Present were:
Charlie Kennedy, Chairman
Glen Gibellina, First Vice-Chairman
Frank Conorozzo, Second Vice-Chairman
Amy Farrington
Vallerie Guillory
George Kruse
Steve Rinehart (entered during the meeting)
Sandra Suite (entered during the meeting)

Absent was:
Erin Bodie

Two seats are vacant

Also present were:
Mitchell O. Palmer, County Attorney
Geri Lopez, Redevelopment and Economic Opportunity Director
Denise Thomas, Redevelopment and Economic Opportunity Manager
Deborah Ash, Redevelopment and Economic Opportunity
Robin Toth, Deputy Clerk, Clerk of the Circuit Court

Commissioner Misty Servia, representing District 4, was present on behalf of the County Commission

REvised Agenda and Sign-in Sheets

I. CALL TO ORDER
Chairman Kennedy called the meeting of the Affordable Housing Advisory Committee (AHAC) to order at 2:04 p.m.

II. PLEDGE OF ALLEGIANCE
Chairman Kennedy led the Pledge of Allegiance.

III. ROLL CALL AND DECLARATION OF A QUORUM
A quorum was declared, with Members Bodie, Rinehart and Suite absent.

IV. REVIEW OF THE SUNSHINE LAW – COUNTY ATTORNEY
Chairman Kennedy explained this item has to do with the correct procedure regarding email correspondence and compliance with Sunshine Law.

Mitchell O. Palmer, County Attorney, stated the Committee was previously provided an orientation (6/15/20) of Florida Statute (F.S.) Section 286.011, Government in the Sunshine Law, and F.S. Chapter 119, Public Records Law. He suggested Committee members present questions to generate discussion on this topic.
Member Gibellina stated there was some confusion regarding his email communications. He was of the understanding that any Committee member could email anyone on any subject matter, as long as the recipient of the email does not respond.

Mr. Palmer stated that in order for the Sunshine Law to be implicated, there must be two-way communication. There is no violation of Sunshine Law in a one-way communication.

Upon question by Member Gibellina as to whether the Committee should designate an administrative staff person to keep members informed, Mr. Palmer advised the better practice would be for Committee members to send emails to staff liaison, Deborah Ash. Mr. Palmer questioned why certain Committee members would feel compelled to email on various subjects that may come before the Committee, as opposed to waiting to address the matter at the next AHAC meeting. He recommended Committee members refrain from emailing fellow members.

Member Gibellina explained his reason for emailing members was to make the best use of time, and if there was a subject matter a member wished to discuss, it would allow fellow members time to research to present educated questions at the next meeting.

To the extent that emailing needs to be done by Committee members, Mr. Palmer stated the proper protocol would be to email the staff liaison to filter the emails and act on them accordingly. If a member sends an email to the entire Committee about a subject that may come forward for discussion at a future meeting and one Committee member responds back with an opinion or question, this would constitute two-way communication occurring outside of a duly-noticed public meeting and would be a violation of Sunshine Law.

Chairman Kennedy stated if a Committee member wanted a subject matter placed on the agenda for the next meeting, the proper protocol would be to forward the request to the staff liaison with the reason for the request. The request would be addressed between the liaison and Committee Chairman during the preparation of the agenda.

Mr. Palmer reiterated that two-way communication would constitute a violation of the Sunshine Law. Given the factual circumstance, Mr. Palmer stated Member Gibellina did not violate the Sunshine Law, but emailed the staff liaison requesting his materials be distributed to Committee members. Communication with the staff liaison does not implicate the Sunshine Law; however, if a member were to have replied to Member Gibellina and the staff liaison, a Sunshine violation would have occurred. He stated it is entirely appropriate to utilize staff to filter emails from Committee members.

Mr. Palmer concluded that the use of a Committee member to convey thoughts or information to other Committee members would constitute a violation of Sunshine Law. If in doubt, he urged Committee members to refrain from sending emails.

Chairman Kennedy thanked Mr. Palmer for attending the meeting.

V. THE MODIFICATION OF IMPACT FEE REQUIREMENTS, INCLUDING REDUCTION OR WAIVER OF FEES AND ALTERNATIVE METHODS OF FEE PAYMENT FOR AFFORDABLE HOUSING

The working document for this meeting is the Revised October 2020 Affordable Housing Incentives, per Florida Statute (F.S.) 420.9076(4).
V.A. - Impact Fee Study

Nicole Knapp, Impact Fee Administrator, gave a presentation on some of the requirements that the Impact Fee Division is held to, methodologies used to determine how impact fees are assessed, right sizing, and potential fee modification options.

The Florida Impact Fee Act (F.S. 163.31801) provides both requirements and procedures the County must follow when adopting an impact fee ordinance. Requirements include basing an impact fee calculation on recent and localized data. F.S. also requires the impact fee to be proportional and reasonably connected to, or have a rational nexus to the need for additional capacity. Manatee County uses a consumption-based impact fee methodology that charges new development based upon the burden placed on the services for each land use (also known as demand). The demand component is measured in terms of population per unit in the case of all impact fee programs (library, parks, public safety and law enforcement), with the exception of multi-modal transportation in which it is per person travel miles used.

A consumption-based impact fee, charges new growth the proportionate share of the cost of providing additional infrastructure available for the new growth. Unlike a needs-based approach which is not used, the consumption-based approach ensures the impact fee is set at a rate that does not generate sufficient revenues to correct existing deficiencies.

The County’s current Impact Fee Schedule was adopted in late 2015. It was with the study that the County altered the methods used to assess residential development, from a per-unit (flat unit) basis to assessing based on a square-footage range per dwelling unit type. This is in addition to looking at the dwelling unit type, density, and location within the County.

The current Impact Fee Schedule has five tiers (square-footage ranges) to assess residential dwelling units, and the five tiers are not common approaches. The most common approach is three tier (larger square-footage ranges). It is staff’s position that the County’s five tiers are more refined and granular than typical, especially when assessing residential development under 1,700 square feet in size.

The County shifted to assessing based on the methodology of right sizing with the adoption of the 2015 Impact Fee Schedule. An update study is underway and would be presented at a January 2021 County Commission work session. As part of the update study, discussions are underway with the consultant to include a slightly expanded fee schedule resulting in a more refined demand component.

Recent House Bill (HB) 7103 addressed multiple issues related to affordable housing linkage fees, impact fees, and building service fees. This Bill allowed local governments to waive or reduce impact fees for the development/construction of housing that is affordable, without having to offset the associated revenue loss. With regard to a fee modification for smaller units, there is not enough data to support dwelling units under 1,000 square feet in size. This is the reason why the recommendation with the pending update study is to keep the first, smallest tier (for assessing residential dwelling units) the way it is today at 1,000 square feet or less. Given the newness of HB 7103, there are not enough communities that have had the opportunity to implement or offer waivers and reductions in order for staff to gain any insight into what other communities are doing.
A large part of waiving or reducing impact fees is policy driven. Between now and the January 2021 County Commission work session, staff would continue to discuss this with the consultant so that staff is prepared to present several recommendations for further discussion regarding options with affordable housing projects.

Based on staff’s preliminary research, staff’s recommendations might be policies such as an initial, one-year time period for the County Commission to waive or reduce impact fees for affordable housing units, which includes an automatic sunset clause so that staff could revisit the data in one year. Another option might be to revise the exemption language of the Land Development Code (LDC) Chapter 11, to offer waiving or reducing impact fees for a change in use, from non-residential to residential (e.g. Robin’s Apartments, which was converted from a hotel/motel to residential). Another potential exemption could be to waive or reduce impact fees on affordable housing in areas of the county where facilities already exist (e.g. urban core, or other specific areas defined on a map).

Staff plans to prepare a Request for Legal Services from the County Attorney’s office, to seek advice, given the new legislation as it relates to past case law.

(Member Conorozzo absent for a portion of the discussion)

There was discussion that currently the impact fee is variable depending on location and demographics, but the square footage would be the same, the proposed update study is recommending the impact fees remain the same for the four districts (Northeast, Northwest, Southeast, Southwest), there are different districts for multi-modal, everything else with parks, law enforcement, public safety, libraries and administrative fees remains the same for single-family homes in the 1,300-square-footage range regardless of the district, but fluctuates for schools, and the multi-modal, impact fees for homes on in-fill lots would be credited back to the building permit.

John Barnott, Building and Development Services Director, stated the building permit fees and planning fees paid for certified affordable housing projects are refundable. He would check on whether the refund would apply to rentals.

(Enter Member Suite)

Geri Lopez, Redevelopment and Economic Development Opportunity Director, explained the refund process for a project that meets the affordable housing designation. The Livable Manatee Homeownership Incentive Program covers impact fees (law enforcement, libraries, etc.) that are credited to the developer’s account. The Building Permit Fee is part of a refund through the Building and Development Services Department.

Mr. Barnott stated the costs are not recovered, as there are not many affordable housing projects. At some point in time, he would propose a change to the LDC that, once a project is certified as an affordable housing development, the fees would not be paid but would be billed as a receivable on the account and not collected. If the process was not complete, the fees would be collected prior to Certificate of Occupancy. Upon question, he stated this does not apply to the temporary $600 water permit fee.

Member Conorozzo noted the fees for the Livable Manatee Incentive Program are published on the County’s website for homeownership and rentals.
Ms. Lopez stated that for Robin’s Apartments, the change in use from a hotel to a residential use triggered the School Impact Fee. The developer requested a reduction in the fees due to the size of the units, and much of the fees were reduced; however, this determination must be made on a case-by-case basis.

Disposition: There was no other feedback from Committee members, and no recommended language changes were offered for Incentive (B).

Ms. Lopez stated much of this language was addressed during the last AHAC meeting. The title for LDC 545.2.B: Fee Reimbursement, as shown on the working document, could encompass many different activities, as it references the Affordable Housing Program. The Livable Manatee Incentive Program covers impact fees for law enforcement, libraries, school, Facility Impact Fees (FiF) and transportation, but this is dependent on whether is it multi-family, infill a or subdivision project, as there are different rules for each category. Program changes could be made if something else is contemplated. Staff wanted to keep the language flexible enough to encompass other potentially new programs.

Member Gibellina questioned if the County could expand the Livable Manatee Incentive Program to encourage more affordable building if the Committee asked the School Board to waive impact fees rather than be reimbursed.

Ms. Lopez stated that a request to waive School Board Impact Fees would need to be presented to the School Board. School Impact Fees is one of the items identified as a barrier to creating affordable housing.

VI.B. – Water Meter Flat Fee Cost

Katherine Gilmore, Water Division Manager, spoke about the Direct Connection Fee, which is a flat fee charged to builders/contractors for potable water used during the construction of residential, single-family homes through an unmetered connection directly to the potable water distribution line. The unmetered connection is only for single-family units under construction.

Prior to 2006, the County provided unmetered connection to builders through a temporary use meter and charged the builder monthly for actual water used. Due to damage/theft issues on single-family construction sites, temporary use meters were converted to Radio Frequency (RF) Meters, which could be read digitally and the water usage captured through a hand-held device.

The Direct Connection Fee charges a flat rate of $600, which provides the builder with water service for eight months. Initially, for construction beyond the eight-month period, builders could pay in two-month increments of $200, which was changed to a month-to-month cost of $100.

(Enter Member Rinehart)

Staff established the average water consumption for a single-family home at 12,000 gallons per month. A portion of the eight-month $600 flat rate fee covers that water use, but a portion also covers the Utilities Department risk for having an unmetered connection. When the program was originally set up, the builder paid the fee as part of the building permit and made their own direct connection to the system. The County did not visit the site until it was time to install the permanent meter.
Builders were required to install a backflow prevention assembly when they made the direct connection to protect the County’s water system from backflow and cross contamination from their site. However, staff discovered this was not happening, because there was not an inspection process in place, recent changes were made (8/1/20), and the County assumed responsibility to install the direct connection and backflow prevention device so the County knows that each connection is protected. The $600 fee remains the same.

In search of options to waive or reduce the fee, the Code does not allow the Utilities Department to offer free service, a fee reduction, or preferential service to any customer of the same class. Furthermore, the Utilities Department cannot offer free service or a waiver due to bond covenants, and there is no leverage to reduce the fees. It is written in the Code that temporary use meters cannot be used for single-family construction. The Code does not have the ability for a direct connection, damage could occur, and a replacement meter would be required throughout the construction process.

Member Rinehart commented about the $600 Direct Connection Fee and that he would like the ability to pay for a permanent meter for his housing projects.

Ms. Gilmore stated that currently, the Direct Connection Fee is defined only for the class of single-family residential; there is no affordable housing designation.

Mike Gore, Utilities Director, stated the reason for the Direct Connection Fee is due to the history of damaged meters.

Member Rinehart stated that if impact fees are going to be a driving factor to the cost of affordable housing, and the County Commission does not want to waive those fees, affordable housing developers must look at every other option to save money. The $600 cost cannot be justified for an affordable housing, 1200-square-foot home with no swimming pool, in a three-month construction time.

Chairman Kennedy stated the Committee could make a recommendation to change the fee to apply to all single-family homes and not just to affordable housing units.

Member Conorozzo suggested some type of amendment to the Livable Manatee Incentive Program to have the risk portion of the flat rate fee ($350) reimbursed for affordable housing for rentals and homeowners.

Ms. Lopez stated this would require a change to the Livable Manatee Incentive Program as well as the funding sources.

Member Conorozzo suggested this be a target item for next year.

Member Gibellina questioned if the $600 Direct Connection flat rate fee results in a loss, a break even, or a surplus of funds.

Mr. Gore stated there is no main meter with the Direct Connection flat rate fee program.

Member Gibellina stated Utilities should have a sliding scale fee per-square-footage, and suggested that anything under 1,200 square feet should be a flat fee of $50. The fee would
increase based on the size of the unit and the amount of water usage. Swimming pools should have a separate impact fee.

Ms. Gilmore noted that Utilities has their own Facility Investment Fees (FIFs), which do not have a sliding scale per square footage, but a scale per meter connection size. A larger connection/larger meter, which could supply a facility with more water, has a higher FIF than a single-family home-size meter connection. There is no current data on water usage unless it is metered. The connect coming into the home is still a 5/8-inch connection, so the same amount of water could be used if it was left on. This is a little different from an impact fee.

Mr. Gore stated that staff would entertain Member Gibellina’s idea, which would require approval by the Board of County Commissioners to change the utility rate resolution. Staff has not entertained the thought of having two options of a meter or the Direct Connection Program; however, it was reiterated that preferential treatment could not be shown.

Ms. Gilmore stated a possible option could be that, if it takes only three to four months to build a home, an eight-month default period would not make sense, but instead a three-month default period, with the option to extend for three months. There would still be a direct connection flat fee, but instead of having to pay for the full eight months at $600, staff could do a shorter, initial increment as an incentive to build the homes faster.

Member Rinehart stated the construction time period for a typical workforce affordable home is much less than a Lakewood Ranch home.

Chairman Kennedy questioned if the Committee could turn these suggestions into a recommendation to include in the final Report to the Board of County Commissioners.

Member Kruse stated that as currently structured, it would be better to consider the suggestion by Member Gibellina, rather than calculating water usage per square foot. He spoke against the two options of meter versus no meter, and that tiered impact fees may be the most simplistic approach.

Mr. Gore suggested the option of a tiered program be put in writing for to staff review.

Member Conorozzo suggested the option of going through the Livable Manatee Incentive Program with reimbursing the risk portion, rather than going through legislation, testing and agreements.

There was discussion regarding the Affordable Housing Program and Livable Manatee Incentive Program, there must be a Land Use Restriction Agreement on the property, it must be kept in mind that there is a limited amount of money and if there is an alternative way to help reduce costs.

Mr. Gore stated the process could be presented to the County Commission as a second option for a builder in the Rate Resolution. Any repairs to damaged water meters or backflow preventers would be the responsibility of the builder.

Upon question, Mr. Barnott stated impact fees are not calculated based on the number of plumbing fixtures in a home, but on its square footage.
Mr. Gore stated the number of plumbing fixtures in the home dictates the meter size.

Member Conorozzo stated the maximum with a 3/4-inch size is 25 DFUs (drain fixture units), which is a two bathroom/bedroom group, washer/dryer, kitchen, dishwasher, laundry tub and one hose bib.

Chairman Kennedy summarized three options for consideration:

Option 1 – Livable Manatee Incentive Program, with a finite amount of money
Option 2 – Builders Choice, a blanket charge for any builder and not just for affordable housing; and
Option 3 – Direction Connection Fee, with everyone paying by month or for three to four months upfront, rather than eight months, requiring County Commission approval to amend the utility rate resolution.

Motion – Agenda Item VI.B. – Water Meter Flat Fee Cost

A motion was made by Member Rinehart, to support the suggestion of Public Works/Utilities to consider doing a four-month Direct Connection Fee of $300, and then charge monthly thereafter. The motion was seconded by Member Gibellina and carried 7-1, with Member Conorozzo voting nay, Member Bodie absent and two seats vacant.

Denise Thomas, Redevelopment and Economic Opportunity Manager, noted this recommendation would apply to Item VI.B. She questioned if the Committee had other recommendations to add to Item VI.B, other than just for utilities. She emphasized that all recommendations must be made at this meeting, as the next meeting is the public hearing to approve the final Report to present to the Board of County Commissioners.

Ms. Thomas stated this modification is for impact fee requirements, including reduction or waiver of fees and alternative methods of fee payment for affordable housing.

A recommendation was made by Member Gibellina, that the Committee suggest to the Board of County Commissioners to write a letter to the School District, asking them to participate in waiving School Impact Fees for all affordable housing within the School District for one year, to see who takes advantage of it. This recommendation to waive impact fees would be just for the School Board.

Chairman Kennedy offered to take Member Gibellina’s recommendation to the School Board, versus a letter from the Board of County Commissioners. He asked staff if such a plan could work, because the County is the designator of affordable housing.

Discussion ensued that impact fees are designated for building capital projects to support growth, and someone else will pay the impact fees even if School Impact Fees are waived.

Chairman Kennedy stated he would share Member Gibellina’s recommendation with his School Board colleagues, with the idea of trying it for one year. He would also ask the School Board Superintendent what the financial impact would be to the School District Capital Fund.

Commissioner Servia clarified that the fees could not be waived for an infill lot that had a house upon it, but credited because the impact was already there. The existing impact is credited towards the new impact.
Chairman Kennedy stated that his approach to the School Board would be outside of the work of this Committee.

**Staff's suggested Recommendation (based on Member Gibellina's suggestion):**

William O'Shea, Building and Development Services, suggested the Committee come up with something more generic such as a recommendation to have staff look at encouraging the School Board to reduce impact fees for affordable housing. The Board of County Commissioners would then direct staff to address each of the recommendations.

As a point of clarification, Ms. Lopez stated the Committee makes recommendations to the Board of County Commissioners. Staff cannot advise the School Board; however, Chairman Kennedy, as a School Board member, could present this matter at a School Board meeting for discussion.

Ms. Lopez emphasized the main objective of the Committee is to submit a Report to the local governing body that includes recommendations on affordable housing incentives per F.S. 420.9076(4). Staff would formalize the recommendations into a Report for review and approval at a public hearing in November, and the final Report would be presented to the Board of County Commissioners for acceptance on December 15. The Committee would continue to meet and come up with other recommendations. Previously, the AHAC Report was due to the Board of County Commissioners on a triennial basis; however, this has changed and the Report is now due annually by the end of December.

Member Rinehart questioned if the square footage listed for single family in the impact fee schedule represents under roof or air-conditioned space.

Ms. Knapp stated every use is analyzed using trip miles as opposed to square footage per dwelling unit. It is consumption-based for the rest of impact fees and by trip miles for multi-modal.

Member Rinehart suggested modifying impact fees. Ms. Knapp stated this suggestion could be put in the form of a recommendation for staff consideration.

**AHAC Recommendation – Impact Fees**

A motion was made by Member Guillory and seconded by Member Gibellina, to use the language offered by Mr. O'Shea as a recommendation to the Board of County Commissioners, to encourage the School District to support the reduction or elimination of impact fees for affordable housing.

Chairman Kennedy stated the issue of impact fees would be addressed externally with the County Commission and internally with School Board colleagues.

The motion carried 8-0, with Member Bodie absent and two seats vacant.

**THE PREPARATION OF A PRINTED INVENTORY OF LOCALLY-OWNED PUBLIC LANDS SUITABLE FOR AFFORDABLE HOUSING – INCENTIVE (J)**

Denise Thomas, Redevelopment and Economic Opportunity Manager, stated that nine properties have been identified as affordable housing potential. Two of the properties were conveyed to Community Solutions 360 to develop affordable units. One property is pending
conveyance to Community Solutions 360 to build another single-family home. The way in which the Affordable Housing Resolution is currently written, conveyance can be made to a nonprofit organization for the development of affordable housing. Properties are conveyed as nonprofits come forward. Prior to the COVID pandemic, staff was looking into expanding this opportunity to for-profit developers, but has not gotten to that point at this time.

(Enter County Commissioner Servia)

There was discussion on what is delaying the definitions of nonprofit and for-profit builders, dialogue is needed with the County Commission and County Attorney on how to move forward in accordance with current Florida Statute, properties were previously conveyed to Community Solutions 360 that were built and sold and the proceeds is what would be used to develop units on the two current properties that were conveyed, the process of how nonprofits get funded, the reimbursement process and obtaining Certificates of Occupancy, the nonprofit program is administered through HOME Federal Funding in which 30 percent of home allocation must be conveyed to a nonprofit for the development of housing, usually only able to convey enough funds to develop one house per year, staff looks at the County’s surplus properties to offset costs, staff works with for-profit builders through the Livable Manatee Incentive Program in offsetting the impact fees through general revenue funds that are provided by allocation from the County Commission, and the housing replacement program.

Ms. Thomas requested current LDC language be maintained on the continual housing inventory as they become available to create affordable housing.

AHAC Recommendation – Incentive J.

A motion was made by Member Guillory, to maintain the current LDC language. The motion was seconded by Member Rinehart and carried 8-0, with Member Bodie absent and two seats vacant.

RECESS/RECONVENE: 4:06 p.m. – 4:13 p.m. All members present except Member Bodie.

VII. OTHER
VII.A. – Tree Protection Trust Fund

Jamie Schindewolf, Redevelopment Coordinator, referred to Memorandum (10/19/20) regarding LDC Section 700, describing policies related to tree protection. If a developer cannot directly replace trees on their site during the development process, they may be required to pay into the Tree Protection Trust Fund (TPTF). Affordable housing projects are not exempt from this requirement, but may be eligible (per LDC Section 545.2.D) to receive TPTFs to meet landscaping requirements. Generally, TPTFs have been unavailable for affordable housing projects in the past due to their use in county park projects, street and entranceway beautification programs, and other public projects. Staff has three options to provide clarity to Developers requesting TPTFs:

1. A text amendment to the LDC could reduce or eliminate the payment into the Fund for affordable housing projects. This would require time, research, and approval through the LDC amendment process.
2. A written policy of the Board of County Commissioners could prioritize funding to affordable housing projects to help reduce or eliminate the landscaping cost burden from the TPTF. This can be accomplished quicker than a text amendment, but depends on funding being available in the TPTF.
3. The Board of County Commissioners could authorize the budget/allocation of other available funds into the TPTF to specifically pay for landscaping on behalf of affordable
Staff recommends proceeding with a policy for Board of County Commissioner approval, prioritizing TPTFs for affordable housing. Staff could also hold discussions with the County Administrator’s office and Financial Management, identifying potential sources of funds that could be used to fund projects not awarded TPTFs.

Upon motion by the Committee, a recommendation could be included in the Report for staff to begin researching into the text amendment process for eliminating or reducing the payment requirement into the TPTF.

Discussion ensued that payment into the Fund goes through the environmental planning process based on the diameter of the tree, the process to get TPTFs, and the TPTF balance.

Mr. O'Shea pointed out that if it is an infill lot and a lot of record, trees on residential lots are not covered by the LDC tree protection requirements. This would be for new development or a lot split that would trigger LDC requirements, but generally speaking, it does not apply to single-family lots. Staff has new projects that regularly contribute to the TPTF, and as of last year, the TPTF had a balance of $30,000. The balance in the TPTF for FY 20/21 is $61,000.

There was discussion that TPTFs come from residential development, any surplus funds should go back to residential projects that need trees rather than parks and recreation, there should be a priority for developers, a Comprehensive Plan policy that speaks to the TPTF which says the replacement of trees on public lands, the word landscaping is concerning because of going back to the intent of replaced canopy, bushes and shrubs and mulch is not canopy, the rental projects referenced are affordable housing, the source of TPTFs and if there are no TPTFs.

AHAC Recommendation – TPTF

A motion was made by Member Conorozzo, that the Board of County Commissioners provide a written policy, which could prioritize funding to affordable housing projects to help reduce or eliminate the landscaping cost burden from the TPTF. The motion was seconded by Member Gibellina and carried 8-0, with Member Bodie absent and two seats vacant.

AHAC Recommendation – Reduce Payment into the TPTF

Upon staff’s recommendation as outlined in the TPTF Memorandum (10/19/20), a motion was made by Member Kruse, to authorize staff to research the text amendment process for eliminating or reducing payment into the TPTF for projects being affordable. The motion was seconded by Chairman Kennedy.

There being no public comment, Chairman Kennedy closed public comment.

The motion carried 8-0, with Member Bodie absent and two seats vacant.

As an affordable housing provider, Member Guillory questioned if there is a way to get funding upfront from the County and subsequently be reimbursed through the HOME Funding Program.
Ms. Lopez explained that State and Federal funds have strict guidelines on how they are spent; they cannot be disbursed as free development costs or costs upfront, and are mostly for reimbursement. The only funds available upfront are through the Community Housing Development Organization (CHDO) Program, which are subject to Federal guidelines. Staff is working with the Manatee County Federal Credit Union on revolving loan funding, which would involve community partnership.

Member Gibellina stated the County could serve as the bank, and a small developer who wants to build homes on single lots could obtain funding from the County and the County would get reimbursed with interest. A recommendation should be made that $1 million get set aside for small developers who want to develop single lots, either through surplus properties from the County or lots that developers find on their own.

(Depart Member Farrington and Commissioner Servia during discussion)

Discussion ensued that there are different funds and resources, Member Guillory's Low Income Home Ownership Alliance, more discussion and research is needed, the Alliance should seek private funding, Wells Fargo Bank has an affordable housing division, there are at least two dozen private companies that could assist Member Guillory's affordable housing goals, staff guidance is needed, there is a valid community need, the Committee could make a recommendation to the County Commission even it if is not perfect and the County Commission can make the determination.

Ms. Thomas stated there are very few nonprofit developers in Manatee County, and they do not have the expertise on developing affordable housing.

Motion – Set aside $1 million

A motion was made by Member Gibellina, to set aside $1 million for five houses for one year to any nonprofit developer or even a homeowner, who wants to step up to do an affordable house under $190,000 and to repay that upon obtaining Certificate of Occupancy and a mortgage. The motion was seconded by Member Guillory.

Amendment

Chairman Kennedy moved to amend the motion to include that it be a nonprofit entity that utilizes the funds. The amendment failed for lack of a second.

Motion – Restated

Member Gibellina restated his motion to set aside $1 million of the surplus funds within the County to make available to any and all citizens of Manatee County, to build an affordable house and have those funds available with the intent of repayment upon Certificate of Occupancy through a conventional mortgage.

Ms. Lopez stated this motion is problematic because of the source of the funds, and the County is not an underwriter or a bank. Many rules are tied to taxpayer dollars, and there are limits on what the County can do with those dollars. Extensive legal research would be needed. She recommended working with community partners on a funding source to do this type of financial arrangement and accomplish this goal.

Chairman Kennedy stated Member Gibellina’s idea was good, but a motion in haste is not the best approach. He stated he would not support the motion and suggested putting Mr. Gibellina’s idea on hold until after the Committee holds its public hearing on the Report and
the Board of County Commissioners approves the Report on December 15. Member Gibellina’s idea could be placed on a future AHAC agenda for discussion.

Member Guillory suggested asking the Board of County Commissioners to allow staff to create a process to do this by assigning a staff person to help the Committee as a team.

(Depart Member Suite)

Chairman Kennedy stated it was not necessary to put Member Guillory’s suggestion in the form of a recommendation to the Board of County Commissioners.

Vote – Set aside $1 million

The motion failed 2-4, with Members Gibellina and Guillory voting aye, Members Bodie, Farrington, and Suite absent, and two seats vacant.

VII.B. – Support of Funding for Livable Manatee Incentive Program

Ms. Lopez stated the Livable Manatee Incentive Program began in 2017 with an initial $3 million. Money has been added to the Program, a lot of projects are in a five-year period, and $2 million of the remaining funds have been allocated. Staff has been able to get an additional $1 million from the Southwest County Tax Increment Financing District (SWTIF). She asked for support to go back to the County Commission for continued funding of the Program on an annual basis.

Motion

A motion was made by Member Conorozzo, to continue to support funding for the Livable Manatee Incentive Program. The motion was seconded by Member Rinehart.

Ms. Lopez explained that Livable Manatee Incentive Program funding in a separate fund that is budgeted on an annual basis. A specific amount is budgeted for the upcoming fiscal year, and Reserves are requested on an annual basis as part of the budget. There are sufficient funds for the projects allocated for this year.

The motion carried 6-0, with Members Bodie, Farrington, and Suite absent and two seats vacant.

VII.C. – Administrative Modifications to Section 365, Modifications of Standards

Lisa Barrett, Comprehensive Planning Manager, presented LDC Section 365 for review and comment. This new section was applied to standards already in the LDC and available for developers.

The intent of Section 365 is to allow modifications that could be handled administratively for a particular standard (e.g. lot size, cul-de-sac), but not to apply it to an entire subdivision. Staff wanted to make sure the language was clear and does not confuse the purpose and intent, because there has been some misinterpretation. LDC amendments in 2018 and 2019 placed a modification to allow a higher percentage for affordable housing projects in cases where affordable housing could not be met. The suggested changes to Section 545 offered by Member Rinehart (in the next agenda item) may help eliminate the need for modification of some of the standards.
Motion – Section 365
A motion was made by Member Conorozzo, to accept Section 365, Modification of Standards as written, with no revisions or changes. The motion was seconded by Member Rinehart and carried 6-0, with Members Bodie, Farrington, and Suite absent and two seats vacant.

VIII. REVIEW OF STEVE RINEHART SUGGESTED CHANGES TO LDC SECTION 545 – HOUSING PROGRAM
Member Rinehart presented suggested changes (red print) to LDC Section 545 – Housing Program, as presented in the 9/28/20 AHAC work session: (1) add “/H” to RSF-4.5/H, RSF-6/H and RSF-9/H (for affordable housing); (2) add the words and 4,000 square feet in the RSF-4.5/H district at the end of the sentence in paragraph 5; (3) add a new Section a. to Paragraph 5, with a new Table 5-7, Schedule of Bulk and Dimensional Standards for Single Family Residential Districts; and (4) delete Section 6.a. and b. in its entirety.

Member Conorozzo stated the recommendations to the Board of County Commissioners would address all of the Affordable Housing Incentives per F.S. 420.9076(4).

Motion – Suggested Changes to Section 545
A motion was made by Member Rinehart, to accept the items in red, adding Section a. to Paragraph 5, and deleting Paragraph 6 in its entirety of LDC Section 545. The motion was seconded by Member Gibellina and carried 6-0, with Members Bodie, Farrington, and Suite absent and two seats vacant.

Motion – Ad Hoc Committee
A motion was made by Memory Guillory, to ask the Board to approve the creation of an Ad Hoc Committee to address seed funding for affordable housing developers. The motion was seconded by Member Gibellina, and carried 5-1, with Member Kruse voting nay, Members Bodi, Farrington and Suite absent, and two seats vacant.

IX. REVIEW OF AHAC RECOMMENDATIONS FOR AHAC REPORT
Deborah Ash, Redevelopment and Economic Opportunity, summarized the disposition declared by the Committee on all of the Affordable Housing Incentives (a)-(k), per Florida Statute 420.9076(4):
• Incentive (a) – Maintain the current language in the LDC
• Incentive (b) – A recommended edit for Utilities to charge a four-month Direct Connection Fee of $300 and then a monthly fee thereafter, and request the Board of County Commissioners encourage the School District to waive School Impact Fees for all affordable housing
• Incentive (c) – Incorporate Member Rinehart’s suggested changes into the LDC
• Incentive (d) – Maintain the current language in the LDC
• Incentive (e) – Suggested considerations were 750-square-foot Accessory Dwelling Units, no restrictions on the number of bedrooms, and only include air conditioned space in the square footage
• Incentive (f) – Maintain the current language in the LDC
• Incentive (g) – Maintain the current language in the LDC
• Incentive (h) – Maintain the current language in the LDC
• Incentive (i) – Maintain the current language in the LDC
• Incentive (j) – Maintain the current language in the LDC
• Incentive (k) – Maintain the current language in the LDC, but additional considerations
are more density, higher heights and right sizing;

Two Recommendations on the Tree Protection Trust Fund:

• That the County Commission provide a written policy that could prioritize funding to affordable housing projects to help reduce or eliminate the landscaping cost burdens from the Tree Protection Trust Fund, and
• Staff to begin research into the text amendment process for eliminating or reducing the payment into the Tree Protection Trust Fund

Livable Manatee Incentive Program

• Continue and support funding for the Livable Manatee Incentive Program, and
• Motion from Member Guillory, to ask the Board to approve the creation of an Ad Hoc Committee to address seed funding for affordable housing developers

Ms. Thomas stated there was also a motion on the administrative modifications to LDC Section 365, to maintain the current language.

X. **AFFORDABLE HOUSING PROJECTS SUMMARY**

Ms. Lopez distributed a Memorandum (10/19/20), outlining FY 19/20 Affordable Housing Accomplishments and ongoing/upcoming affordable housing projects (requested by the AHAC 9/28/20). Many projects were put on hold this year in order to focus on economic recovery for residents and businesses and to transition to the new normal due to the COVID-19 pandemic.

XI. **NEXT MEETING**

The next meeting is scheduled November 16, 2020, at 3:00 p.m., in the Bradenton Area Convention Center, North Center Hall, to hold a public hearing to approve the AHAC Report.

XII. **MEMBER COMMENTS**

There were no Member comments.

XII. **PUBLIC COMMENT**

There was no public comment.

XIV. **ADJOURN**

There being no further business, Chairman Kennedy adjourned the meeting at 5:32 p.m.

Minutes Approved: ________________