

NEFRC

AFFORDABLE HOUSING COMMITTEE MEETING



June 7, 2018
8:30 a.m.

Northeast Florida Regional Council

100 Festival Park Avenue

Jacksonville, FL 32202



100 Festival Park Avenue
Jacksonville, FL 32202
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Serving the communities of Baker, Clay, Duval, Flagler, Nassau, Putnam and St. Johns Counties

Bringing Communities Together

MEMORANDUM

DATE: JUNE 7, 2018

TO: NEFRC AFFORDABLE HOUSING COMMITTEE

THRU: BRIAN D. TEEPLE, CHIEF EXECUTIVE OFFICER 

FROM: MARGO MOEHRING, POLICY DIRECTOR 

RE: DECEMBER 6, 2018 COMMITTEE MEETING

The next meeting of the Northeast Florida Regional Council's Affordable Housing Committee is scheduled for **December 6, 2018, at 8:30am** at the Northeast Florida Regional Council, 100 Festival Park Avenue, Jacksonville, FL 32202.

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Northeast Florida Regional Council
AFFORDABLE HOUSING COMMITTEE

A G E N D A

100 Festival Park Avenue
Jacksonville, FL 32202

THURSDAY, JUNE 7, 2017
8:30 a.m.

(ADDED OR MODIFIED ITEMS IN BOLD)
(*Denotes Action Required)

TAB

1. Call to Order
2. Pledge of Allegiance
3. Welcome and Introductions
4. Invitation to Speak:

Members of the public are welcome and encouraged to speak on any item brought before the Committee. Please fill out one of the speaker cards located at the sign-in table.

5. *Review and Approval of Minutes from December 1, 2017 Meeting..... 1
6. ‘Helping Households to Thrive’ Challenge Letter 2
7. Report on Action Items
8. Committee Discussion
9. Public Comment – LIMITED TO 3 MINUTES PER SPEAKER

10. Next Committee Meeting: **December 6, 2018**
Northeast Florida Regional Council
100 Festival Park Avenue
Jacksonville, FL 32202

11. Adjournment

***Denotes Action Item**

Visit the Committee Website at <http://www.rcinef.org/Affordable-Housing-Committee.html>

Agenda

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NORTHEAST FLORIDA REGIONAL COUNCIL

AFFORDABLE HOUSING COMMITTEE

MINUTES

The Northeast Florida Regional Council's Affordable Housing Committee met on Thursday December 7, 2017 at 8:30am at the Northeast Florida Regional Council (NEFRC)'s offices.

Present: Michael Griffis, Commissioner Roxanne Horvath, Councilmember Bill Gulliford, Commissioner Len Kreger, and Robert Spaeth.

Guests: Mike Daly, Mike Bonts, Cassidy Bergstrom, and on the phone, Bill Lazar and Nancy Tufts

Staff: Margo Moehring and Ed Preston

Vice Chair Griffis welcomed everyone at 8:35am. Margo Moehring had a few opening remarks followed by a presentation by Ed Preston of the November 7th County Listening Tour requested at the last meeting. **Vice Chair Griffis** spoke directly to the Baker County item in the overview about Baker County encountering resistance in approval of a new multifamily affordable housing development currently under construction due to the fact that it was by a private non-profit corporation that was exempt from paying property taxes.

Commissioner Kerger pointed out that Fernandina Beach has waived residential impact fees. He also noted that the City has no rentals that meet the definition of affordable. He reported further that the City and County have a very active affordable housing committee which is co-funding a study by the Shimberg Center out of the University of Florida.

Councilmember Gulliford disclosed that he has a long history with Habitat and his son is the current chair of the Jacksonville Housing Finance Authority. The two have discussed the need to go further into reducing the cost of providing affordable housing by addressing zoning, splitting lots, forming a large pool of funds with a system to recycle dollars into it that is used for financing mortgages and addressing housing conditions. **Councilmember Gulliford** noted the need to address the degradation of affordable housing units in neighborhoods due to inability of homeowners to undertake repairs. In Durkeeville in Jacksonville there has been a drastic ten year decline of property assessments. **Commissioner Horvath** noted an article in the St. Augustine record about the impact of short term rentals and how they shrink the number of units available for affordable housing.

Mr. Bill Lazar noted that degradation of neighborhoods tended to follow inability to maintain structures with needed repairs. A potential strategy is sharing the cost of repairs with

homeowners and providing some means of recapturing funds. He went on to note that we can't spend \$400,000 to repair a \$100,000 house and it is difficult to know where to start when there are 5,000 homes in need of repair on a list.

Councilmember Gulliford said that the City of Jacksonville has just formed a committee to address repairs and has focused on two neighborhoods.

According to **Commissioner Kreger**, Hickory Ridge in Fernandina is a 41-unit project on five acres and the City has allowed increased density and waived impact fees in return for keeping the prices affordable. The City and this developer are in discussions to sell the units for \$189,000 in Fernandina where the lowest priced homes have jumped from \$300,000 up to \$450,000. But these solutions are not making a big enough impact.

Commissioner Horvath motioned to approve sending the draft plan on to the Board, seconded by **Commissioner Kreger**.

Councilmember Gulliford suggested that **Commissioner Kreger** model a new veteran's diversion housing program in Nassau County with the Five Star Veterans Center in Duval County.

Councilmember Gulliford added that prices at the Beaches are very high like all the coastal communities. Price point is key and the needed affordable price is closer to \$60,000 to \$70,000. There is a need to explore options like tiny houses or SEP homes (modular) such as those produced by a new wall-builder located in Macclenny. There is also a good example in Detroit.

Mr. Bill Lazar added that some needing affordable housing could afford \$180,000 but builders are not building them. A financial deal needs to be structured that passes savings past the builder and onto the buyers.

Next Meeting

The next Committee meeting will be on June 7, 2018.

Agenda Item

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Bringing Communities Together

<Date Month>, 2018

<Name, Title>

<Department & Division>

<Mailing Address>

RE: Helping Households to Thrive

Dear <Insert Title and Last Name>,

Affordable housing is not only a local challenge, it is a challenge to the Northeast Florida region as a whole. A goal of the Northeast Florida Strategic Regional Policy Plan is “A safe, sanitary, efficient and resilient housing supply that provides lifestyle choice (agricultural, rural, suburban, and urban) and affordable options for all income, age and ability groups, equitably placed in vibrant, viable and accessible communities throughout the region.”

In 2018, the Northeast Florida Regional Council (NEFRC) adopted the Affordable Housing Needs Plan developed by its Affordable Housing Committee. The Plan uses the United Way’s **ALICE** as a helpful way to measure and address the financial insecurity of residents at the county level in Northeast Florida. **ALICE** is an acronym that stands for **A**sset **L**imited, **I**ncome **C**onstrained, **E**mployed. Rather than simply looking at the ratio of housing prices to annual income to determine housing affordability, the ALICE report uses a set of standardized measurements to quantify the cost of a basic household survival budget in each county, and to show how many households are struggling. This not only provides a more nuanced view of what goes into the maintenance of quality of life in Northeast Florida, but it also highlights the factors that are not specifically housing, such as food, transportation, child care and taxes, that go into a household survival budget.

The 2018 Northeast Florida Affordable Housing Needs Plan is attached. It identifies a staggering deficit of affordable units in Northeast Florida. Rental units are in short supply generally but affordable and available rental units are extremely rare. The Plan identified a deficit of almost 30,000 units in order to meet the needs of households making 30% of average median income. Those who are established in housing also have challenges. The traditional assumption is that a sustainable household budget should allow for no more than 30% of income to be spent on housing. Over 20% of all homeowners in Northeast Florida pay more than that, while over 45% of renters pay more than that.

All of the local governments and communities in Northeast Florida are caring and making efforts to help their poorest residents. The Council is gathering from each of our local governments the strategy of which they are the most proud. This can address any of the components that make up the household survival budget: housing, child care, food, transportation, health care, taxes, or “miscellaneous”. We are doing this for several reasons. First, we want to share best practices. Second, we want to measure success on the local level region-wide from the broadest possible perspective, so we can add regional initiatives that enhance the good work already being done. Ultimately, we hope to convene as a region around the challenge of helping every household in Northeast Florida to thrive. This needs to inform our economic development planning and the Strategic Regional Policy Plan, and be integral to each action the Council takes. Please help us by taking the survey at XXXXX by June 15, 2018. Should you have any questions, please contact Margo Moehring, Policy Director at (904) 270-0880 x 161 or mmoehring@nefrc.org.

Sincerely,

Brian D. Teeple, AICP
Chief Executive Officer

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