

City of Deltona, Volusia County, Florida

Planning and Development Services, Community Development
SHIP Affordable Housing Programs

AFFORDABLE HOUSING ADVISORY COMMITTEE

Thursday – October 9, 2008 @ 7:00 PM

**Deltona City Hall, 2nd Floor Conference Room
2345 Providence Boulevard, Deltona, Volusia County, Florida**

I. Call to Order

Vice-Chair Valderrama called the September 25, 2008 meeting of the Affordable Housing Advisory Committee to order at 7:00 p.m. in the second floor conference room of the Deltona City Hall, 2345 Providence Boulevard, Deltona, Volusia County, Florida.

Members Carl Stephens, Mylene Valderrama and Ramon Villanueva were present.

Members James Steele, Caroline Turgeon and Steve Westbrook had excused absences.

Members Robert MacDonald, Richard Rowland, Harry Wilkins and Michael Williams had unexcused absences.

Mr. Tom Burbank, Planning Manager (Current Projects) and Acting Director of Planning and Development Services; Mr. Ron Paradise, Planning Manager (Future Planning); Cheri Wight, Community Development Information Specialist; Diane Marinero-Tyler, Recording Secretary were also present

It is presumed that the lack of quorum was due to inclement weather.

II. Approval of Minutes – September 25, 2008

Since there was no quorum, the Committee was unable to approve the minutes of the September 25, 2008 meeting.

III. The Allowance of Affordable Accessory Residential Units in residential Zoning

This was discussed at an earlier meeting under the heading of flexible density.

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Currently, the City's Code, in part, defines a dwelling as not having more than one kitchen (Section 110-201, City of Deltona Code of Ordinances). The aging population, single parent households and other segments of the population need affordable housing and may not want to or be able to keep up with home and yard maintenance. Suburbs are changing, they are compacting. The City of Deltona needs a downtown area much like Winter Park Village. Deltona Boulevard seems to be the heart of Deltona. Possibly Deltona Plaza or the old Winn Dixie Plaza on Deltona Boulevard could eventually become the downtown area. This problem with this theory is that both plazas are privately owned.

The Committee discussed recommending that the City Commission consider allowing mother-in-law apartments or granny flats in all residential areas as long as all other sections of the Code can be met. The down side to this type of development is the possibility that the units will become rental units.

Allowing rental of these units was also discussed. The down side is that sometimes both units are rented and property management suffers. A possible answer to that issue would be that the ordinance be drafted to require that the owner must live on site or that a deed restriction to that effect be drafted. Staff advised it would be impossible to enforce such a provision.

IV. Local Government Processes that Increase the Cost of Housing

The "effects of government processes and regulation on the cost of development" is a topic that has been studied at great lengths. It is possible to attribute up to 15 to 20 percent of the cost of a project to government regulations. To date there has not been any suggestion proposed to reduce this cost. Government must ask the question, "Do we want to lower our standards?" And if so, "How low should the standards be set?" If standards are reduced too low, there could be a compromise to safety. For example, meeting hurricane standards drives up the cost of a project. However, if the standards are not met, safety of the public is compromised.

V. The Preparation of a printed Inventory List Suitable for Affordable Housing

Community Development staff has already started preparing an inventory list of properties/houses that are suitable for affordable housing.

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VI. The Support of Development Near Transportation Hubs and Major Employment Centers and Mixed-Use Developments

Urban Infill Residential (UIR)

Language is being proposed for a new land use category entitled Urban Infill Residential (UIR). At this time Urban Infill Residential is being defined as follows. This definition will likely be modified prior to adoption.

The purpose and intent of the Urban Infill Residential category is to provide for a wider range of residential density options on smaller parcels (typically 10 acres or less) situated within either planned or existing urban areas. Residential development within the Urban Infill Residential may include single family dwellings on individual lots, zero-lot line projects, townhomes or low-rise multi-family formats. The proposed density range of the Urban Infill Residential is 6 to 9 units per acre.

The maximum Urban Infill Residential density is proposed to be capped at 9 units per acre. At the last Affordable Housing Advisory Committee, a maximum density of 9.9 units per acre was mentioned. Pursuant to discussion and research, City staff concluded that 9.9 units per acre did not provide enough differentiation between the urban Infill Residential density and the Residential Medium Density future land use category. The existence of two maximum density levels so close together could encourage a situation where less density would be accepted to take advantage of a regulatory incentive which could prove counter to workforce housing goals.

City staff is also in the beginning stages of performing research to determine if there are land resources and parcel sizes located within the City where the Urban Infill Residential category could be applied. The initial research does indicate that there may be parcels available and applicable for a Urban Infill Residential category. Staff will also have to research how the proposed Urban Infill Residential designation can be implemented through City zoning. Discussion regarding the establishment of some location criteria for the proposed Urban Infill Residential to ensure that the UIR is adequately served with urban infrastructure, compatible with the existing uses, etc. is ongoing.

The issues with this land use category are that there may be some public opposition if a developer attempts to amend the future land use map to obtain this future land use on property where affordable housing is proposed. If a Comprehensive Plan Amendment were adopted changing the future land use of certain parcels and those parcels were rezoned prior to a project being proposed, there would not likely be public opposition at the time the project is proposed as the property would be properly zoned and no public hearing would be required. Staff is examining whether the Urban Infill Residential land

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use should it be available only on thoroughfares as lots on thoroughfares are often expected by the community to be more intensive uses. Also, staff has not yet examined the ownership pattern of the property suitable for the Urban Infill Residential land use category.

Mixed Land Use Category

Both City staff and Committee Members have discussed the possibility of creating a mixed use land use category. As the name implies, a Mixed Land Use would allow a mixture of land uses to occur as part of an individual development. For example, a site could be developed with retail and office uses on the first floor and have residential apartments on the second floor. The idea of mixed use development is not new. Historic development patterns, especially in urban areas, commonly exhibit a mixed use format. In contemporary times where land uses have been more segregated and spread out the idea of mixed use development patterns is sometimes referred to as “neo-traditional” development. Benefits of a mixed use development pattern include an efficient use of land (compact growth patterns/more efficient governmental service ability) and less reliance on the use of automobiles (people can live and shop, potentially within the same building without driving).

The City’s current Comprehensive Plan already encourages mixed use type developments but does not create and apply a mixed use category. In addition, the City Evaluation and Appraisal Report (EAR) strongly recommends that the City further encourage mixed use development patterns. Based on the current momentum behind the establishment of a mixed use category, City staff has identified areas of the City where mixed use developments may be appropriate. Most of the areas being studied for a mixed use designation represent nodes of land associated with the intersections of major roads within the City. An example is the intersection of Providence and Saxon. Other areas being studied for the application of a mixed use designation are located at the edge of existing commercial areas and are viewed as a logical transition of land use intensity.

The application of a mixed use category within the City is not without challenges. Many of the areas being studied for some type of mixed use are currently being used for single-family residences and are subdivided into small parcels which is problematic. A mixed use entitlement would result in more land use intensity. When one factors in the infrastructure (parking, retention, etc) needed to allow a mixed use to function properly, mixed use development would not be feasible on some parcels as currently platted and owned. To realize a mixed use development pattern there would need to be combinations of parcels and combination activities which usually take long periods of

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time. This type of development would likely happen through evolution if the City welcomes it.

Notwithstanding the challenges, a mixed use designation for the City has merit. The following issues must be examined: allowed uses, mixture ratios, minimum lot sizes, the creation of non-conforming uses and mitigating City land development regulations that may create obstacles to mixed use development patterns

Staff is looking at other communities that have mixed use development, including some other Mackel Brothers projects, to see what works and what does not work.

VII. Comments

Pursuant to the September 25, 2008, Affordable Housing Advisory Committee meeting, City staff researched the Hillsborough County program for impact fees. City staff examined the Hillsborough County website and spoke to Hillsborough County staff.

There are two programs – the Transportation Assessment Program (TAP) and the Transportation Assessment Unit (TAU).

The Transportation Assessment Program allows applicants to defer 75% of the transportation and right-of-way impact fees to the property tax bill for no more than 20 years. This program applies to residential uses only. 25% of the fee is due up front at the time of the Certificate of Occupancy (CO) as a down payment. Interest rate is based on the market conditions at the time of the TAU approval. There is also a 9% annual charge for administration on top of the interest. The TAU assessment can be paid off early.

The intent of the program is not to encourage affordable housing, it is intended to help defer developer costs. Developers found that passing the impact fee costs to home buyers directly was more preferable than fronting their own money. The cost of financing the impact fees, especially with administrative fees was much more than the cost of mortgage interest rates.

The program, based on limited use is somewhat difficult for the County to administer and if participation was greater more staff would be needed to manage the program.

Hillsborough County determined that a development project needed to generate at least \$1,000,000 of impact fees to qualify based on bonding issues. Staff said there is no

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mechanism to ensure that developers actually pass costs on to the consumer. Further, the Clerk of the Court did not like the extra filling activity.

The program was implemented by Hillsborough County in 2001. At that time, there was a lot of support by development oriented stakeholders for the program. However, only one developer has taken advantage of the program and that was a test case which the County helped fund. Staff has recommended that the program be allowed to sunset and at this time, the Transportation Assessment Program is being phased out.

The Capacity Assessment Unit Program (CAU) is administered by the Hillsborough County Utilities Department. The Capacity Assessment Unit Program is similar to the Transportation Assessment Program in that fees are assessed as part of taxes. The program is available to any type of development. The developer must provide 50% as a down payment. Interest is accrued and an 8% administrative fee is assessed annually.

The program was instituted to encourage the use of existing capacity within existing facilities. The Capacity Assessment Unit Program has been well received and is self-funded. The infrastructure was already in place; therefore, there was no need to obtain a bond to pay for the initial improvements. However, the County has since bonded using collections as collateral.

VIII. Adjournment

There being no further business, the meeting was adjourned at 8:00 p.m.

Approved this 23rd day of October, 2008.

Mylene Valderrama, Vice-Chairperson

Diane Marinaro-Tyler, Recording Secretary