

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

May 19, 2021  
Minutes

The Affordable Housing Advisory Committee of St. Johns County met at 3:00 pm at the Health & Human Services Center, in the Kingfisher Conference room, at 200 San Sebastian View, St. Augustine, Florida 32084.

The meeting was called to order at 3:03 pm by Chair, Bill Lazar.

Members Present:

Jay Braxton  
Brittany Coronado  
Henry Dean  
Tracy Hayes  
Steven Ladrido  
Bill Lazar  
Alex Mansur  
Harry Maxwell  
Michael O'Donnell  
Karl Vierck

Members Absent:

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Guests Present:

Christine Valliere, Assistant County Attorney  
Phong Nguyen, SJC Growth Management  
Joe Cearley, SJC Growth Management  
Sarah Butler, Assistant to Deputy County Administrator Brad Bradley (via Zoom)  
Shawna Novak, Director, Health & Human Services (via Zoom)  
Joseph Cone, Assistant Director, Health & Human Services  
Roberto Ortiz, Manager, SJC Housing  
Michelle Lawlor, Housing Support Staff  
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 and County staff were acknowledged and quorum was present.
- 2) Approval of Minutes: **Motion** made by Harry Maxwell to approve minutes of April, 2021 meeting; motion seconded by Jay Braxton. **Motion passed unanimously.**
- 3) Administrator's Report: Roberto Ortiz stated the San Marcos Heights project is two days away from receiving the "notice to proceed", which he explained, is essentially the green light to start construction. Mr. Ortiz said he will notify AHAC and HFA members of the date of the ground breaking ceremony as soon as he is notified that it has been set. Mr. Ortiz went on to report the Board of County Commissioners recently voted to approve the TEFRA resolution for the Victoria Crossing project and he promised to provide further updates as they become available. In addition, Mr. Ortiz said he plans to invite Michael Hartman and Darren Smith, San Marcos Heights and Victoria Crossing developers, respectively, to the next AHAC meeting for a question and answer session. Bill Lazar asked about occupancy of the developments and Mr. Ortiz stated that as each building is completed, it will immediately be occupied and he said that this stipulation was a requirement of HUD. Mr. Ortiz also asked if the Committee would

like to hold a July meeting and it was determined that this decision should wait until the AHAC meets in June.

- 4) AHAC Annual Report - 2021 - Impact Fee Discussion: Christine Valliere, Assistant County Attorney, and Phong Nguyen, Transportation Development Division Manager, Growth Management Department, were invited to the meeting at the request of Commissioner Dean to answer any questions AHAC members might have regarding impact fees. Ms. Valliere opened the discussion and stated the philosophy behind impact fees is that new development should pay for its own use of services. St. Johns County's current ordinance on impact fees was adopted in 2018, according to Ms. Valliere, and she stated residential impact fees are imposed on a variable rate and based on livable square footage. Ms. Valliere went on to say that approximately every five years, St. Johns County hires an expert in financial forecasting to look at the County's current services and projected level of growth in order to come up with an estimated impact per type of development. Ms. Valliere said that a 2019 amendment to Florida statute now allows cities and counties to waive impact fees for affordable housing without the requirement to supplement the lost funding. Ms. Valliere also said this is not currently allowed in St. Johns County. Ms. Valliere explained that impact fees for other residential housing cannot be recalculated to offset the loss of fees for affordable housing, and she stated impact fees must meet the rational nexus test. Ms. Valliere said that about 30% of Florida jurisdictions waive impact fees for affordable housing, and she explained that some use SHIP funding to offset the loss, while others use the interest gained on impact fee accounts. A lengthy discussion ensued regarding all services that are funded by impact fees, such as schools, emergency personnel, roads, public buildings, and parks. Mr. Lazar made the point that a lack of affordable housing puts undue pressure on the infrastructure with an excess of traffic traveling into and out of the area, and he said tax dollars are lost, as they are likely being spent in the counties where workers actually reside. Ms. Valliere offered the AHAC could recommend to the Board of County Commissioners that a particular analysis be addressed in the next financial forecast study, such as the impact a lack of affordable housing has on the community. Steve Ladrado asked if an impact fee percentage breakdown by services is available and Ms. Valliere stated that ordinance 2018-16 is posted on the Clerk of Courts website and has a very specific breakdown. Phong Nguyen told the Committee that the majority of impact fees fund roads and schools, and he explained impact fees are spent only within the specific district for which they are collected. Henry Dean asked if staff could isolate the dollar amount of impact fees that have been generated from affordable housing over the last five years, as this information would be an important consideration for the Board of County Commissioners before any decision could be made with regard to the waiver of impact fees for affordable housing. Joe Cearley said that he could search for all projects that have gone through expedited review, since that is only done for affordable or workforce housing projects. Mr. Cearley said he would work on compiling that information for the Commissioners.

Brittany Coronado suggested bringing in Darren Smith, Smith Henzy, developer of San Marcos Heights, to discuss the impact fee challenges that he has faced with this project and Mr. Ortiz said he would discuss with Mr. Smith. Jay Braxton inquired about impact fee credit transfers and Ms. Valliere responded and stated there is a pending statutory amendment regarding transfer of credits that existed prior to the statutory amendment that allowed it. Ms. Valliere said that when the County imposes impact fees, it has contractual agreements in place with developers that implicitly states impact fees cannot be transferred or used for any other project. Ms. Valliere explained these contracts would need to be amended in order to apply those impact fee credits in a different way than was contemplated in the original agreement. Henry Dean spoke about House Bill 337, which states that a developer can transfer unused impact fee credits for a price, and he said the Board of County Commissioners voted to send a letter to the governor asking that he veto this legislation. Mr. Dean said that if passed, this legislation would effectively un-do and void contracts the County has entered into with developers, causing a potential loss to the County of \$60 or \$70 million. Discussion ensued with regard to home ownership versus rental units and the market irregularities that will affect affordable housing, impact fees notwithstanding. There was additional discussion with regard to a long term solution for impact fees and what incentives can be offered to encourage developers other than non-profits to build workforce housing.

- 5) Current Vacancies: Mary Garcia told the Committee that the PZA would like to assign William McCormick as their representative on the AHAC as is required by Florida statute. Ms. Garcia said she has been advised this recommendation will go before the County Commissioners for their consideration on June 1<sup>st</sup>. Ms. Garcia went on to say the recommendation put forth by the AHAC that Bill Lazar, Karl Vierck, and Harry Maxwell each be allowed to serve an additional term is slated to go before the County Commissioners at their July 15<sup>th</sup> meeting.
- 6) Public Comment – None.

The meeting was adjourned at 4:19 p.m.