



City of Eustis

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TO: CRA REVIEW COMMITTEE

FROM: TOM CARRINO, CITY MANAGER

DATE: OCTOBER 25, 2022

RE: DISPOSAL OF SURPLUS PROPERTY

Introduction:

As part of the CRA Review Committee process, the group has several times discussed the disposal of surplus properties, including the Mow-to-Own program. Included are some of the ideas discussed related to the program.

Background:

At the March 10 and May 2 CRA Review Committee meetings, the group discussed the Mow to Own program. Below are some of the ideas discussed:

- Consider offering some properties for sale and others as part of the Mow-to-Own program. Proceeds from sale of property can be used for CRA projects and programs.
- If properties are not buildable, consider other methods of disposal.
- Initially open the program only to Eustis residents.
- Offer preference to first-time home buyers.
- If the property is buildable, there should be a requirement to develop the property within a certain period of time. Non-performance leads to reversion of the property back to the City. Timeframe could include the two-year maintenance period followed by one year to apply for a permit.
- Limit participation to one property.
- Require educational components including both development/construction of a new home in addition to ongoing maintenance and home ownership.
- Review associated incentives, including impact fee waivers.

Based on the discussion, below are possible guidelines:

Proposed Mow-to-Own Guidelines

Initially open to Eustis residents only.

Priority List (in order of priority)

1. First-Time Homebuyers
2. Adjacent Property Owners of Owner-Occupied Property
3. Adjacent Property Owners (owner must be a Eustis resident)
4. Eustis Residents

The applicant will maintain the property for two years. Upon transfer of ownership, the applicant will have one year to apply for a permit to construct a new home. Extensions may be granted with documentation for cause. If there is no application for a permit within one year of transfer of ownership, the property will revert back to the City.

During the two-year maintenance period, first-time homebuyers will be required to participate in home development, construction, and maintenance education.

Applicants may apply for one property only. Prior participants in the Mow-to-Own program are not eligible.

Budget and Staffing Impact:

If the City were to re-issue the Mow-to-Own program, the main budgetary impact of the proposed changes is the staff time involved in monitoring development activity and processing reversions, if necessary.

If the City were to arrange for professional real estate representation, the cost of such representation could potentially be covered by commissions from the sale of the properties. In addition, the City would realize revenues from the sale of those properties, though the revenues are difficult to estimate at this time.

Prepared by:

Tom Carrino, City Manager

Attachments:

List of Surplus Properties

Map of Surplus Properties