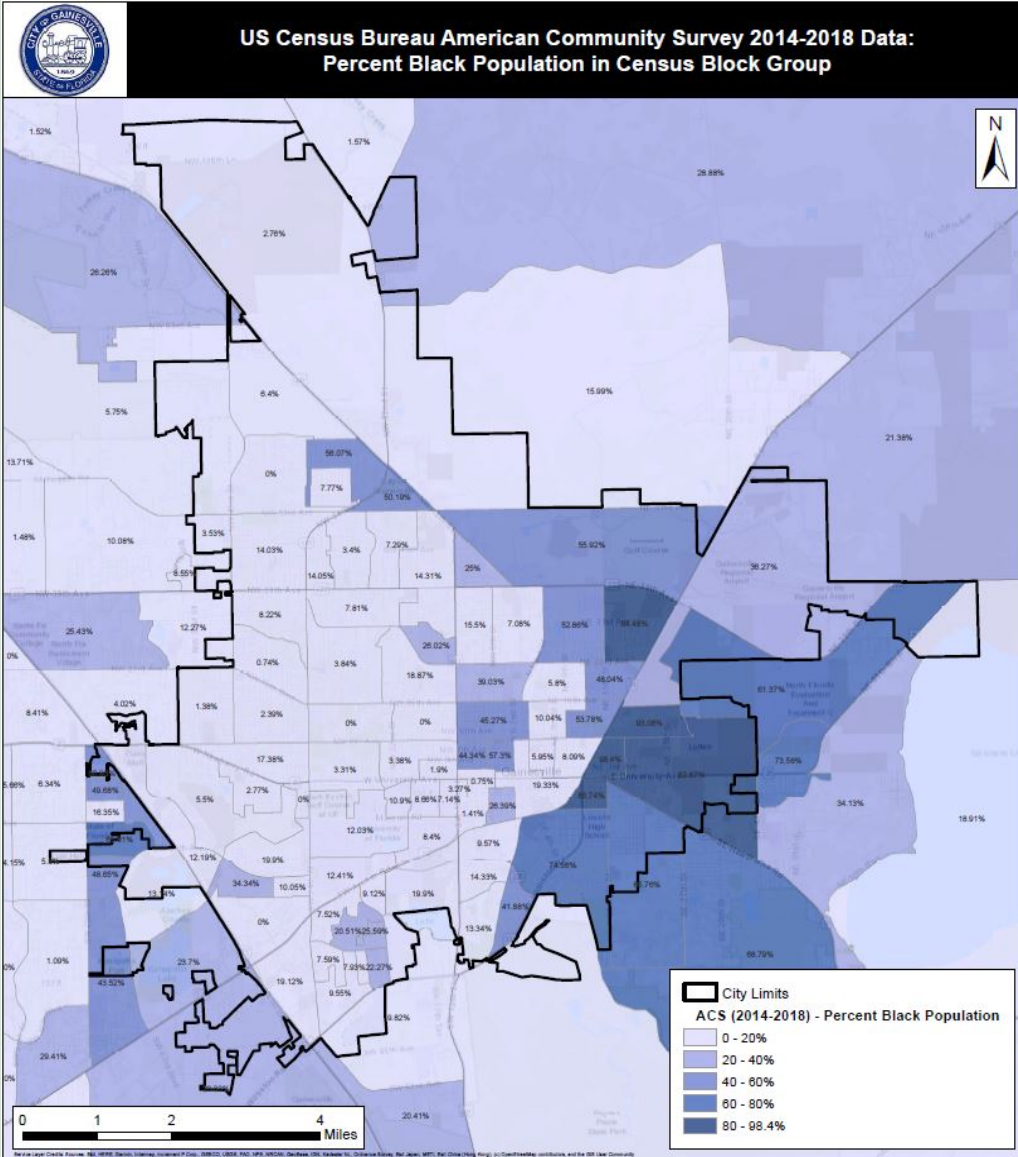
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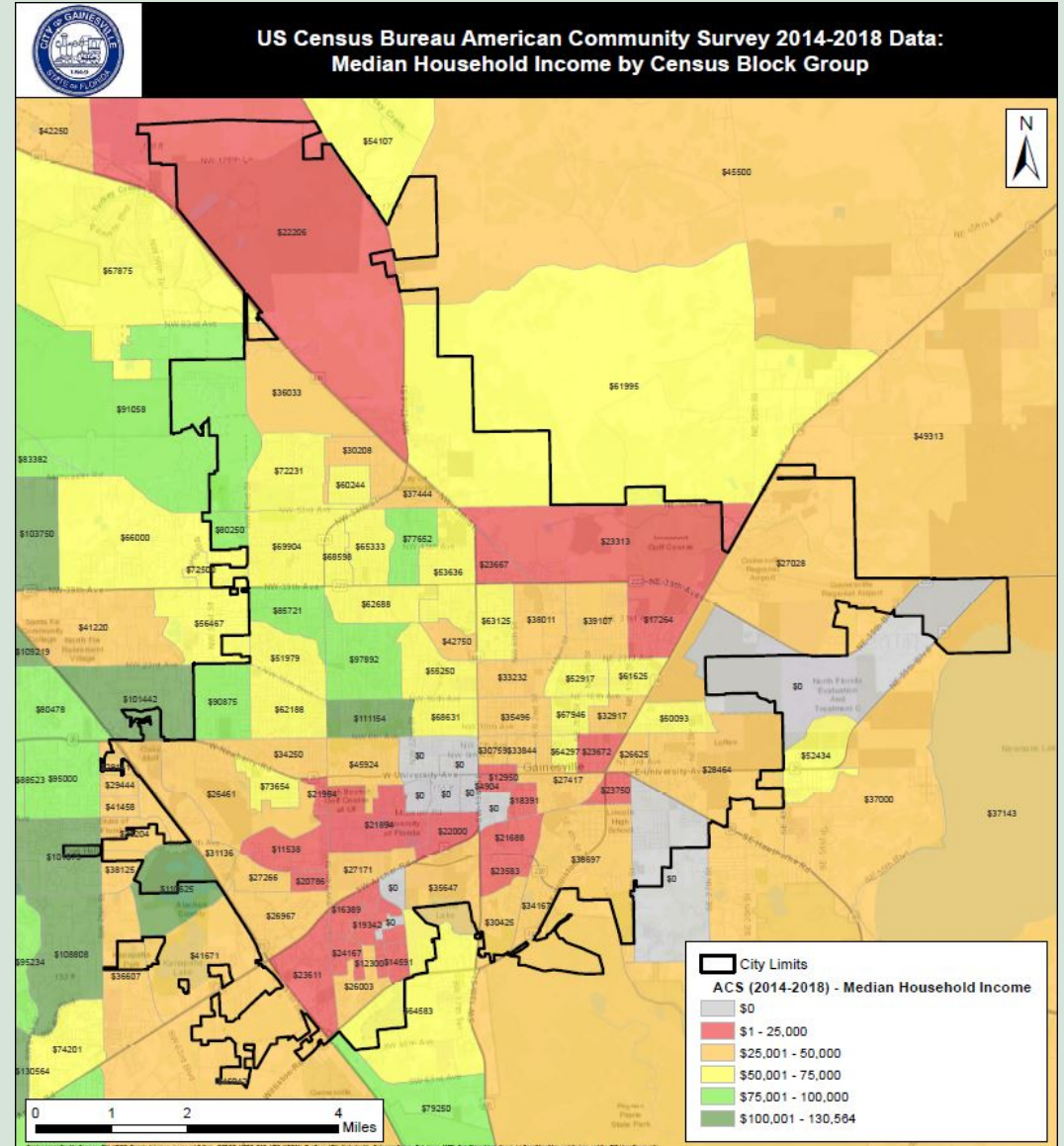
# Equity Toolkit, HOA Dues & GRUCom

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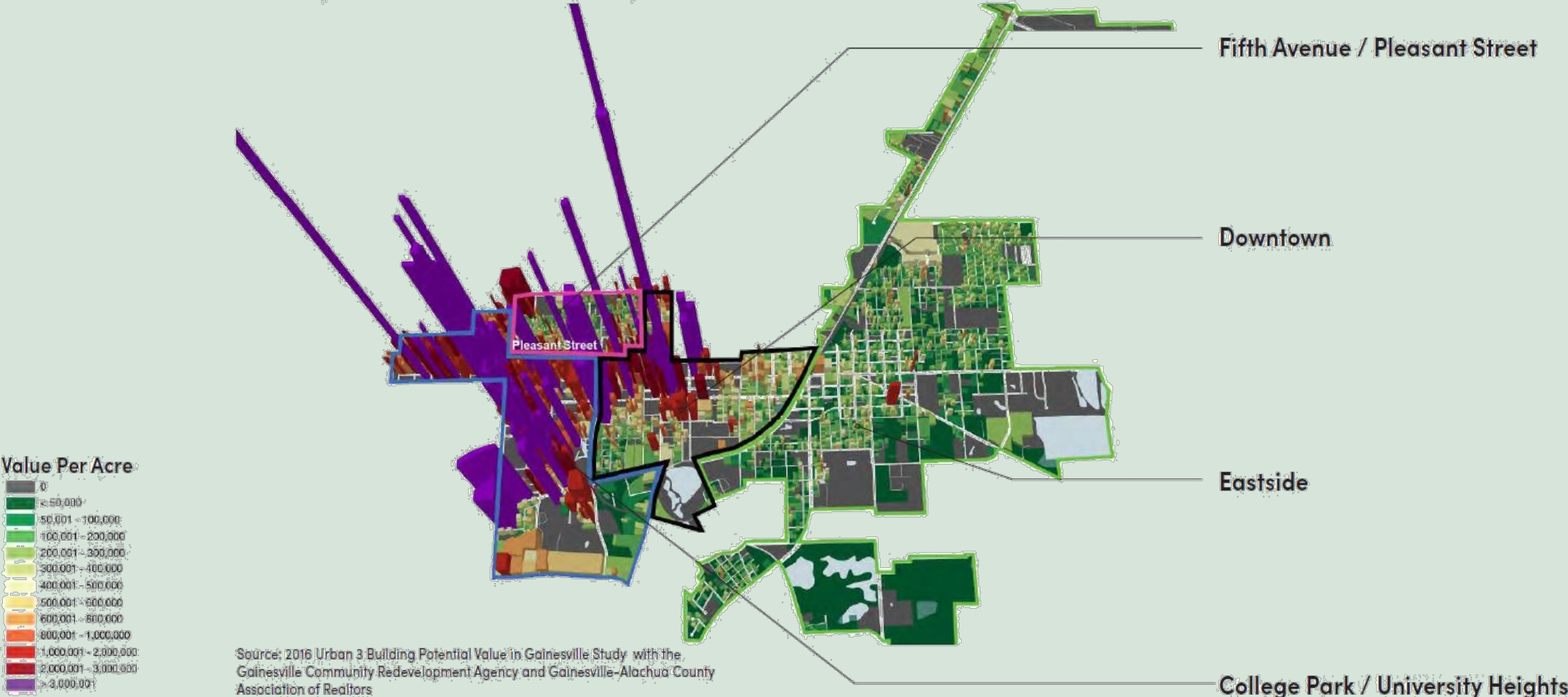
Medium Household Income



# Equity Toolkit, HOA Dues & GRUCom

## Property Potential Value Growth

In a 2016 study, the impacts of the CRA community initiatives were measured to gauge progress on the impact on the community. It is clear that reinvestment works. **The top three properties (value per acre) in the Downtown were made possible through CRA programs.**



Equity Toolkit, HOA Dues & GRUCom

## Conclusion of Equity Toolkit Analysis

# Next Steps

- Move Board's recommendation forward for Commission consideration to finalize HOA Dues
- Confirming procedures for sale of both market-rate and affordable homes
- Kick-off the marketing and communication campaign
- Host a Virtual Homebuyer Information Session



# Listing Prices and Sales Process

Model	SQ. FT.	Listing Prices
Magnolia	2243	\$ 365,707.00
Cypress	2305	\$ 358,707.00
Live Oak	2610	\$ 403,707.00
Palmetto	1609	\$ 282,707.00
Crape Myrtle	1642	\$ 278,707.00
Elm	1711	\$ 295,707.00
Dogwood	1422	\$ 245,707.00
Cedar	1487	\$ 253,707.00
River Birch	1436	\$ 245,707.00
Red Maple	1389	\$ 238,707.00
Longleaf Pine	1525	\$ 248,707.00
Juniper	1186	\$ 197,707.00

23 Market Rate Homes  
12 Models

HCD Approved Models	SQ. FT.	Listing Prices
Dogwood	1422	\$ 203,136.00
Cedar	1487	\$ 210,336.00
River Birch	1436	\$ 203,136.00
Red Maple	1389	\$ 196,836.00
Longleaf Pine	1525	\$ 205,836.00
Juniper	1186	\$ 159,936.00

11 Affordable Homes  
6 Models



# Listing Prices and Sales Process

## Sales Process for the 23 Market Rate Homes

- Online Application Platform
- First Come, First Serve
- Applicants interested in Market Rate will work with Team Dynamo
- Applicants interested in DPA will be redirected to HCD

# Listing Prices and Sales Process

## Sales Process for the 11 Affordable Homes

- Application cycle is continuous (Submission Deadline TBD)
- HCD will receive submitted applications from GCRA/Team Dynamo
- HCD staff reviews applications to determine eligibility criteria and forwards to City Auditor
- City Auditor applies randomization tool to select final 11 applicants
- HCD applies city's maximum subsidy award to final applicants
- HCD forwards final list to GCRA/Team Dynamo, along with their maximum affordable mortgage
- HCD coordinates with GCRA/Team Dynamo on each of the 11 home purchase closings

# Model Home Progress

Red Maple Model: Mid-range



# Model Home Progress

Square Feet (heat/cool): 1,389



# Model Home Progress

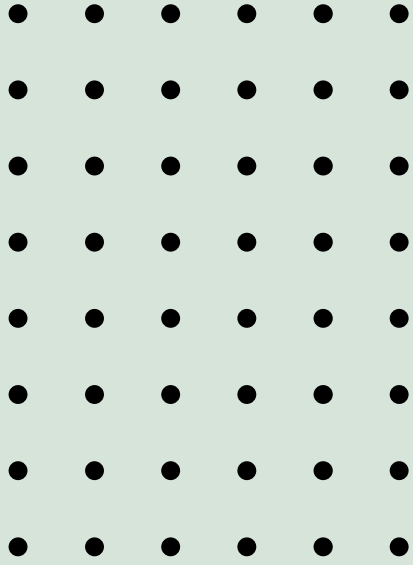
3 Bedrooms, 2 Bathrooms, 1 Car Garage



# Recommendations

City Manager to the City Commission: Hear update from GCRA Staff and consider the recommendation from the GCRA Advisory Board.

GCRA Advisory Board to the City Commission: Allow the home owners as the Home Owners Association to decide who is going to provide them with internet services and recommend not moving forward with the GRUCom Contract at this time.



**Thank you!**

