

# AFFORDABLE HOUSING ADVISORY COMMITTEE MEETING MINUTES

Wednesday, October 30, 2024, at 11:00 AM

**CALL TO ORDER** by Cheryl Cioffari at 11:14 am

## **ROLL CALL**

### **COMMITTEE MEMBERS:**

Commissioner Craig Cates	Present
Tim Root	Present
Kurt Lewin	Present
Chris Todd Young	Absent
Doug Mader	Present
Joe Scarpelli	Present
Joe Walsh	Present
Paul Caceres	Absent
Pam Caputo	Absent
Marvin Schindler	Present

### **STAFF:**

Cheryl Cioffari, Assistant Director of Planning  
Nathalia Mellies Archer, Assistant County Attorney  
Ilze Aguila, Senior Administrator, Operations

## **CHANGES TO THE AGENDA**

No changes to the agenda.

## **AGENDA ITEMS:**

### **I. APPROVAL OF MINUTES**

**Motion:** Doug Mader made a motion to approve October 30, 2024, minutes. Joe Walsh seconded the motion. There was no opposition. The motion passed unanimously.

### **II. PRESENTATION BY RANDY STERLING OF THE KEY WEST HOUSING AUTHORITY**

Randy Sterling, Executive Director of both the Key West Housing Authority and the Monroe County Housing Authority, gave a presentation regarding how the Housing Authorities can help us utilize the TDC surplus funds. The first option for consideration is development on scattered sites throughout the Keys. These are County owned lands, that are developed and leased for 99-years, deed restricted. The second option is to purchase existing properties, and to rehabilitate if necessary. The third option would be specific to DAC1 (the City of Key West) and include newly constructed units (Poinciana Plaza).

There are several advantages of partnering with the Housing Authority, including its overall expertise. The Housing authority has experience in affordable housing development, including navigating complex regulations, understanding financing mechanisms and managing properties.

Each Housing Authority can issue up to \$10 million per year in tax-exempt bonds, which will result in lower interest rates and allow them to stretch the available funding. The Housing Authority is a well-regarded Governmental Agency with a solid understanding of local housing needs and challenges. The Housing Authority has the infrastructure to manage affordable housing long-term. Any excess funds earned from rent or development fees would be utilized for more affordable housing in the future.

Doug Mader inquired if the Housing Authority has a list of contractors that they select to perform the work. Mr. Sterling explained that contractors would have to bid on the work, and the RFPs are open to both contractors in-County and out-of-County contractors.

Joe Walsh mentioned that one of the earlier concerns the Committee expressed was the restrictions on the TDC funding. Mr. Walsh asked if these restrictions would create any conflicts or compliance issues for the Housing Authority. Mr. Sterling would not advise accepting other sources of funding, such as funding from the Department of Housing and Urban Development (HUD) or Florida Housing, as it would add additional restrictions to the use of the TDC funding. Instead, they would issue tax exempt bank qualified debt through bonds, therefore not creating any additional restrictions. The Housing Authority would still be bound by Fair Housing regulations.

Board discussion continued around the 54 BPAS units in Key West (Poinciana Plaza – DAC1). Mr. Sterling explained that they are already 18 months into planning and due diligence of this project. Discussion continued around income limits of this project. Mr. Sterling stated that they are considering moderate income category for this development. A lot of people have multiple jobs, and when you calculate all the income sources, they are often above the low-income category.

Cheryl Cioffari reminded the Committee to keep an open mind with regard to other opportunities. While the Poinciana Plaza project is a great opportunity for DACs 1 and 2, should the BOCC take into consideration the recommendations of the AHAC and TDC, and choose to allocate funding to all the DAC's based on how the funds were accrued, there would still be funding available for other areas throughout the Keys.

Mr. Mader expressed concern that we are focusing only on providing housing for folks who would qualify for median to moderate income housing, and we are not working on providing housing opportunities for the folks who would qualify for low and very low-income housing. Mr. Sterling explained that it is very hard to fill the low / very low units. Mr. Scarpelli added that it is not just the cost of housing that is driving the workforce out of the Keys, it is the cost of living in general.

### **III. REVIEW OF PRIOR RECOMMENDATIONS AND MODIFICATIONS FOR TDC SURPLUS FUNDS:**

- a) Ms. Cioffari requested clarification from the Committee regarding their preference in housing unit types. The TDC leaned more towards the Studio/Efficiency apartments, and the two-bedroom apartments. Mr. Mader stated that there should be Studio/Efficiency apartments in the mix to allow single workers to come to the Keys. Mr. Walsh explained that we need all unit types, except single family type units and it would be cost-inefficient. Commissioner Cates mentioned that the TDC was reluctant to support dormitory style housing as it is difficult to manage, across different cultures, and work types. The Committee agreed on a mix between options A to C. Ms. Cioffari stated that part of deciding how to utilize the TDC surplus funds is defining what a tourism based private sector employee is.
- b) Does the Committee feel the need to use a North American Industry Classification system, to help define what a tourism based private sector employee is. Tim Root responded that there would need to be a simple or narrow definition in place for the Keys, as almost everyone in the Keys relate to tourism. Ms. Cioffari explained that the idea was to use the North American Industry Classification System handbook, to create a base, which will then allow us to create a Keys-specific definition. Commissioner Cates suggested a guideline that references a specific percentage of the income earned, should be from the Tourism industry. Commissioner Cates reminded the Committee that the TDC funds are restricted to Tourism industry employees. The definition will not be able to include everyone. Nathalia Mellies Archer stated that there needs to be a strict interpretation, because of where the funds come from. These funds were generated by the business that pay the tourism tax, and the goal is to benefit these business types. Mr. Schindler stated that we may need to make it as simple as those who come into face-to-face contact with tourists, would qualify. Ms. Mellies Archer reminded the need to stay close to the Legislative intent with regards to the use of these funds. Once folks are qualified for these TDC funded housing, it will open other affordable housing units for folks outside of the tourist industry.
- c) Ms. Cioffari asked if the County should purchase existing single-family homes with multiple bedrooms that could be rented to multiple workers. The Committee agreed that this is not the direction they would recommend.

Ms. Mellies Archer asked if the Committee had any input on the preferred income categories. Mr. Walsh stated that the income should be between 80% and 120% AMI. It would be better not to lock in a certain number per income category, as it will restrict the developer. Ultimately, it will be up to the BOCC to make that determination.

Ms. Cioffari reviewed the previous recommendations with the Committee. The two additional recommendations included prioritizing the Poinciana Plaza project, and the Committee's preferred types of housing units. Ms. Cioffari asked for a motion from the Committee to make a motion for the approval of a resolution to supersede and replace Resolution 02-24 with Resolution 04-24 which will have the previous recommendation with the additional two from the AHAC. A third recommendation was added to make funds available to adjacent DACs should there not be development opportunities available within the DAC where the funds were accrued.

**Motion:** Joe Walsh made a motion to approve the amended recommendations as listed below. Tim Root seconded the motion. There was no opposition. The motion passed unanimously.

Recommendation by the Affordable Housing Advisory Committee:

1. Develop a Public / Private partnership to develop new affordable housing.
2. Purchase existing developments and deed restrict units with required limitations pursuant to Chapter 2024-219, Laws of Florida, (SB 1456). Preference should be given to multi-family units.
3. The County provides monetary incentives for private owners of existing dwelling units to deed restrict the units with limitations pursuant to Chapter 2024-219, Laws of Florida, (SB 1456).
4. The County purchases an existing development, impose limitations pursuant to Chapter 2024-219, Laws of Florida, (SB 1456), and then lease units back to the original owner.
5. The County should utilize and explore partnerships with existing entities (such as the Land Authority and Housing Authority) to facilitate the development of affordable housing.
6. The AHAC recommends BOCC partner with the Key West Housing Authority to utilize TDC Surplus funding to prioritize and develop Poinciana Gardens.
7. The AHAC recommends projects include the following types of housing units: studio / efficiency apartment; 1 bedroom / bathroom apartment; and 2+ bedroom/ bathroom apartment.
8. The AHAC recommends the BOCC distribute the TDC Surplus funds within the geographic area they are collected, with the ability to spend money in an adjacent DAC.

Meeting adjourned at 12:51 p.m.