

CITY OF ST. PETERSBURG  
Affordable Housing Committee  
Monday, November 7, 2005, 10:15 a.m.

PRESENT: Chair Reñe Flowers and Councilmembers John Bryan, James Bennett, and Jay Lasita.

INVITEES: Michael Shrenk, New Millennial Homes; Askia Muhammed Aquil, St. Petersburg Neighborhood Housing Services, Inc.; Karl Nurse, CONA; Debbie Johnson, St. Petersburg Housing Authority; R. V. DePugh, Gateway Housing Group; Jeff Rogo, Bay Area Apartment Association; Machell Maner and Brent Everett, Wachovia Bank; Karen Cioce, AmSouth Bank; Barbara Inman, Habitat for Humanity; Suzanne Gray, Mahaffey Company; Jennifer Waldhauser, Apartment Hunters; Charles Dabney, LISC Tampa Bay; Anthony M. Jones, Assistant Director of Housing and Community Development for Pinellas County, and numerous other residents.

ALSO: Deputy Mayor Neighborhood Services Mike Dove, Assistant City Attorney Rick Badgley, Community Development & Housing Director Joshua Johnson, Neighborhood Partnership Director Susie Ajoc, Development Services Director Julie Weston, Assistant Development Services Director Bob Jeffrey, Finance & Rehabilitation Manager Tom deYampert, Housing Coordinator/SHIP Administrator Sophia Sorolis, Housing Coordinator Stephanie Lampe, Kenneth Jones, Housing Development Specialist Paul Stellrecht, Housing Finance & Rehabilitation representatives Don Putnum and Joe Triolo, and City Clerk Eva Andujar.

Chair Flowers called the meeting to order. Councilmember Bennett moved with the second of Councilmember Bryan that the agenda be approved as submitted. Councilmember Bryan moved with the second of Councilmember Bennett that the July 13, 2005 minutes be approved as submitted. All were in favor of the motion.

In connection with a report on affordable housing options, Deputy Mayor Mike Dove provided an overview of affordable housing (see attached PowerPoint presentation). He discussed future housing needs, median income, the projected population change to the year 2025, the amount of permits issues between 2000 and 2005, and the median sales price for the Metropolitan Statistical Area (MSA) for the years 1993 through September 2005. He provided a comparative analysis of Fair Market Rents to income growth and discussed assistance that has been provided by the City to our low to moderate-income population during the past five-years. The Committee's findings confirm that housing costs are increasing faster than income (between 2000-2005 the cost of single family homes rose 114.5%, fair market rent for a two bedroom apartment rose 27.7%, median family income rose 9.8%, etc.). He reviewed current programs/strategies (Purchase Assistance, A+ Teacher Housing, PIN Housing, etc.) and the strategies previously introduced to and discussed by the Committee: Community Land Trust, Inclusionary Zoning, and Linkage Fees.

Councilmember Bryan stated that the average cost of a home nationwide is \$260,000, that we are below the national average, and that housing costs will continue to rise. He commented that developers usually ask for more units and suggested that 40-50% of the land cost be put into a fund which can then be provided/loaned to Jamestown or similar projects. He suggested that as we continue to develop/add housing stock, we need to increase density for affordable housing units.

Councilmember Bryan feels there is a market for affordable units and a sufficient number of individuals who would be willing to live in a more densely populated area. Chair to include Councilmember Bryan's suggestion re: bonus units under Inclusionary Zoning.

Assistant Director of Development Services Bob Jeffrey made a presentation concerning proposed changes to the Land Development Regulations (LDRs). Changes will allow Council to determine the percentages of units that will result from new housing incentives. He discussed the proposed LDR's Mission and highlighted the contents of the proposed LDRs which include: 1) Accessory Units (Garage Apartments); 2) More flexibility for residential (mixed use) along the commercial corridors; 3) Affordable housing density bonus proposed for the Commercial and Residential corridors; and 4) Floor area ratio bonus in Downtown Districts for affordable housing. On a typical lot of 6 in the Corridor Commercial and the Corridor Residential Districts, 15 - 40 units per acre will be allowed with an Affordable allowance of 6 units per acre. On a typical lot 1 additional unit can be generated, and with 840 existing vacant land in this category, a potential yield of 12,768 units at completion of redevelopment can be realized. He then discussed the Neighborhood Suburban Multi-Family that will allow 15 - 24 units per acre, with an Affordable allowance of 6 units per acre. On a typical lot 1 additional unit can be generated, and with 750 existing vacant land in this category, 13,314 units can be generated at complete redevelopment. Councilmember Bryan was excused at 11:00 a.m.

Mr. Dove continued his review by discussing use of the current process (WIN Program) and Strategies to: 1) further reducing permitting time; 2) pay or waive Impact and/or Permitting fees; 3) land bank vacant lots/land to help control the future cost of land; 4) increase down payment and closing costs assistance (currently up to \$14,000); 5) add mandatory affordability period, 6) share the appreciation in value of property, 7) focus on rental assistance; and 8) facilitate employer assisted housing.

Development Services Director Julie Weston informed the Committee that construction impact fees are based on what it cost the builder to build the units, not the sales price. Fees are developed to recoup the costs of department operations. Chair Flowers stated the Florida League of Cities will address impact fees proposing that municipalities, school boards, etc. cap their millage rate before asking for assistance with respect to construction impact fees.

Mr. Michael Shrenk, New Millennial Homes, informed the Committee that the requirement that air conditioners be set before a Certificate of Occupancy ("CO") can be issued has added approximately \$800 per unit to the cost of housing because of theft of the air conditioning units. He suggested a Conditional CO be issued with the builder/developer putting up a \$500-\$1,000 bond which can be refunded after completion/closing. Julie to ask the Building Official to set up a meeting with the community to discuss this issue in greater detail.

Deputy Mayor Dove introduced Mr. Anthony M. Jones, Assistant Director of Housing and Community Development for Pinellas County, who informed the Committee that the County is looking at the following three strategies to address its Workforce Housing needs: 1) Housing Trust Fund; 2) Inclusionary Zoning; and 3) Development Regulations. The Board of County Commissioners at its meeting on October 18, 2005 approved the following:

- 1) Unanimously approved a resolution establishing the Pinellas Community Housing Program;
- 2) Authorized staff to draft an ordinance establishing the trust fund's parameters;
- 3) Authorized staff to prepare an Interlocal Agreement with the Housing Finance Authority of Pinellas County ("HFA") for the trust funds' administrative services;
- 4) Began discussions about locally controlled funding sources that capitalize the trust fund;
- 5) Requested the HFA establish a community land trust to assist with disposition of publicly owned lands;
- 6) Authorized staff to initiate the analysis needed prior to finalizing an inclusionary housing policy; and
- 7) Instructed staff to expand community engagement.

Mr. Jones indicated the Housing Land Trust Program will be incorporated into the Countywide Comprehensive Plan. He mentioned that the County would be going out for a Request for Proposal ("RFP") to prepare a study on how to implement inclusionary zoning in the County. The Chair asked whether the City could partner with the County in that RFP process, and the response by Mr. Jones was that the County would welcome that. The Committee Chair thanked Mr. Jones for his participation and requested he inform her when they are scheduled to meet so she can attend if her schedule allows.

The Committee Chair requested the City Clerk look into whether City Council has established a policy to land bank (to keep properties for the City's future use, particularly parcels that are grouped together), and to provide feedback on the request.

The Chair asked staff to look at what other municipalities have done (language, structure, etc.) regarding Inclusionary Zoning/ Bonus Units and provide the information to the Policy and Planning Committee. She suggested Linkage Fees be further discussed in a work group setting and asked anyone interested in participating to please contact Mike Dove. Density bonus, etc. will move forward in February with the LDRs. Councilmember Lasita was reported present. The Chair requested that the following strategies be brought before the Policy and Planning Committee at its December 13, 2005 meeting for possible revision and strengthening: 1) Expedite Permitting, 2) Waive or pay permit fees, 3) Increase Down payment assistance, 4) Increase maximum purchase price, 5) Increase maximum repair costs, 6) Shared Appreciation, and 7) Length of Affordability

There being no further business, the meeting was adjourned at 12:05 p.m.