

**FLAGLER COUNTY**  
**AFFORDABLE HOUSING ADVISORY COMMITTEE**  
***Regular Meeting Minutes***  
***July 23, 2024***

**MEMBERS PRESENT:** Trish Giaccone (Chair), Sandra Shank, Angela Smith, Commissioner Rick Belhumeur, Nicole Graves, Commissioner Andy Dance (AHAC Elected Official), Kim Carney,

**MEMBERS PRESENT VIRTUALLY:** Valerie Clymer (Vice Chair)

**MEMBERS ABSENT:** Council Member Cathy Heighter

**EXCUSED ABSENT:**

**STAFF PRESENT** (All staff of Flagler County BOCC and Palm Coast City Council):

- Jacqueline Gonzalez (Site Development Coordinator -- City of Palm Coast)
- Michael Hanson (Planner – City of Palm Coast)
- Eduardo Diaz Cordero (Housing Program Coordinator – Flagler County)
- Devrie Paradowski (Housing Program Manager—Flagler County)
- Sheryl Simmons (Administrative Assistant-Flagler County)
- Kim Bennett (Human Services Program Manager—Flagler County)
- Joe Hegedus (Health and Human Services Director—Flagler County)

**MEMBERS OF THE PUBLIC:** Bill Lazar- Director of St. Johns Housing Partnership (SJHP)

**1. Call to order, Roll Call, and Pledge to the Flag:** Trish Giaccone (Chair) called the meeting to order at 3:03 pm. Eduardo Diaz Cordero (Housing Program Coordinator – Flagler County) led the pledge of allegiance and Sheryl Simmons conducted roll call.

**2. Approval of Agenda:** Commissioner Rick Belhumeur motioned to approve June 25<sup>th</sup>, 2024 meeting minutes. Sandra Shank seconded the motion. All in favor. The motion carried unanimously.

**3. Approval of Previous Meeting Minutes:** Commissioner Rick Belhumeur motioned to approve June 25<sup>th</sup>, 2024, meeting minutes. Commissioner Andy Dance (AHAC Elected Official) seconded the motion. All in favor. The motion carried unanimously.

**4. Agenda Items:**

**4a) Presentation:** Bill Lazar- Director of St. Johns Housing Partnership (SJHP)

Bill Lazar, Director of St. Johns Housing Partnership (SJHP), introduced himself and noted that his nonprofit has been working with SHIP funds since their inception in 1992. He discussed how SHIP funding, combined with state funds, has been used to purchase and develop land, emphasizing that the single biggest challenge is funding. Lazar explained that developers carry the cost of development from purchase through all plan approvals, sometimes for years before breaking ground.

48 He pointed out that small builders, who bear the costs of infrastructure, are less likely to  
49 develop affordable units. In one of SJHP's projects, SHIP funds were used for utility  
50 connection fees and impact fees, and the home buyers also benefited from down payment  
51 assistance.

52  
53 Lazar highlighted a past project where St. Johns County used over \$1 million from in-lieu  
54 payments from developers under a Development of Regional Impact (DRI) to incentivize a  
55 150-parcel single-family development.

56  
57 Sandra Shank asked Lazar for more details about DRIs. He explained that certain  
58 developments were once required to build or fund a specific number of affordable housing  
59 units, though these requirements have since been amended and are now determined by  
60 local governments. He referenced the new Live Local Act, noting that DRI requirements now  
61 depend on "the will of your local elected officials."

62  
63 Lazar then discussed other variables related to development, particularly the impact of  
64 incentivizing development when variances limit construction in a community. He described a  
65 partnership where a developer received a density bonus but sold some of the units at a high  
66 market rate. He emphasized the challenges of securing affordable long-term mortgages.

67  
68 He urged the committee to consider the income categories of intended tenants, stressing  
69 that development cannot happen if it will lose money. The lower the income scale, the  
70 higher the subsidy required to make the project sustainable. He shared an example where a  
71 rental project aimed at tenants at 80% of the Area Median Income (AMI) required writing  
72 down nearly \$365,000 in costs to assist lower-income individuals. While housing advocates  
73 focus on helping very low and extremely low-income households, Lazar noted that potential  
74 income is often insufficient to secure the necessary financing.

75  
76 Lazar discussed some duplex complexes his nonprofit owns and manages, noting that they  
77 have learned to use smaller lots but still face significant infrastructure costs. He emphasized  
78 the need for variances and fee reductions specifically for affordable housing.

79  
80 Sandra Shank asked if they built two-story complexes due to lot sizes, and Lazar confirmed  
81 this. He mentioned that they avoid building townhomes for sale because shared building  
82 maintenance can be a burden for homeowners. He reiterated that density is key and  
83 supported Scott Culp's assertion that development regulations act like currency. Lazar  
84 advocated for local governments to grant variances for affordable housing.

85  
86 He concluded by suggesting that local governments partnering with builders could make  
87 these projects feasible, even though big companies are often the only ones able to bear the  
88 costs of larger developments.

89  
90 Sandra Shank remarked on the number of initiatives completed by St. Johns County and  
91 asked if there were staff members Flagler County could consult with. Lazar noted that many  
92 key staff members have retired but recommended seeking expertise from the Florida  
93 Housing Coalition.

94  
95 Lazar concluded by addressing the reluctance of elected officials to provide incentives for  
96 affordable housing, suggesting that they might be more willing to consider incentives for  
97 workforce housing, such as for first responders.

99 Angela Smith commented on the presentation, understanding the focus on density but  
100 questioning if there was a better way to increase income. She suggested that certifications  
101 requiring less time than a two-year degree could help improve incomes. Lazar  
102 acknowledged the importance of addressing both the built environment and citizen self-  
103 sufficiency but emphasized that builders cannot reduce construction costs by \$100,000 to  
104 make housing more affordable.  
105

106 Commissioner Andy Dance (AHAC Elected Official) noted Lazar's mention of Scott Culp  
107 and his discussion of a Housing Finance Authority. Lazar explained that there are state  
108 funding mechanisms that require local government matching funds, and that tax credit  
109 programs are highly competitive with nuanced requirements. He suggested consulting with  
110 the Florida Housing Coalition on structuring financial incentives. Commissioner Andy Dance  
111 (AHAC Elected Official) asked if any communities had opted out of tax incentives for  
112 affordable housing at 120% AMI, to which Lazar responded that it is a local decision.  
113

#### 114 **4b) Staff Updates and Action Item Follow-up:**

- 115
- 116 1. Jackie Gonzalez announced that Michael Hanson would present the Live Local Act to  
117 Palm Coast City Council on September 10th and invited joint Affordable Housing  
118 Advisory Committee members to attend. She mentioned that the housing portion of the  
119 Comprehensive Plan had been presented to City Council, with updates and changes  
120 scheduled to be included.  
121

122 She also noted that the City of Palm Coast received its first Live Local Act request from a  
123 developer, which included questions raised by the Affordable Housing Advisory  
124 Committee in the application.  
125

- 126 2. Devrie Paradowski reminded the Committee of an upcoming Florida Housing Coalition  
127 webinar on AHAC Incentive Strategies on July 25th. She announced that Blue Skies  
128 Communities would be presenting at the next meeting in August and welcomed any  
129 questions from Committee Members in advance so the presenter could prepare. She  
130 noted that Blue Skies Communities differs from Atlantic Housing Partners in terms of fee  
131 structures and praised their decision not to raise rents during the COVID pandemic.  
132

133 Paradowski also addressed conflict of interest concerns, clarifying that the Florida  
134 Housing Coalition recommends that the Affordable Housing Advisory Committee is not  
135 primarily responsible for voting on and approving funded strategies in the LHAP. Instead,  
136 the committee's primary role is to assess the regulatory environment conducive to  
137 affordable housing development. She emphasized that staff would seek the committee's  
138 input on funding strategies, but the responsibility for approving them typically lies  
139 elsewhere to avoid conflicts of interest.  
140

141 She further explained that there is a statute restricting advisory committee members or  
142 staff from engaging in contractual relationships with the county. However, members of  
143 advisory committees can request a waiver of conflict of interest from the governing body  
144 if necessary. She advised any committee member who directs a nonprofit agency or  
145 owns a business interested in applying for competitive bids to refrain from voting on  
146 related issues and consult the County Attorney's office for guidance.  
147

148 Angela Smith asked how this conflict impacts real estate agents or contractors on the  
149 committee. Paradowski reiterated that the staff generally does not ask the committee to

150 vote on funded strategies, and real estate professionals typically do not receive direct  
151 funding from the county. However, she noted that a conflict of interest could arise if they  
152 apply for available funding without a waiver of conflict from the governing body, and in  
153 such cases, the County Attorney's office should be consulted.

154  
155 Trish Giaccone (Chair) asked if there were further questions. Valerie Clymer (Vice Chair)  
156 inquired about a quorum for the August meeting, considering the Statewide Annual  
157 Affordable Housing Conference in Orlando. Trish Giaccone (Chair) was unsure but  
158 suggested discussing it further during the next agenda item, Committee Discussion.

#### 160 161 **4c): Committee Discussion**

- 162  
163 1. **Kim Carney:** Kim Carney discussed the committee's presentation by Scott Culp and  
164 expressed interest in exploring some of the points he had made about federal tax  
165 credits, Community Development Block Grant (CDBG) funding, and Local Government  
166 Contributions. She noted her understanding that these contributions seem necessary to  
167 advance certain housing projects, and it appeared that cash contributions might be more  
168 critical than regulatory incentives. She posed the question of whether there was an  
169 opportunity for local governments to provide funding for local government contributions.  
170 She inquired if there was an existing fund and whether local governments could  
171 establish one. Kim Carney suggested that the committee could examine what other  
172 communities are doing, but in the meantime, she recommended looking for "low-hanging  
173 fruit" to get something started.

174  
175 Trish Giaccone (Chair) asked to clarify the question posed by Kim Carney, who then  
176 elaborated on the local government contribution and tax credits. Bill Lazar clarified that  
177 the state provides tax credit incentives and that developers seek additional funding from  
178 local governments to bridge the gap. He emphasized that local government contributions  
179 make developers' state applications much more competitive.

180  
181 Trish Giaccone (Chair) spoke about applying for CDBG, noting that her nonprofit had  
182 applied for prevention funding through the City of Palm Coast. She mentioned that the  
183 funding was competitive, with only two applicants, and both were funded.

184  
185 Devrie Paradowski stated that while the County does not receive CDBG funding, it could  
186 apply for Small Cities CDBG, which can only be used in unincorporated Flagler County.  
187 However, she noted that this area is not typically where developers are looking to build.  
188 She also commented on the ongoing updates to the City of Palm Coast's  
189 Comprehensive Plan and mentioned that the City's staff sees potential in combining  
190 CDBG and SHIP funding toward this goal. Given the County and City dynamic, she  
191 suggested that local governments might need to think a little differently in this regard.

192  
193 Trish Giaccone (Chair) added that funding is available through the Continuum of Care  
194 and other sources for providers, but she was uncertain about the availability of large-  
195 scale funding to assist with developments. She suggested that the committee might want  
196 to explore this further. Devrie Paradowski agreed, noting that funding sources like CDBG  
197 could indeed help with developments, to which Trish Giaccone (Chair) concurred, adding  
198 that this would need to be part of a coordinated plan.

200 Kim Carney summarized her thoughts on these topics by asking the committee how it  
201 would like to utilize the information received from the presentations. Commissioner Andy  
202 Dance (AHAC Elected Official) reiterated that the Housing Finance Authority  
203 conversation had been occurring at the county level, particularly after hearing from Scott  
204 Culp.

- 205
- 206 2. **Commissioner Andy Dance:** Commissioner Andy Dance (AHAC Elected Official)  
207 informed the committee that the County is considering a tree protection ordinance to  
208 preserve some of the older tree canopies. He noted that there is local concern that a lack  
209 of protections has resulted in older communities not having tree canopies. He brought  
210 the issue to the committee's attention for input and awareness, as there may be  
211 additional costs associated with such an ordinance. He suggested that committee  
212 members contact Adam Mengel if they have any questions regarding the proposed tree  
213 canopy ordinance.

214

215 He expressed a desire for the ordinance to be reviewed by AHAC before it goes to the  
216 Planning Board and the Board of County Commissioners in August.

217

218 Kim Carney asked what the large-scale cost impact might be for developers.  
219 Commissioner Andy Dance (AHAC Elected Official) responded that the requirements are  
220 technical in nature but could affect the amount of buildable land. He mentioned the  
221 possibility of in-lieu credits for developers and noted that there could be other options  
222 available. He emphasized the importance of committee members reaching out to staff  
223 with any questions or concerns, as the committee is unlikely to meet before the planning  
224 meeting.

- 225
- 226 3. **August Meeting Quorum:** Trish Giaccone (Chair) and Nicole Graves agreed that there  
227 should be no reason not to hold the August meeting, especially since there will be a  
228 presenter. Commissioner Andy Dance (AHAC Elected Official) suggested that the  
229 members work toward ensuring a quorum. Trish Giaccone (Chair) confirmed that the  
230 meeting will proceed as planned.

231

232 **5. Public Comments:** None

233

234

235 **6. Adjourn:** Trish Giaccone (Chair) motioned to adjourn. Commissioner Rick Belhumeur seconded  
236 the motion. All in favor. The motion carried unanimously.

237

238 AHAC adjourned at 4:21 P.M.

239

240

241

242

243

# Our Mission - Affordable Living for All

**Home Repairs**



**Weatherization**



**Green Certified Homes**



**Volunteers**



**New Multi-family**



**Affordable Rentals**





# **Does Housing Matter to all of us?**

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The health, safety, and welfare of every community and the strength of its economy hinges on an adequate supply of affordable housing for working families, elders, and people with disabilities living on fixed incomes.

# THE HANCOCK PLACE DEVELOPMENT

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- ✘ Pre-Development Loan for NPO's from Florida Housing Finance Corporation

- + Land Acquisition

- + Soft Costs-Consultants- Engineering, Appraisal

- + Surveys

CWHIP N'hood

Rental Acq on infill



# HANCOCK PLACE- 36 SINGLE FAMILY HOMES

## SHIP funding supported:

Shared infrastructure Costs-Federal and County DRI \$\$

Reimbursement of Regulatory Fees- Impact, Utility Connection, Tree Impact – SHIP and County DRI \$\$

Down Payment Assistance for first time homebuyers-SHIP



# 2004 ST JOHNS COUNTY HOUSING DEPT INITIATIVE



PARTNERSHIPS PRODUCE

# CRAWFORD PARK- 150 SINGLE FAMILY LOTS

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- ✘ St Johns County- DRI Developer funds
  - + Land Acquisition
  - + Clear Title, Engineering, Surveys
  - + Infrastructure installation -Stormwater, Roads and Water/Sewer
  - + FHFC- competitive CWHIP grant - \$5 million for downpayment assistance
  - + Recruited 6 builders - 5 house plans



# SHIP FUNDS LEVERAGED TO ACQUIRE RENTALS FOR < 80% AMI

✘ Elliott Manor Apartments

✘ Old Colony Apartments



## SMALL INFILL MULTI-FAMILY

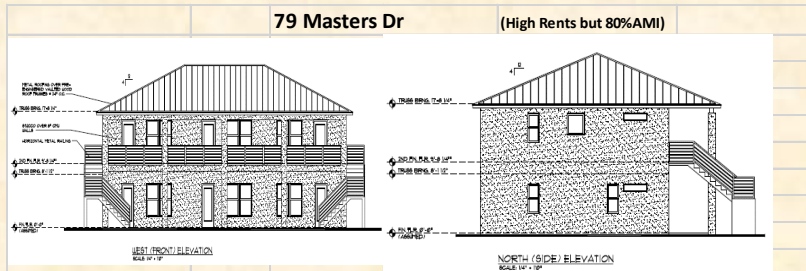
# 79 Masters Drive: Patriot Place



- 6 one-bedroom apts
- Density bonus: generated cash for affordable venture
- In City, no impact fee: saves \$48,000
- \$25,000 Utility Connection Fees
- \$85,000 off site infrastructure
- Ameris Bank construction financing- 3.25% increased to 8.5%
- Supportive housing initiative
- Rent: \$ 1,080/month may not cover debt service on \$500,000



# 79 Masters Drive: Cost to Construct, \$817,000



Property Street Address:	<b>79 Masters Dr</b>	Presented by:	Jerel Williams	904-495-1554
Property City, State, Zip:	<b>St Augustine FL 32084</b>			<a href="mailto:jwilliams@sjhp.org">jwilliams@sjhp.org</a>
Square Feet:	4,020	<b>Unit Mix</b>		<b>Rents</b>
Year Built:	2019	Efficiencies	0	0
Total Number of Units	6	One Bedroom	6	800
		Two Bedrooms		800

USES	COST	FUNDING SOURCES	
Land Purchase Price	\$ 100,000	Mortgage	\$ 415,914
Rehab/Construction Costs	\$ 717,000	Developers Donation	\$ 135,000
Developer's Fee	\$ 60,000	<b>Other Funding</b>	<b>\$ 364,086</b>
Pre-Development & Closing Costs	\$ 28,000		-
1 yr Capital Reserve	\$ 10,000		-
	<b>\$ 915,000</b>		<b>\$ 915,000</b>

**Project Description:** 6 One Bedroom apartments  
Financials based on the Rents noted above

PROJECTED FINANCIAL RESULTS	
Rental Income	\$ 57,600
Less: Vac and Collec loss	\$ 4,032
Effective gross income	\$ 53,568
Less: Operating expenses	\$ 18,000
Net Operating income (NOI)	\$ 35,568
Annual Debt Service	\$ 28,454
Before-tax Annual cash flow	\$ 7,114
Debt Coverage (NOI/Annual Debt)	1.25 (Target=1.25)

		<b>Subsidy needed</b>
<b>Currently</b>	\$ 950 / unit	\$ 364,000
30 % AMI	\$ 421 / unit	\$ 654,000
50 % AMI	\$ 701 / unit	\$ 458,000
HUD FMR	\$ 1,080 / unit	\$ 318,000
FHFC	\$ 1,122 / unit	\$ 164,000



# Infill Rentals on single family lots





# St. Johns Housing Partnership First-time Homebuyers



# **Threats to the existing housing stock**

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- Disparity between wages and housing expenses
- Rising material prices
- Shortage of workers, especially in remodeling
- Refinancing: rising interest rates
- Build-for-rent investors buying up existing portfolio
- Lack of financial counseling to make good decisions and maintain a strong credit score

# At least try to preserve the existing stock

## ➤ Homeownership

- Refinancing opportunities
- Foreclosure prevention
- Rehab/Retrofit
  - Conservation
  - Accessibility
  - Resiliency

## ➤ Rentals

- Back rent assistance
- Refinancing options
- Deferred maintenance
- Prevent investor buyouts from landlord fatigue

# **If you want to see some of our work...**

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