

## Minutes

### Volusia County Affordable Housing Advisory Committee

August 14, 2008, 3:30 p.m.

Thomas C. Kelly Administration Building

123 W. Indiana Ave., DeLand

County Council Chambers, 2<sup>nd</sup> Floor

AHAC Members Present	AHAC Members Absent	County Staff Members Present
Frank Severino, Chair	Lynn Kaiser Conrad	Edward L. Jasper
Richard Fraser, Vice-Chair		Gregory Stubbs
Janet Bellows		Tom Brooks
Michelina Bowman		Michael Dyer
William Hansard		Carlotta Hiers
Tadd Kasbeer		Diana Phillips
Deborah Michaud		Paula Szabo
Sara Truhlar		
Richard Vincik		
Rosemary Walker		

#### Agenda Item I - Call to Order

The meeting of the Volusia County Affordable Housing Advisory Committee (AHAC) was called to order at 3:31 by Frank Severino, Chair.

#### Agenda Item II - Roll Call

Carlotta Hiers called the roll. A quorum was present.

#### Agenda Items III – Staff Presentations

The Chair noted that normally the Committee would approve the minutes of the first meeting, however the minutes were not yet finalized. At the next meeting, there will be two sets of minutes.

The Chair introduced Greg Stubbs, the Director of the Growth and Resource Management Department. Mr. Stubbs thanked the Chair for the opportunity to present, and apologized for not being able to attend the first meeting. He opened by sharing that during his 30 years of work experience in planning, affordable housing has always been a concern. He acknowledged that we have a lot to accomplish, and asked if the Committee knew why they were here. He stated that they agreed to serve on a committee mandated by State statute, with tasks mandated by the statute. He assured the Committee that we would all work together to ensure the tasks were completed.

He opened his presentation with a discussion of affordability in Volusia County. (A copy of the presentation is attached to these minutes) The affordability quotient provides that housing is generally accepted to be affordable for which a family pays no more than 30% of the household

income for principal/interest/taxes and insurance or rent. He also discussed how the term “workforce housing” had grown in usage.

In 1991 Volusia County ranked 3<sup>rd</sup> in housing affordability by the National Association of Homebuilders. By 2005, housing costs were 4.4 times the median income and Volusia County had dropped to 163<sup>rd</sup> in affordability. Volusia County is no longer the affordable housing market as it was in the 1990s. The result is that the private housing market is no longer able to provide for affordable housing on their own.

Mr. Stubbs stated that his department was already involved with changes, including fast tracking for development approval and combining the land development and zoning codes for a unified code which would improve affordability. He reviewed some of the strategies recommended by the Land Design Innovation (LDI) in a report for Volusia County to could improve our existing strategies rather easily including better use of accessory dwelling units, reducing requirements on small properties in urban infill areas, density/intensity bonuses, and flexible development standards. He advised the Committee that in his opinion inclusionary zoning would need to be considered, but he was uncertain of the County Council’s desire in this regard.

Greg Stubbs introduced staffperson, Tom Brooks, who has more than 20 years of planning experience in Volusia County, especially in the area of affordable housing. Tom Brooks spoke briefly about the density bonus’s role in the County’s Comprehensive Plan. The policy allows almost a doubling of intensity in certain urban zones. Mr. Brooks had assisted the previous AHAC that drafted the 1993 Affordable Housing Incentive Plan.

Greg Stubbs opened the floor to the Committee for questions. Sara Truhlar asked about the difference between a design bonus and an intensity bonus. Greg Stubbs stated that an intensity bonus is usually used for the total square footage on the land. She further commented that Winter Park had at one time successfully used a linkage fee and that may be something we should consider. It was her understanding that a linkage fee was a fee paid by a prospective business that would be creating jobs that would require the need for more “workforce housing,” and that the fee was paid into a common fund for creating housing. Rick Fraser thanked Greg Stubbs and asked if any of the recommendations suggested by the LDI have been implemented. Greg Stubbs stated that he is intending to use workgroups and others with expertise to assist in reviewing the recommendations, but implementing them is more than a year away.

The Chair inquired of Greg Stubbs what role he saw for the Committee after they make the required recommendations to the County Council? Greg Stubbs reassured the Committee that in his opinion, the Committee would play a very valuable role, and that the true role of the Committee lay in the future. Edward Jasper added that the Committee’s initial role is the eleven recommendations and that it has its plate full to accomplish the mandated tasks by the end of December. However the Committee members were appointed to serve until the end of 2011, and additional assignments for the Committee would be determined after December. As the primary staff for the committee he pledged to work directly with Greg Stubbs who has the subject matter expertise to guide the Committee. Greg Stubbs committed that he and his staff would work together to methodically create a timeline or a gant chart to map out at what meetings they will be reviewing the different issues.

#### Agenda Item IV – Review and discuss resources

At the Chair's request, Greg Stubbs reviewed with the Committee the process for using the web-based MuniCode.com to access the County's Zoning Ordinance (Appendix B) and the Land Development Code (Appendix A), highlighting the sections most important to their task. Mr. Stubbs introduced Michael Dyer, with the County Attorney's office, who was very familiar with these ordinances and would be working with the Committee. He stated that Growth and Resource Management was undertaking a systematic combination of the County's Land Development Code and Zoning Ordinance to propose substantial changes that would provide consistency between these laws. In Greg Stubb's opinion we need to deal more with density and units per acre than traditional zoning requirements of lot size. Sara Truhlar asked about the timeline for making these major changes, and whether the Committee's efforts might be in vain? Greg Stubbs reassured the Committee that their recommendations for change could easily be incorporated prior to the bigger rewrite of the Land Development Code and Zoning Ordinance. He urged the Committee members to look around at their community, and look at what they like and what they don't like, and try to find a better way to provide for affordable housing.

The Chair thanked county staff for providing the Committee members via e-mail with the following documents, and links for the Municode.com, for their review and discussion:

1. Volusia County Homebuilders Association - Affordable/Workforce Housing Regulatory Barriers Report - December 3, 2007
2. Volusia County Homebuilders Association - Workforce Housing Solutions Report - March 10, 2006
3. Volusia County Homebuilders Association - A guide for determining how the above listed reports are related to the 11 regulatory tasks set forth in the SHIP rule.
4. County Resolution No. 93-308 - Affordable Housing Incentive Plan
5. Housing Needs Assessment – City of Deland

He recommended that since more time was necessary to adequately review and digest these documents, that a discussion on the content be tabled for the present. The Committee agreed with this recommendation. Rick Fraser asked if staff could go through and provide a summary of the documents. Edward Jasper stated that staff would not have time to do this, but that Volusia Homebuilders had already provided such a summary. The Chair pointed out that each of the documents has an executive summary, along with the summary by the Volusia Homebuilders Association and this was a good starting point for review.

#### Agenda Item V – Discuss affordable housing incentives (defined by the SHIP rule) and schedule time frame for completion of each task

The Chair opened the floor for discussion on suggestions for dividing up the tasks posed by the eleven affordable housing incentives, as defined by the SHIP rule. Michelina Bowman questioned whether the Committee has aware of, and could perhaps focus on, the \$20 million of funds that the State had budgeted for jurisdictions that reduce their impact fees, since she was aware there was a short timeframe applying for these funds. Perhaps we could focus on working

on this since impact fees are one of our eleven points. The Chair agreed that he had heard of this law, and that we would revisit this issue later in the meeting.

Rosemary Walker stated that she had some basic questions that she was hoping to address prior to getting into the larger road map. She directed the Committee's attention to the 1993 Affordable Housing Incentive Plan adopted by County Council, and stated that many of the eleven issues were addressed in that document. She asked what had been done with the plan since 1993.

Tom Brooks was asked to respond. He stated that the County has focused on the implementation of density bonuses by adopting them into the Comprehensive Plan for certain urban zoning categories and farmworker housing, and that several farmworker projects had taken advantage of the density bonuses offered. However, the density bonuses were used in conjunction with the Planned Unit Development (PUD) process, and were not routinely requested. Rosemary Walker asked if consideration for density bonuses is the "common practice" in the County's Planning & Zoning, or whether developers know to ask for them? Tom Brooks answered that in his opinion that it is not a common practice for staff or developers to request density bonuses. Greg Stubbs added that he is addressing the connection between land development and zoning staff to improve communication and functioning.

Richard Vincik suggested that one approach could be to determine if different Committee members had interest and/or experience in any of the incentives that they could bring to the task, or that each Committee member could take an issue. The Chair stated that it was his desire that they could come up with a roadmap at today's meeting to work out a plan of attack for the eleven recommendations. The Chair opened for discussion. Mickael Dyer, County Attorney's office, cautioned that the Florida Sunshine Law could present an issue when considering the formation of subcommittees or workgroups within the larger committee.

Deborah Michaud suggested that staff could group the items together according to subject matter. The Chair agreed and asked the staff to provide guidance to the Committee by the next meeting on a format for approaching the items in an organized approach. This would also permit time for the Committee to review the documents they had already received, since it was likely that other reports and information would come before the Committee in the weeks ahead.

Sara Truhlar requested the Volusia Homebuilders Association provide input on what is being done and what is not being done with the prior resolution. The Chair responded that he was open to a presentation by the VHBA if there is time.

#### Agenda Item VI – Review and discuss Affordable Housing Incentive Plan – Adopted by County Council December 1993

The Chair opened the floor to this discuss this item, but concluded there was no need for further review, since it had already been addressed in prior meeting discussion.

#### Agenda Item VII – Public Comment

The Chair requested the public comment slips, and advised the Committee that two members of the public requested time before the Committee.

Greg Blose, Government Affairs Director, Volusia Home Builders Association, addressed the Committee. He stated that he was not surprised that the affordability for Volusia County had decreased as impact fees have increased and there were more regulations on developers. The VBHA is opposed to inclusionary zoning, as is VCARD, Daytona Beach Chamber of Commerce, and the Daytona Beach Police and Fire Unions. Their studies show that inclusionary zoning does not work. According to Mr. Blose the City of Tallahassee adopted an inclusionary zoning ordinance and in the first two years after the ordinance no new residential units were created. The VBHA is also opposed to linkage fees. In their opinion, linkage fees are an impact fee on businesses for creating low wage jobs. There is a tight link between economic development and affordable housing. The VBHA recommends that Volusia County consider changing the way that we do things. In conclusion, he stated that the U.S. Department of Housing and Urban Development had reported that the reduction of regulatory barriers is its #1 priority.

The Chair asked if there were any questions of Mr. Blose. It was agreed that the Committee would hear all public comment, and then address any questions.

Ken Goldberg, a local builder for ten years addressed the Committee. He thanked the Committee for taking on this important issue, and thanked Gregg Stubbs for the new direction that he was bringing to the County's Growth and Resource Management Department. According to Mr. Goldberg, dollars drives what developers do. He recommended that impact fees be the top priority, especially going after a portion of the \$20 million dollars that the State has set up. He also applauded the efforts to eliminate the incongruencies between the Land Development Code and the Zoning Ordinance. Mr. Goldberg also suggested that the Committee consider the connection between transportation and affordability, and having VOTRAN make a presentation. Lastly, he urged the Committee to consider affordable housing for the elder populations and that affordable housing should look good so that no one is worried if its in their neighborhood.

There being no further public comments, the Chair closed the floor to public comments.

#### Agenda Item VIII – Committee Discussion

The Chair stated that the Committee would now address the issue of the impact fee reduction that Michelina Bowman had brought up earlier. Michelina Bowman said that she knew few details, but wanted to make certain that all were aware of it. The Chair requested Gregory Blose to address the Committee as he was aware of the issue. According to Mr. Blose, the State of Florida, in lieu of uncapping the Sadowski fund, had appropriated \$20 million dollars for SHIP governments. A SHIP government could apply for these funds if they either passed a 25% reduction of their impact fees across the board, or created a separate category of impact fee for affordable housing that was \$0, for an 18 month period of time. To his knowledge only two SHIP governments had applied for the funds to date, which just became available July 1, 2008.

The Chair suggested that we take this issue on as a parallel task to the eleven points. Tadd Kasbeer added that since the issue concerned impact fees which were one of the eleven issues, it was an appropriate topic for the Committee. Richard Vincik stated that he had sent staff an article of this issue concerning Hernando County. Edward Jasper assured the group that staff would research the issue, and bring back information for their consideration.

Richard Vincik stated that he had two concerns. The first concern was that the Committee may want to consider when in the process does a developer/government identify a proposed project as being “affordable housing,” as it is more complex an issue than one would think. His second concern was that he felt that the Committee should get a handle on the price point for housing that is affordable, to discuss to some degree the real numbers for the three income categories (very-low, low and moderate income). Sara Truhlar agreed that the Committee should focus some on the dollar amount. Rosemary Walker replied that she is with Habitat for Humanity and the very-low income populations that she serves cannot even afford 30% for housing.

Sara Truhlar stated that she wonders how the Committee knows that any of these incentives help to reduce the cost of the home. How does one quantify the savings that the developer receives? Deborah Michaud agreed, and asked whether the savings is a direct monetary reduction. Tom Brooks provided an example of a developer in the Spring Hill area whose property was only permitted for 15 units and he was going to walk away. But with affordable housing density bonus he was able to go forward.

William Hansard shared with the Committee his personal experience as a local builder on the issue of why build affordable housing. According to Mr. Hansard, the lower price makes a bigger market for the product. The goal is to increase the sales to a broader base. The industry generally polices itself. A brief discussion followed on whether sales price reductions and other incentives that go to either the developer or the homebuyer are able to be enforced. Rosemary Walker shared some of her experience in developer affordable housing in New Smyrna Beach, including her understanding that the workforce housing overlay was not very successful and was very expensive.

#### Agenda Item VIII - Adjournment

Prior to adjourning, Sara Truhlar asked if the Committee would consider rescheduling the meeting for September 11, to either September 8, 9 or 10<sup>th</sup> as she had a conflict with several dates and did not want to miss meetings. The Chair opened for discussion, and various Committee members expressed conflicts with these other dates. After polling the members it was agreed that the meeting would remain on September 11 at 3:30 pm. With no further matters, the Chair adjourned the meeting at 5:25.