



City of Deltona

2345 Providence Blvd.
Deltona, FL 32725

Agenda

Affordable Housing Advisory Committee

Member William L. Bradley, Jr.
Member Jodi Pena-Castaldi
Member Ruben Colon
Member John Enyart
Member Yordanis Gonzalez
Member Eric James
Member Peter J. Kurkjian
Member Steven Sukow
Member Patricia Ulicny
Member Michael E. Williams

Tuesday, August 18, 2015

6:00 PM

Room 150A

1. CALL TO ORDER:

2. ROLL CALL:

3. APPROVAL OF MINUTES & AGENDA:

Approval of Minutes from the June 16, 2015 AHAC Meeting

4. PRESENTATIONS/AWARDS/REPORTS:

5. PUBLIC FORUM:

6. NEW BUSINESS:

2015 Incentive & Recommendation Report

7. OLD BUSINESS:

8. STAFF COMMENTS:

9. BOARD/COMMITTEE MEMBERS COMMENTS:

10. ADJOURNMENT:

NOTE: If any person decides to appeal any decision made by the City Commission with respect to any matter considered at this meeting or hearing, he/she will need a record of the proceedings, and for such purpose he/she may need to ensure that a

verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based (F.S. 286.0105).

Individuals with disabilities needing assistance to participate in any of these proceedings should contact the City Clerk, Joyce Raftery 48 hours in advance of the meeting date and time at (386) 878-8500.

**CITY OF DELTONA, FLORIDA
AFFORDABLE HOUSING ADVISORY COMMITTEE
TUESDAY, JUNE 16, 2015 @ 6:00 P.M.**

A Regular Meeting of the Affordable Housing Advisory Committee was held on Tuesday, June 16, 2015 at the Deltona City Hall, Room 150 A, 2345 Providence Boulevard, Deltona, Florida.

1. CALL TO ORDER:

The meeting was called to order by Chairman Ruben Colon at 6:25 p.m.

2. ROLL CALL:

Chairman	Ruben Colon	Present
Vice Chairman	Eric James	Present
Member	William L. Bradley, Jr.	Absent
Member	Jodi Pena Castaldi	Present
Member	John Enyart	Absent (Excused)
Member	Yordanis Gonzalez	Absent
Member	Peter J. Kurkjian	Present
Member	Steven L. Sukow, II	Absent
Member	Patricia A. Ulicny	Present
Member	Michael E. Williams	Present

Also present Financial Analyst Mari Leisen; Housing Coordinator Angelia Briggs; Administrative Assistant Denise Brooke and Planning & Development Services Director Chris Bowley.

3. APPROVAL OF MINUTES:

A. Minutes:

Approval of Minutes – May 19, 2015.

Motion made by Member Williams, seconded by Member James, to approve the minutes of May 19, 2015 meeting, as presented. The motion carried unanimously.

4. NEW BUSINESS:

A power point presentation was presented by Mr. Bowley referring to the local government processes that increase the cost of housing, the preparation of a printed inventory list suitable for affordable housing and the support of development near transportation hubs and major employment centers and mixed-use developments with recommendations.

A. Local government processes that increase the cost of housing.

Member Williams and Mr. Bowley discussed the different avenues the City was able to come into possession of properties.

B. The preparation of a printed inventory list suitable for affordable housing.

Member James, Member Kurkjian and Mr. Bowley discussed rezoning, utilities, density / intensity and public services.

C. The Support of Development Near Transportation Hubs and Major Employment Centers and Mixed-Use Developments.

Mr. Bowley provided a quick briefing about the many efforts going on in the city and county as it relates to the different modes of transportation.

Mr. Bowley asked the Committee to vote on the items placed forth in the presentation as follows;

Member James and Member Williams asked for further clarification on the recommendation for local government processes that increase the cost of housing, to which Mr. Bowley responded.

Motion made by Member James, seconded by Member Castaldi, to approve the recommendation to not establish more process, and rely on the existing City procedures and professional staff to implement the City housing policies. The motion carried unanimously.

Staff gave a brief explanation on the recommendation for the preparation of a printed property inventory suitable for affordable housing. Discussion ensued between several committee members and Mr. Bowley on the Comprehensive Plan, updates, other grant funding opportunities, procedures and time frames for reviews and reports.

Motion made by Member James and seconded by Member Ulicny, to approve the recommendation to update the aforementioned policy in the housing element to make it more measurable by prompting a review that would be associated with the acceptance of a new housing grant like the NSP. The motion carried unanimously.

Mr. Bowley gave a brief summary of the recommendation for the support of development near transportation hubs, and major employment centers, and mixed-used developments. Member Williams wanted more clarification on the recommendation and Chairman Colon wanted to know how the committee could become more involved.

Motion made by Member Williams and seconded by Member James, to recognize Sunrail and the potential extension to the east and other trends in transportation and land use, update certain provisions of the Comprehensive Plan to encourage transportation hub and mix-use developments. The motion carried unanimously.

Motion made by Member Ulicny and seconded by Member Castaldi, to accommodate as part of the next Comprehensive Plan Evaluation and Appraisal Report. The motion carried unanimously.

5. PUBLIC COMMENTS:

No public comments

6. MEMBER COMMENTS:

Member Ulicny stated it was a good meeting.

Member Castaldi apologized for missing the last meeting she was closing on her new house.

Member James said it was a good meeting.

Member Williams commented positively about the hiring of a new City Manager for us.

Chairman Colon said he would like to thank Mr. Bowley for attending. He is very happy discussing funding sources and the other efforts that are taking place and the good it will all do for the residents and affordable housing. He asked if staff would look into getting the attendance record of the committee. He also reminded Member Williams that the meetings start at 6:00 p.m. and reminded everyone that there would not be a July meeting and that the committee has met the state statutory requirements.

Member Williams stated that in the past the jurisdictions that performed well got rewarded and those who did not do very well did not. Mr. Bowley explained how City programs are operated.

7. OLD BUSINESS:

No old business.

8. STAFF COMMENTS:

Ms. Briggs wanted to thank everyone for coming out tonight.

Ms. Leisen stated that they would have a draft of the report sent to committee for review at the August meeting.

Ms. Brooke thanked everyone for coming and for all the help they provided during the meeting by following protocol, in essence making the completion of the meeting minutes easier.

9. ADJOURNMENT:

There being no further business, the meeting adjourned at 7:44 p.m.

Ruben Colon, Chairman

ATTEST:

Denise M. Brooke, Recording Secretary

City of Deltona, Volusia County Florida
Affordable Housing Advisory Committee
2015 Incentive Review and Recommendation Report

I. Background Information

On March 18, 2013, the Deltona City Commission adopted Ordinance No. 05-2013 to reinstate the Affordable Housing Advisory Committee (AHAC). Ordinance No. 05-2013 instructed the AHAC to make recommendations concerning local housing incentive strategies and submit the recommendation to the City Commission.

On October 6, 2014, the Deltona City Commission adopted Resolution No. 2014-33 to appoint the Affordable Housing Advisory Committee members and to assign the members the duty to review, evaluate and provide written recommendations to the City Commission regarding the policies, procedures, ordinances, land development regulations and the comprehensive plan pertaining to affordable housing and community development.

The following members were appointed by the City Commission:

- (a). Mr. Yordanis Gonzales representing the residential home building industry in connection with affordable housing.
- (b). Mr. Peter Kukjian as an advocate for low-income persons in connection with the real estate and mortgage industry.
- (c). Ms. Jodi Pena-Castaldi engaged as a not-for-profit provider of affordable housing.
- (d). Mr. Eric James representing for-profit providers of affordable housing.
- (e). Mr. John Enyart as a citizen that represents labor actively engaged in home building in connection with affordable housing.
- (f). Mr. Michael Williams a local real estate professional associated with the affordable housing and mortgage industry.
- (g). Mr. Steven Sukow resides with the City, as the jurisdiction of the local governing body making appointments.
- (h). Ms. Patricia Ulicny resides within the City, as the jurisdiction of the local governing body making appointments.
- (i). Reverend William Bradley as a citizen that represents employers within the City.
- (j) Mr. Ruben Colon representing essential services in connection with affordable housing.

The Committee agreed to and adhered to the following meeting schedule.

<u>DATES</u>	<u>DISCUSSION TOPICS</u>
November 18, 2014	<ul style="list-style-type: none">- "Government in the Sunshine" Laws- By-Laws/Overview of Process- Background on AHAC and State mandate- Election of Officers- LHAP update and revision
December 16, 2014	<ul style="list-style-type: none">- Presentation of Sunshine Laws by Wade Vose
February 17, 2015	<ul style="list-style-type: none">- Expedited permitting process for affordable housing- Modification of impact-fee requirements for affordable housing
March 19, 2015	<ul style="list-style-type: none">- Cancelled
April 21, 2015	<ul style="list-style-type: none">- The allowance of flexibility in density levels for affordable housing- The reservation of infrastructure capacity for housing for low income persons
May 19, 2015	<ul style="list-style-type: none">- The reduction of parking and setback requirements for affordable housing- The allowance of flexible lot configurations, including zero-lot-lines.- The modification of street requirements for affordable housing.- The allowance of affordable accessory residential units in residential zoning districts
June 16, 2015	<ul style="list-style-type: none">- Local government processes that increase the cost of housing.- The preparation of a printed inventory list suitable for affordable housing.- The support of development near transportation hubs and major employment centers and mixed-use developments.
July 21, 2015	<ul style="list-style-type: none">- Cancelled
August 18, 2015	<ul style="list-style-type: none">- Timeline for submission of the AHAC Incentive Report to City Commission- Committee review of the "DRAFT" AHAC Incentive Summary Report and comments.
September 15, 2015	<ul style="list-style-type: none">- Approval of Report for submission to City Commission on October 19, 2015

II. Public Hearing

The Deltona City Commission held a public meeting on March 18, 2013 to reinstate the Affordable Housing Advisory Committee. The meeting was open to the public and the public

had reasonable opportunity to be heard. The meeting and agenda was advertised and posted on the City's website, as well as newspaper advertising and at numerous locations throughout the City.

The City Commission held a public meeting on October 6, 2014 to appoint members of the Affordable Housing Advisory Committee. The meeting was open to the public and the public had reasonable opportunity to be heard. The meeting and agenda were advertised and posted on the City's website, as well as newspaper advertising and at numerous locations throughout the City.

The Affordable Housing Advisory Committee met on November 18, 2014, February 17, 2015, April 21, 2015, May 19, 2015 and June 16, 2015 at Deltona City Hall, Room 150A, 2345 Providence Boulevard, Deltona, Florida. The meetings were open to the public. Agendas and minutes were posted to the City's website and the lobby at City Hall. Interested parties from the community did attend.

Affordable Housing Advisory Committee's recommendations were made by affirmative vote of a majority of the membership of the advisory committee taken at the public meetings.

III. Incentives and Recommendations: (list all statute incentives item a-k)

A. Incentive: The processing of approvals of development orders or permits, as defined in s. 163.3164, for affordable housing projects is expedited to greater degree than other projects.

Synopsis: Staff explained that affordable housing is monthly rent or mortgage payments, including taxes and insurance, that does not exceed 30% of the median annual gross income. Within this context, Deltona's homeownership rate is 81% with about 34,000 single family homes with a median value of \$122,400 and a median household income of \$47,049. The conclusion that can be drawn from this is there is ample housing stock in the City, most homes are affordable and the historic low interest rates make housing more affordable.

Although the City currently processes building permits at a quick rate; this is due to the City appropriately staffed and not a lot of building permit activity at this time. However, the AHAC committee recommended to the City Commission that language in the form of a policy statement should be included within the Comprehensive Plan to further promote expedited permitting for affordable housing projects. The language could be incorporated into the Plan as part of the upcoming Plan update due in the fall of 2017.

Recommendation: The AHAC committee recommends to the City Commission that verbiage should be added to the Comp Plan as it relates to Expedited Permitting for Affordable Housing Projects.

B. Incentive: The modification of impact-fees requirement, including reduction or waiver of fees and alternative methods of fee payment for affordable housing.

Synopsis: Impact fees are not a tax, but a fee that is imposed to address public service capacity impacts associated with NEW development, such as schools, roads, water/sewer, parks, police, fire, etc. Impact fee revenues cannot be used to address existing deficiencies and must be used on capacity enhancement projects. Impact fees are imposed by both the county and the city and can significantly increase the cost of new housing. The city has little control over the county impact fees and curtailment of impact fees can deprive a local government of needed revenue to protect and enhance the community infrastructure.

The City typically does not use SHIP or CDBG funds for new construction activities and the impact fees have little impact on the prices of existing housing stock. There are limitations, both legal and financial, as to what can be done with impact fees regarding affordable housing.

Recommendation: The AHAC committee recommends that the City Commission take no action regarding impact fees as it relates to affordable housing.

C. Incentive: The allowance of flexibility in densities for affordable housing.

Synopsis: Residential density is expressed in the number of acres per unit or the number of units per acre. For example, 10,000 square foot lots = about 4 gross dwelling units per acre. Gross density is the acreage of the parent tract divided by the number of lots entitled by zoning/comprehensive plan. Net density is the acreage of the parent tract divided by the number of lots, less the non-developable areas like roads, infrastructure, parks/open space, etc. Deltona was marketed and sold as a retirement community featuring over 30,000 single-family detached dwellings on individual lots. Overall, the net density of the City is about three dwelling units per acre.

More dense development patterns are often compact, efficient, and less consumptive. Compact development maximizes public investments in infrastructure; promotes transit, results in less automotive dependence and directs growth and development away from ecologically sensitive and arable areas. The Comprehensive Plan speaks to density bonuses, but the language is very vague and not measurable. Density may not be well received by the public and can be politically unpopular because greater density creates traffic, crowding, pollution, noise and perceptions about socio-economics/demographics.

There is some opportunity for multi-family development at densities up to 20 units per acre. The City has created new land use designations in the Comprehensive Plan in 2010 to allow for flexibility density options. Also, the City provided the ability to have "granny flats" which increases density, by conditional use in 2013. These actions have not been effective because existing development patterns tend to dictate future development trends. In addition, the lack

of central sewer, the process, lack of pecuniary incentive and the abundance of existing affordable housing stock has discouraged development at higher densities.

Recommendation: The AHAC committee recommends language with the City Comprehensive Plan to encourage/promote the strategic expansion of infrastructure, including sewer to promote higher densities/intensities. The language can be added to the next update to the Comprehensive Plan.

D. Incentive: The reservation of infrastructure capacity for housing for very-low-income persons, low-income persons, and moderate-income persons.

Synopsis: Infrastructure, such as water/sewer, roads, drainage, parks and public safety, has been a cornerstone of civilization as we know it. Class "A" Concurrency items are managed by the City Comprehensive Plan. Capacity must be available to support development. Level of service is afforded by the investment in infrastructure like new roadway lane miles, upgraded wastewater treatment plants, larger pipes, bigger storm water retention areas, etc. The provision of infrastructure is prime governmental function and an expensive undertaking.

Capacity is funded through impact fees, exactions, general taxes, and by federal, state and local units of government. Capacity usage in Deltona is a first come/first serve basis. There is no capacity reservation provision explicitly for affordable housing. However, there is ability for a level of service capacity for up to 120% (traffic) for "infill" development.

Recommendation: The AHAC committee recommends establishing capacity threshold of up to 120% for affordable housing projects relating to traffic level of service in the Comprehensive Plan.

E. Incentive: The allowance of affordable accessory residential units in residential zoning districts.

Synopsis: Accessory residential units are also known as granny-flats, garage apartments or in-law suites. These dwellings units are ancillary to a main dwelling unit and have separate food preparation facilities. Sometimes these units are stand alone or may be connected to a main dwelling and/or associated with a garage. Typically, these units consist of no more than 800 square feet of living area. Ancillary units were common in residential areas before the 1950's. They were used to house family members and sometimes domestic help. They were phased-out when suburban development became the preferred lifestyle in the U.S.

Ancillary dwelling units can lead to more affordable housing choices. They promote compact development patterns and may provide supplemental income for homeowners from rental activity. Further, they allow families to care for loved ones, including the disabled/elderly while still providing a level of independence for those user groups. The drawbacks are increased traffic and congestion beyond the normal expectations that can occur on local roads, as well as limited off street parking. The units may be difficult to develop utilizing septic tanks. Ancillary

dwelling units can result in a high percentage of absentee ownership and aesthetic concerns may arise.

The City's current regulations allow for garage apartments/in-law apartments if they are used by family members or domestic help. The minimum size unit is 600 square feet, but no more than 35% of the gross floor area. The unit must not have a separate power meter or driveway. Since 2013, these units have been allowed as a conditional use, requires public hearings. Very few accessory buildings have been constructed in the City through the provisions and none have been processed as a conditional use. The reasons are accessory units are expensive, the City lacks central sewer, there is a lack of financial incentive and the public hearing process can be intimidating.

Recommendation: The AHAC committee recommends the City should maintain the existing accessory structure provisions as illustrated in the City zoning regulations.

F. Incentive: The reduction of parking and setback requirements for affordable housing.

Synopsis: The City of Deltona is a suburban, automotive dependent City and parking areas are part of the suburban landscape. Unfortunately, parking is land hungry; 345 square feet per parking space. The cost is approximately \$2,000 per space. If parking requirements were reduced, housing could be made more affordable, especially in the context of multi-family housing. Currently, the City parking requirements are two spaces per single/two family homes in addition to garage space. For multi-family, one bedroom units require 1.5 spaces and two bedroom units require 2 spaces per unit. Multi-family also requires one space for 10 dwelling units for guest parking. To reduce parking, auto dependence needs to be reduced through better developed multi-modal transportation choices. There are very limited alternatives to automobile travel in the City. Votran headways are very long, land uses are spread out and there is limited local employment opportunity. If parking reductions were facilitated, the outcome may be dysfunctional developments that are questionably viable and may create land use conflicts as parking spills out into public and off-site areas.

Recommendation: The AHAC committee recommends the maintenance and establishment of Comprehensive Plan provisions that further multi-modal transportation options.

Synopsis: Setbacks are dimensional requirements intended to facilitate building separation, aesthetics, building location standardization and land use compatibility. Sometimes setbacks are referred to as a buffer. However, setbacks and buffers can consume a lot of land that could be used for development, including housing. Setbacks, open space, and building location standardization are part of the suburban expectation. The City does have methods of which to relax some setbacks through the use of a planned unit development zoning tool. The reduction of setbacks could be a method to realize more housing density, which would result in more affordable housing formats.

Recommendation: The AHAC committee recommends maintaining the planned unit development zoning tool as a method to relax some setback requirements.

G. Incentive: The allowance of flexible lot configurations, including zero-lot-line configurations for affordable housing.

Synopsis: Flexible lot configurations allow for smaller lots and more dense development patterns. Less land used per dwelling unit means the homeowner is not paying for extra land and therefore, more affordable housing can result. However, flexible lot configurations are not consistent with the suburban expectation and the detached dwellings with the City are already attractively priced.

Flexible lot configurations can be considered under a Planned Unit Development zoning tool.

Recommendation: The AHAC committee recommends the City maintain the existing requirements for the Planned Unit Development rezoning process and maintain applicable Comprehensive Plan provisions that encourage mixed use and higher density residential developments.

H. Incentive: The modification of street requirements for affordable housing.

Synopsis: Street design, like parking, can consume a lot of land. The paved area of a typical Deltona street includes two 12 foot travel lanes. In addition to vehicular traffic, right-of-ways typically accommodate water/sewer, electric, cable TV, drainage, sidewalks and other infrastructure/utilities. Most of the local road right-of-ways in the City are platted at a 60 foot width. The City Land Development Code requires that a local street consists of a 50 foot right-of-way with two 10 foot travel lanes. The city engineer may modify street width requirements no more than 10% if there are no public safety issues.

There are public safety issues with reducing the street width. The City firefighting equipment is sized and otherwise specified to most effectively fight fires in a suburban landscape. An upgrade to new equipment and engaging in different training techniques is very expensive.

Recommendation: The AHAC committee recommends the City maintain the ability to reduce right-of-way width as stated in the Land Development Code.

I. Incentive: The establishment of a process by which a local government considers, before adoption, policies, procedures, ordinances, regulations, or plan provisions that increase the cost of housing.

Synopsis: There are estimates that regulations, policies and other local government requirements have increased the cost of housing from 7% to 35% (HUD 1991). This increase can be a direct result of local government regulations and even the process. Process can be translated into more time and higher soft costs, such as protracted land development review,

onerous engineering submittals, etc. Government regulations encompass a wide range of requirements including zoning, building codes, etc. Some communities use process and regulations as a de facto exclusionary tool, such as requiring large lot sizes, large minimum floor areas, excessive landscaping requirements, project amenities (golf courses, etc.), aesthetic/architectural requirements, etc. However, such regulations do implement standards which often reflect a community vision.

The City currently has no formal process to look at the impact proposed regulations could have on affordable housing. Some regulations are mandated; building codes and the city has limited ability to modify. The creation of more process, even for a good cause, can be viewed as contradictory to streamlining governmental rule making. City planners can and do balance affordable housing matters when tasked with reviewing/creating regulations and other provisions. The Housing Element provides guidance with regard to affordable housing that meet appropriate standards. Regulations are subject to the public hearing process and related public involvement regarding adoption of such regulations can help shape policy.

Recommendation: The AHAC committee recommends relying on existing City procedures and professional staff to implement the City housing policies and not establishing more process.

J. Incentive: The preparation of printed inventory of locally owned public lands suitable for affordable housing.

Synopsis: The City owns/controls about 3,900 acres of land which is made up of fire stations, parks, infrastructure sites and environmentally constrained lands. In 2010, the City looked at City land resources to investigate developing Neighborhood Stabilization Program (NSP) funded housing. No suitable lands were determined to exist with property being encumbered by parks, earmarked for infrastructure, associated with commercial restrictions or exhibited physical problems (floodplain, wetlands, slopes, etc.). The City does have a policy within the Comprehensive Plan that requires periodic review of City lands for affordable housing. The last review was about five years ago.

Recommendation: The AHAC committee recommends updating the Housing Element policy to make it more measurable by prompting a review that would be associated with the acceptance of a new housing grant like the NSP.

K. Incentive: The support of development near transportation hubs and major employment centers and mixed-use developments.

Synopsis: All of the above development formats have been advocated by planners, urbanists and the like for years. All represent compact, integrated development projects that reduce automotive dependence and promote denser development patterns. An outcome may be more affordable dwellings and certainly lower living costs (less money spent on personal transportation, insurance, gas, etc.).

Currently, the City does not have any transportation hubs, major employment centers or mixed use development areas. However, the City has the planning framework to accommodate and encourage such development patterns and future opportunity exists with the discussed Sunrail extension to Daytona Beach and a multi-modal center associated with one of the I-4 interchanges.

Recommendation: Recognizing Sunrail and the potential extension of the system to the east and other trends in transportation and land use, the AHAC committee recommends updating certain provisions of the Comprehensive Plan to encourage transportation hub and mixed-use developments. The provisions can be accommodated as part of the next Comprehensive Plan Evaluation and Appraisal Report process.

IV. Additional Recommendations

The AHAC committee has not further recommendations.

V. Commission/Council Consideration

The AHAC committee has proposed amendments to the Local Housing Assistance Plan, (LHAP). The LHAP illustrates six affordable housing strategies ranging from home purchase assistance to the construction of multi-family rental units. Most City efforts have been concentrated on two of the strategies, purchase assistance and owner occupied repair. In the last few years most of the SHIP money has been spent on owner occupied repairs, as there is such a huge community demand. The owner occupied repair program strategy has been in place for a number of years and relates to repairs that are needed due to deferred home maintenance. Repairs include items such as roofs, HVAC, plumbing, septic systems, electrical, etc. What the program does is keep families in their homes. Applicants are income qualified based on income and assets and the ability to make the repairs. City staff explained that the budget at this time for each house is \$25,000 and at times the level of need for some houses way exceed the \$25,000 and we are not able to help them. Mr. Paradise gave some examples of prices for certain repairs such as the roof, HVAC, etc. to explain how the \$25,000 can be split for repairs.

Recommendation: The AHAC Committee recommended to the City Commission to except the proposed changes to the Owner Occupied Home Repair strategy to increase the grant amount from 25,000 to 30,000 for very low and low and to increase the recapture time period from 10 to 15 years with 100% forgiveness at the end.

Attachments:

- AHAC Reinstatement Ordinance
- Resolution to Appoint Members to AHAC board
- Resolution to Amend LHAP

