

**SEMINOLE COUNTY
AFFORDABLE HOUSING ADVISORY COMMITTEE (AHAC)
MEETING MINUTES
November 7, 2024**

Call to Order: Scott Culp, Chairman called the meeting to order at 2:12 p.m.

- **Committee Members Present:**
Scott Culp, Chairman, Kenneth Bentley, Vice-Chairman, Kim Fogle, William Jackson, Penny Seater, Gloria Payne (virtual)
- **Committee Members Absent:**
Comm. Jay Zembower, Robin Roklowski, Shannon Seiple, Silvia McClain
- **Staff Members Present:**
Tadine Diaz, Housing Development Services Division Manager, Stacey Smithwick, Executive Business Manager; Bonnye Deese, Community Services Projects Administrator, Quentin Grose, Attainable Housing Program Manager

- I. **Confirm Quorum – Roll Call**
Quorum confirm a for the meeting.
- II. **Review of Minutes: September 19, 2024 - Tabled**

Discussion Items

- I. **2023-2024 Affordable Housing Incentive Report (Public Hearing)** - Ms. Deese presented the 2023-2024 Affordable Housing Incentive Report and discussed the staff's progress with addressing the required incentive strategies included in the LHAP:
 - Expedited Permitting (Required)
 - Ongoing Review of Policies, Procedures, Ordinances, and Regulations (Required)
 - Impact Fee Waivers or Modifications

In addition to the required incentives, the Plan addresses the staff efforts with implementing the short-term strategies identified in the Attainable Housing Plan:

- Establish incentive program to reduce or subsidize impact fees, provide tax incentives, expedited permitting,
- Preserve existing units,
- Establish an Affordable Housing Trust Fund (locally funded),
- Seek local funds to start the affordable housing trust.

Mr. Quentin Grose discussed the affordable housing project certification process that is conducted in conjunction with the Development Services Department to identify potential affordable housing developments. Development Services conducts preapplication meetings with developers to discuss their projects. If the development is seeking any kind of waivers or impact

fee reductions, Development Services staff connects the developer with Mr. Grose. Utilizing the Affordable Housing Checklist, Mr. Grose conducts a preapplication review of the project to determine whether it meets HUD's development and affordability standards. Mr. Grose stated that he informs the developer of the requirements for the development to be certified as an affordable housing project. He also stated that he offers to assist the developer with getting through the predevelopment meeting with Development Services, to assist with resolving issues that will slow the project's approval.

To date, the Board of County Commissioners have allocated \$1.5 million dollars to the Trust Fund. As a result, the Attainable Housing team has utilized the Trust Fund dollars to subsidize impact fees for approved affordable housing developments, as well as pay administrative and legal fees for the non-profit developers awarded County-owned surplus lots for affordable housing development.

Mr. Grose discussed expedited permitting process for affordable housing projects. Seminole County honors the 14-day plan review process. For projects that have been certified as affordable housing, Mr. Grose is listed as a consultant to the developer on its permit application. This allows him to receive notifications during permitting, to make sure the developer is responding to comment quickly, in order to shorten the time to have permits approved for the project. Mr. Grose offers these services for certified affordable housing projects throughout the county. He stated the real issue is with the City of Sanford's Planning Department, which does not honor expedited permitting for affordable housing projects.

As for incentives, Mr. Grose stated that they are approved through Planning and Development Services. However, the Affordable Housing Trust Fund can be used to offset the cost of impact fee reductions awarded by Development Services. Mr. Grose stated he is only aware of this being done for the ARPA funded homeownership projects. He's not aware of any fee waivers or reductions being awarded to other projects, since they are approved by Development Services and run through them directly. Mr. Grose pointed out that he believes we may be able to use the Trust Fund to offset impact fee reductions and waivers granted by other municipalities. He had been working with Rebecca Hammock to offer this incentive. He just needs to get a legal opinion on how to implement this with other municipalities in Seminole County.

Ms. Kim Fogle asked if there is a formula used to determine the impact fee reduction for affordable housing. She asked what the approximate total impact of impact fees is per unit. Mr. Grose stated that's a question for Development Services. He stated he would forward the affordable housing certification for her project to Development Services. Once they approve the fee waivers or reductions, they could notify him so he could provide the funds to offset the cost of the waivers.

Ms. Deese discussed the County's affordable housing production and preservation activities conducted during the 2023-2024 reporting period. Noting that Habitat for Humanity had completed and sold its six single-family homes funded by the \$1 million American Rescue Act Plan pilot project award. Each of the end buyers received 20 percent towards down payment, and an additional 3.5 percent for closing cost. The buyer subsidies were secured by a soft second mortgage. Upon the sale of each home, ARPA funds were returned as program income and deposited into the local Affordable Housing Trust Fund to fund future project.

Ms. Gloria Payne asked whether Seminole County expend its full SHIP allocation, with a particular interest on its use for down payment assistance. Ms. Diaz confirmed that the funds are expended over a three-year period. The SHIP funds are used for rental development and rental assistance, along with the owner-occupied preservation programs (Minor Home Repair, Rehab/Reconstruction). She stated with the increased costs associated with construction, the financial assistance awards increased, which us to spend the funds quickly. Ms. Diaz further clarified that the current housing market makes it difficult to expend the Purchase Assistance allocation. Ms. Payne asked if the Purchase Assistance terms were forgivable. Ms. Diaz confirmed that is a deferred, forgivable loan with zero payments with a prorated balance reduction of 1/30th per year. The 30-year term is a result of the increase in financial assistance provided. Buyers can receive up to \$145,000 in assistance, with \$125,000 toward DPA and \$20,000 to make needed repairs, which we believe will keep the buyers from having to come to us for home repair assistance in the near future. Mr. Culp questioned whether the assistance was secured by a subordinate mortgage and was recorded. He wanted to ensure the funds will be recaptured as program income, should the buyer choose to sell the home prior to the mortgage maturity date. Ms. Diaz confirmed that it is.

Ms. Deese discussed future actions presented in the Incentive Report. She stated the Attainable Housing team seeks to leverage the local affordable housing trust fund dollars with other sources to purchase existing commercial properties, or large vacant parcels to be land banked for future affordable/attainable housing development. Ms. Deese also discussed the benefit of having Mr. Grose as the Attainable Housing Program Manager focused on working with developers to utilize the changes in the Land Development Code to incentivize market rate developers to include a few affordable housing units within the development.

Mr. Culp opened the floor for discussion. Mr. Bentley questioned how we can require developers to add a few affordable units to their development, and how to enforce compliance. There was discussion on whether it can be done during the predevelopment application phase. Mr. Grose stated there is a push to have some type of requirement in all new entitlements over a certain amount. If the developer is not willing to provide the affordable units in the market rate development, they can opt to pay an "In-Lieu" fee into the Trust Fund. Mr. Grose said some type of analysis needs to be done to determine the impact of having these requirements will have on increasing affordable housing units. Ms. Seater recommended staff speak with some consulting groups to conduct the studies for both commercial and residential. Mr. Culp also recommended staff to reach out to other municipalities that are doing something similar for guidance.

Mr. Bentley asked for information on the drawbacks of implementing the in-lieu fee. Mr. Culp stated the market rate developers are going to say the County is not giving enough money to make it worth their participation. This is why the County should work with a consulting firm to develop a formula showing the increased entitlements they will get and how it will benefit them.

Chairman Culp entertained a motion to approve staff to submit the final 2022-2023 Affordable Housing Incentives Report to the Board of County Commissioners. Motion to approve made by Kenneth Bentley, Seconded by William Jackson. Unanimously approved.

III.

- IV. **SHIP Rental Project Status Report** – Bonnye Deese informed the committee of the two rental development projects currently funded by SHIP, Banyan East Town Apartments in Altamonte Springs, and the Riverbend Landings Apartments project in Sanford. She explained the Banyan East Town project is nearly ninety percent complete, with construction activities winding down, and they are beginning the lease up process. Ms. Deese explained this housing tax credit project is a transit-based development, located a block away from the Altamonte Spring Sunrail Station. The developer initially anticipated the completion date to be December 31, 2024. However, based on the current progress, they anticipate the completion to be in late January or February of next year. Mr. Bentley wanted to know the number of units. Ms. Deese confirmed that there are 113 total units, with eight SHIP-assisted units. All units are affordable, with the maximum household income to occupy the property is below 80 percent of the area median income.

Mr. Culp provided an update on the Riverbend Landings Apartments project. The project has been awarded \$1 million of FY2023-2024 SHIP funding and an additional \$50,000 FY2023-2024 HOME funding as the Local Jurisdiction Contribution that's required by the Florida Housing Finance Corporation for SAIL housing tax credit funded developments. He informed the committee that they were able to secure funding through the Florida Housing Finance Corporation from two different SAIL funding cycles. The project is set to close on both bond issues next month. Mr. Culp explained that based on the restructuring, the Riverbend Landings development will consist of 146 units, once completed.

Mr. Bentley asked for the location of the development. Mr. Culp confirmed the project is in Sanford, on Highway 46 and Beardall Avenue, on the south end of the Midway community. There was additional discussion regarding some of the predevelopment challenges being faced, due to the airports flight path.

V. **Announcements**

Ms. Deese informed the committee of the staff changes and departmental restructuring that has occurred since the last meeting. Stacey Smithwick transitioned to the Executive Business Manager position, which is responsible for managing the department's finances. She will continue to oversee the Federal entitlement programs (CDBG, HOME, ESG). With the restructuring, the Community Development Division is now the Housing Development Services Division, and Tadine Diaz is its new Division Manager. Ms. Diaz is responsible for the management and oversight of the SHIP, ARPA, HOME-ARPA, and the Attainable Housing programs.

Ms. Deese informed the committee of the department's successful submission of the HUD PRO Housing Grant on October 15, 2024. The grant application requested \$7 million to leverage SHIP fund and ARPA Program Income to fund owner-occupied housing preservation activities, as well as to acquire a large 13 plus acre industrial project for redevelopment into mixed-use affordable rentals and homeownership units.

VI. **2025 Meeting Calendar**

Ms. Deese provided the proposed AHAC meeting calendar for 2025. The next meeting would be held on January 16th, which is the third Thursday. She noted that a calendar invite

will be distributed for each of those dates. There was discussion on the need to keep the established meeting schedule. Ms. Seater stated the last-minute changes and cancellation due to lack of a quorum is frustrating. Mr. Culp stated the committee needs to establish a policy regarding meeting attendance, with penalties for unexcused absences. Ms. Deese stated that she would look into the City of Orlando's AHAC policy regarding attendance.

VII. Adjourn

Meeting adjourned at 3:01 pm

APPROVED BY:

TRANSCRIBED BY:

Tadine Diaz

Bonnye Deese