

**Affordable Housing Advisory Committee
St. Johns County, Florida
Regular Meeting**

**July 20, 2020
Minutes**

The Affordable Housing Advisory Committee of St. Johns County met at 3:00 pm in the Board of County Commissioners' Auditorium at the St. Johns County Administration Building, 500 San Sebastian View, St. Augustine, Florida 32084.

The meeting was called to order at 3:05 pm by Bill Lazar, Vice Chair.

Members Present:

Brittany Coronado (via Zoom)
Tracy Hayes
Jay Kalter (via Zoom)
Steven Ladrado (via Zoom)
Bill Lazar (via Zoom)
Alex Mansur (via Zoom)
Harry Maxwell (via conference line)
Karl Vierck

Members Absent:

Jerry Folckemer
Meaghan Perkins

Guests Present:

Joseph Cone, Housing & Community Services Manager
Mary Garcia, Social Services Support Staff

Notices regarding the meeting were sent to all members. No press was in attendance.

- 1) Introduction of AHAC Members and SJC Staff: Committee members were acknowledged. Quorum was present
- 2) Recommendation – New Member: Mary Garcia stated the Board of County Commissioners made and approved the recommendation of Jay Braxton to fill the “resident of St. Johns County” vacancy. Ms. Garcia said Mr. Braxton should have his paperwork completed and submitted to the County Commission office by next meeting date and he has expressed his intent to attend that meeting.
- 3) Approval of Minutes: **Motion** made by Alex Mansur to approve minutes of May, 2020 (there was no June meeting); motion seconded by Harry Maxwell. **Motion passed unanimously**
- 4) LHAP Discussion: Bill Lazar introduced this item and said one of the primary purposes of the AHAC is to recommend how SHIP funds are spent in the community in order to further affordable housing. Mr. Lazar said the County's Housing staff puts together an LHAP, or Local Housing Assistance Plan, every three years, which details how the County anticipates spending SHIP funds. Mr. Cone said the LHAP must be approved by the Board of County Commissioners and then it is sent to Florida Housing, whereupon they have 35 days to review the plan and send feedback to the County. Mr. Cone said he does not anticipate a great deal of feedback on the latest Plan as Florida Housing has been extremely busy with their response to Covid-19. Mr. Cone said the last LHAP was negatively affected by a drastic cut in funding as well as a large

portion of funding that was received being applied to hurricane relief. Mr. Cone said a great deal of rearranging of the allocation of funds had to be done due to these issues. Mr. Cone said the Covid-19 crisis has also required a reallocation of different years' funding in order to assist residents affected by the pandemic with rent or mortgage and utility payments. Mr. Cone referred those present to the copy of the LHAP that was provided to them prior to the meeting and he referred to the Table of Contents (document available in meeting file). Mr. Cone began by reviewing Section I, "Program Details" and he touched on "Support Services and Counseling" and explained the County has a Housing Counselor, as does the St. Johns Housing Partnership, both of whom assist residents with credit counseling, tenant counseling and foreclosure counseling. Mr. Cone emphasized how important this type of counseling is, especially during the pandemic. Mr. Cone spoke about "Project Delivery Costs" under the same section, and said St. Johns Housing Partnership has successfully bid for several years on managing the front end of the SHIP program. Mr. Cone said this entails intake, walk-thru inspections, determining what work needs to be done and counseling clients as they go through the SHIP program. Mr. Cone also said another part of these project delivery costs are for a third-party inspector, which performs inspections throughout the process and he said Universal Engineering has been the winning bidder for these projects for the last several years.

Mr. Cone moved on to Section II, "LHAP Strategies" and talked about "Purchase Assistance with Rehab". Mr. Cone said purchase assistance programs have not been done over the past several years and, unfortunately, the pandemic has put a halt on down payment assistance once again. Mr. Cone said he does not foresee the program being implemented in this next fiscal year. Mr. Cone said SHIP has a rule that states some sort of repair must be involved with any property that money is spent on so it must be included in the down payment plan. Mr. Cone said these repairs can be of a minor, cosmetic sort and he said the maximum award on this program would be \$40,000. Next, Mr. Cone addressed the "Owner Occupied Rehab" also under Section II. Mr. Cone said this program is designed to assist eligible homeowners with needed repairs and he said this is the program St. Johns Housing Partnership is most involved in. Mr. Cone moved on to "Rental Assistance", Section II, and said while this program probably will not be implemented this year, the County is assisting residents affected by Covid-19 with rents and utilities. Mr. Cone said when the program is implemented, those with very low, low and moderate incomes can be awarded up to \$6,000 to assist with security deposits, first and last month rents, and utility deposits. Mr. Cone moved on to "Disaster Assistance" under Section II, and said this has been the County's primary focus for the last several years due to hurricanes and now due to Covid-19. Mr. Cone referred to the summary of this item and said it is written primarily for hurricane response and he said it was necessary to modify this item for a fiscally responsible response to the pandemic. Next, Mr. Cone spoke about "Impact Fees", Section II, and he said he hopes to spend more time reanalyzing this item once the worst of the pandemic is over. Mr. Cone said the maximum award is \$7,500 and he acknowledged impact fees are approximately \$11,000, at a minimum, depending on the square footage of the home. Mr. Cone addressed the last item in Section II, titled "Land Acquisition", which allows a maximum award of \$100,000 per project. Mr. Cone said due to the drastic cuts to funding over the last several years, this really hasn't made a project of any size feasible. Mr. Cone said a project would really have to combine other funding years or be offset by other financing opportunities.

Mr. Cone moved on to Section III, "LHAP Incentive Strategies" and reminded the Committee that a total of fourteen incentives were included in the Triennial Report, submitted by the AHAC to the Board of County Commissioners in 2019. Mr. Cone explained the three incentives listed in the LHAP are mandatory in order for the County to continue to receive SHIP funds. Mr. Cone said the incentive that Growth Management and the Housing Department are concentrating on in particular at this point is the "Affordable Housing Economic Incentive Program".

Mr. Cone addressed the Administrative Budget as it relates to SHIP funds and stated the County had hoped to receive \$2.7 million in SHIP funds this fiscal year but the funding is currently "on

hold". Mr. Cone said he believes the governor's office will provide more information with regard to funding in September or October of this year. Mr. Cone also reviewed funding allocations for the different award amounts for each strategy and then by income category. Mr. Cone pointed out the maximum award for owner occupied rehab work was raised from \$30,000 to \$40,000 since he has been with the County, as that extra funding was needed in order to cover the necessary work on many older homes.

Bill Lazar explained the strategies on the SHIP report do not have to be funded every year but if there is no approved strategy then one must be written and a lengthy process of approvals is required before it can be funded. Mr. Lazar also said that by statutory requirement there are percentages that must be spent and said for example, 70% of the funding must be spent on construction and 60-70% of funding must be spent on very low income residents. Mr. Lazar said this makes it difficult to manage a down payment assistance program as the high cost of homes in St. Johns County makes it hard for very low income, first time homebuyers to purchase a home. Mr. Lazar went on to say this is why a lot of SHIP funding is spent on owner occupied rehab as it is easy to find very low income seniors that need considerable work done on their homes.

- 5) HHS COVID-19 Response: Mr. Cone stated approximately \$466,000 in SHIP funds has been encumbered to assist 185 households, to date, through the residential assistance program. Mr. Cone said this program pays rent or mortgage and utilities. Mr. Cone said approximately \$3 million in CARES funds has been allocated so the residential assistance program can continue, as SHIP funds have been fully encumbered. Mr. Cone went on to say the Back to Business program has assisted 19 businesses with grants up to \$10,000. Mr. Cone said approximately \$10 million in CARES funding has been allocated for a continuation of the Back to Business program. Mr. Lazar urged AHAC members to share residential assistance program information with landlords so they might share it with their tenants. Mr. Lazar said there is a great deal of concern that when the moratorium on evictions is up, many will find themselves facing eviction and having a very difficult time securing an affordable rental, especially with an eviction on their record. Mr. Cone said that since SHIP funds are fully encumbered, the hotline for residential assistance is currently not in operation and all calls are going to CareConnect. Mr. Cone said they will be working collaboratively with the County to connect residents who need rent or mortgage and utility assistance with the proper services and with the assistance hotline when it reopens with the CARES funding. Brittany Coronado shared the CareConnect phone number and website. Ms. Coronado also shared that the CareConnect dashboard is able to inform with regard to the degree of various needs within the County.
- 6) HOP Down Payment Program: Bill Lazar explained builders can sign up for this program through Florida Housing Finance Corporation and offer \$25,000 in down payment assistance to buyers and \$35,000 if buyer or dependent has a developmental disability. Mr. Lazar said the builder must build a "green certified" home and Mr. Lazar said this is not particularly difficult to do and he would be happy to share information on how to build "green" with any interested builders. Mr. Lazar shared a list of builders approved for this program and stated they can build in any County in Florida. Steve Ladrado asked if one or more of the builders approved for the HOP program might be asked to come and speak before the AHAC.

Joe Cone asked Mr. Lazar about the grant St. Johns Housing Partnership recently received for Covid-19 response. Mr. Lazar said as a HUD certified counseling agency, they were given \$10,000 to assist with mortgage modification and financial counseling for those affected by the pandemic. Mr. Lazar said the funds can't be used to assist with rental payment assistance. Mr. Lazar said they are encouraging people to be proactive and not wait until forbearance has ended to seek financial counseling and budgeting guidance.

7) Public Comment: None.

The meeting was adjourned at 3:50 p.m.