

**Collier County
Affordable Housing Advisory Committee (AHAC)**



AGENDA

Growth Management Community Development Department
Conference Rooms 609/610
2800 N. Horseshoe Dr., Naples, FL 34104

December 19, 2023, 9:00 AM

AHAC MEMBERS

Steve Hruby, Chair
Jennifer Faron, Vice Chair
Mary Waller, Member
Gary Hains, Member
Hannah Roberts, Member
Andrew Terhune, Member

Commissioner Chris Hall, BCC Liaison
Arol Buntzman, Member
Todd Lyon, Member
Paul Shea, Member
Thomas Felke, Member

COLLIER COUNTY STAFF

Jamie French, Department Head, GMCD
Michael Bosi, Director, Planning & Zoning
Jaime Cook, Director, Development Review
Cormac Giblin, Director, Housing Policy & Economic Development
Sarah Harrington, Planning Manager, Housing Policy & Economic Development
Derek D. Perry, Assistant County Attorney, County Attorney's Office
Donna Guitard, Management Analyst I, GMCD
Julie Chardon, Operations Support Specialist II, Housing Policy & Economic Development
Kevin Summers, Mgr., Technical Systems Ops, GMCD

NOTE: ALL PERSONS WISHING TO SPEAK ON ANY AGENDA ITEM MUST REGISTER PRIOR TO SPEAKING. ALL REGISTERED SPEAKERS WILL RECEIVE UP TO THREE (3) MINUTES UNLESS THE TIME IS ADJUSTED BY THE CHAIRMAN. DURING COMMITTEE DISCUSSION, COMMITTEE MEMBERS MAY ASK DIRECT QUESTIONS TO INDIVIDUALS. PLEASE WAIT TO BE RECOGNIZED BY THE CHAIRMAN AND STATE YOUR NAME AND AFFILIATION FOR THE RECORD BEFORE COMMENTING.

IF YOU ARE A PERSON WITH A DISABILITY WHO NEEDS ACCOMMODATION IN ORDER TO PARTICIPATE IN THIS MEETING, YOU ARE ENTITLED, AT NO COST TO YOU, THE PROVISION OF CERTAIN ASSISTANCE. PLEASE CONTACT THE COLLIER COUNTY FACILITIES MANAGEMENT DEPARTMENT. ASSISTED LISTENING DEVICES FOR THE HEARING IMPAIRED ARE AVAILABLE IN THE COUNTY COMMISSIONER'S OFFICE.

- 1. CALL TO ORDER & PLEDGE OF ALLEGIANCE**
- 2. ROLL CALL OF COMMITTEE MEMBERS AND STAFF**
- 3. APPROVAL OF AGENDA AND MINUTES**
 - a. Approval of today's agenda
 - b. Approval of November 28, 2023, AHAC Meeting minutes.
- 4. INFORMATIONAL ITEMS AND PRESENTATION**
 - a. ADU Update (M. Bosi)
- 5. PUBLIC COMMENT**
 - a. Persons wishing to speak must register prior to speaking. All registered speakers will receive up to three (3) minutes unless the time is adjusted by the Chairman.
- 6. DISCUSSION ITEMS**
- 7. STAFF AND COMMITTEE GENERAL COMMUNICATIONS**
 - a. DSAC Update (H. Roberts)
 - b. 2023 Quest Website Report- www.CollierCountyHousing.com
 - c. Upcoming Public Meetings (C. Giblin)
- 8. NEW BUSINESS**
- 9. ADJOURN**
- 10. NEXT AHAC MEETING DATE AND LOCATION: January 16th, 2024, at 9:00 AM
Conference Room 609/610 - Growth Management Community Development
Department**

MINUTES OF THE COLLIER COUNTY
AFFORDABLE HOUSING ADVISORY COMMITTEE

Naples, Florida, November 28, 2023

LET IT BE REMEMBERED, the Collier County Affordable Housing Advisory Committee, in and for the County of Collier, having conducted business herein, met on this date at 9 a.m. in REGULAR SESSION at the Collier County Growth Management Community Development Department Building, Conference Room #609/610, 2800 Horseshoe Drive N., Naples, Florida, with the following members present:

Chairman: Steve Hruby
Vice Chairman: Jennifer Faron
Arol Buntzman (absent)
Thomas Felke
Gary Hains
Commissioner Chris Hall
Todd Lyon (Excused)
Hannah Roberts
Paul Shea
Andrew Terhune
Mary Waller

County Staff Members Present:

Cormac Giblin, Dir., Housing Policy & Economic Development, GMCD
Sarah Harrington, Planning Manager, Housing Policy & Economic Development, GMCD
Derek Perry, Assistant County Attorney
Jaime Cook, Director, Development Review, GMCD
Julie Chardon, Ops Support Specialist II, GMCD
Kevin Summers, Mgr., Technical Systems Ops, GMCD
Mike Bosi, Director, Zoning & Planning Department, GMCD
Kristi Sonntag, Director, Community & Human Services Division, PSD
Donald Luciano, Assistant Director, Community & Human Services Division, PSD

Any persons in need of a verbatim record of the meeting may request a copy of the audio recording from the Collier County Growth Management Department.

1. CALL TO ORDER & PLEDGE OF ALLEGIANCE

Chairman Hruby called the meeting to order at 9 a.m. and the committee recited the Pledge of Allegiance.

2. ROLL CALL OF COMMITTEE MEMBERS AND STAFF

Mr. Giblin called the roll call. A quorum of nine was present in the boardroom.

3. APPROVAL OF AGENDA AND MINUTES

a. Approval of today's agenda

Planning Commissioner Shea made a motion to accept the agenda. Second by Ms. Waller. The motion passed unanimously, 9-0.

b. Approval of October 17, 2023, AHAC meeting minutes

Mr. Terhune said the fourth bullet on p. 4 should say increasing the allowed density “in” activity centers from 16 to 25, rather than “of.”

Vice Chair Faron made a motion to approve the October 17, 2023, meeting minutes, as amended. Second by Mr. Terhune. The motion passed unanimously, 9-0.

4. INFORMATIONAL ITEMS AND PRESENTATION

a. Age-Friendly Collier (M. Beland)

[Mark Beland, the Avow Hospice Community Liaison and chairman of Age-Friendly Collier, provided AHAC members with Age-Friendly Collier brochures.]

Mr. Beland told the AHAC:

- The Age-Friendly Collier initiative began a few years ago when the Florida Department of Health in Collier County held a community health improvement plan meeting at Avow to discuss the health of older adults. He later became chairman.
- Two initiatives evolved – the AARP age-friendly community initiative and a dementia-care initiative.
- The first goal was to create an action plan under different domains, such as transportation, health, communication and opportunities for older adults, especially housing, which has been a challenge in the area.
- Reached out to the Hunger & Homeless Coalition and the AHAC. Former AHAC member John Harney was involved.
- We had a question about the surtax funds going to housing and spoke with Sarah Harrington before the meeting.
- Goal is to have an AHAC member involved with Age Friendly Collier.
- The action plan is complete. Meeting quarterly to move forward, Looking at new challenges and resources. Need the AHAC to provide housing updates.
- Also involved are Habitat for Humanity, Rural Neighborhoods, the Collier

County Community Land Trust, and other groups.

Mr. Beland said they're looking for a volunteer from the AHAC to attend the Age-Friendly Collier quarterly meetings. Their next meeting is at 2 p.m. February 2.

Mr. Felke agreed to volunteer as an AHAC liaison, noting he already works with Age-Friendly Collier.

5. PUBLIC COMMENT

[Chairman Hruby outlined the guidelines for public speakers.]

Jessica Turner, of the Southwest Florida Regional Sustainable and Attainable Housing Coalition, provided an update on the coalition:

- The coalition works through The Collaboratory in Fort Myers.
- Currently working in Charlotte County to change wording to allow accessory dwelling units.
- Working on creating an equity fund. Collier County is a model for the regional housing coalition.
- Working on a regional eviction prevention program. Charlotte, Lee and Collier County are already involved. Hoping to get Hendry and Glades involved.
- Plans to come to the AHAC meetings, noting that the committee puts housing first for county residents.

Chairman Hruby thanked her for the update, noting it's a regional problem.

6. DISCUSSION ITEMS

a. Review and Recommendation of Surtax Applications (C. Giblin)

Chairman Hruby said he'll recuse himself from voting on 6.a.1 because he's chairman of the board for the Collier County Land Trust, a partner for McDowell. Ms. Faron will act as chair for that presentation.

Mr. Giblin detailed the history of the surtax program:

- On November 6, 2018, Collier County voters agreed to tax themselves an extra penny on sales tax.
- \$20 million collected is designated to workforce-housing land acquisition.
- In March, staff developed an application and review process for applicants to request surtax money or suggest sites the county could acquire to build housing that's affordable.
- Staff received several applications. These two applications, McDowell Partners and Habitat for Humanity, are up to the review process stage.
- The two applicants are not competing against each other but are competing for funds. The \$20 million can fund both requests.
- Presentations will be followed by staff analysis, and an AHAC Q& A.

1. McDowell Housing Partners – Ekos on Collier

[Bill Zunamon, McDowell VP of Development, detailed a PowerPoint presentation

showing the project.]

- **Requested surtax amount, \$3.75 million, to purchase the land.**
- **Score: 62.5/100%.**

Vice Chair Faron asked for the staff analysis and recommendation.

Mr. Giblin told the AHAC:

- The presentation numbers are slightly different from those on the application. Staff likes the incomes served and number of units better.
- Staff acknowledges McDowell Partners' commitment and desire to assist Collier County in addressing affordable housing issues. Although the application scored 62.4 out of 100 points, it also contains a Comprehensive Plan inconsistency.
- That's because the parcel is within the Coastal High-Hazard Area, making it inconsistent with the Growth Management Plan coastal-conservation element, as required in the state statute and the county's Comprehensive Plan, which says it should "*set forth policies that guide the local government's decisions and program implementation with respect to the following objectives.*"
- There's a list of 10 objectives. No. 7 is a limitation of public expenditures that subsidize development in the Coastal High-Hazard Area.
- Collier County also has a housing element to the Comprehensive Plan, which encourages development of affordable housing. Staff are left with two different sections of our Comp Plan in competition with each other, so we're constrained with recommending approval.
- The decision needs to be made by boards higher than staff. The application was very thorough, contained all required elements, scored nicely, and we'd fully support development on this site. However public funding creates a conflict with the Comprehensive Plan.

Mr. Zunamon said McDowell met with Emergency Medical Services to discuss that and EMS supports the development, especially because McDowell will overcome that, hit every other possible qualification, and try to find a solution.

Mr. Giblin responded that:

- Bill, who presented this site to the AHAC before for other funding opportunities discussed tax-credit finance applications. He said the site is somewhat of a unicorn because it marries many state incentives and makes it attractive to be financed through those mechanisms.
- Staff are constrained from recommending approval due to expending public money.
- That doesn't mean public monies are not expended in the Coastal High-Hazard Area every day. The Bayshore CRA is entirely within the coastal-high category and spends millions yearly, but staff can't make that decision.

A discussion ensued and the following points were made:

- There is no minimum score to recommend an application.
- The AHAC found the process long and onerous and wants it streamlined.
- A new process will be discussed later, under "Staff Updates." Staff suggests

an amendment to the policy to create a fast track. The Board of County Commissioners will hear that in January. If a project scores above a certain percentage, possibly 75-80%, it can go straight to the BCC to make a presentation.

- McDowell has invested thousands in this project for over a year. It asked the seller for five extensions and incorporated all feedback.
- The surtax program involves a 99-year county land lease. If the county acquires the land, the statute requires it to be affordable in perpetuity.
- If surtax funds aren't used, McDowell can choose the time period.
- Perpetuity allows a developer to go up to 120% AMI, which is workforce housing. That's where McDowell hasn't set a direct limit and that will happen once the lease is signed.
- Going up to 80% AMI or higher allows for a wide range, but McDowell knows the project is feasible and knows the county's goals and needs. McDowell is seeking the AHAC's feedback.
- This project was targeted for the state's previous sales cycle and was due two months ago. Given the scoring and the way it came out, staff couldn't make a self-investment without knowing specifics and financing.
- If McDowell were able to move forward, the program allows a developer to go up to 120% AMI after 15 years.
- "In perpetuity" gives you the option to offer higher than 60% AMI.
- The property didn't flood during Hurricane Ian, but McDowell will take steps to add fill to the entire site to elevate it above the flood zone.

AHAC members and staff discussed constraints by staff and AHAC's abilities:

- AHAC members agreed they shouldn't be deterred by the Coastal High-Hazard Area (CHHA) location.
- AHAC members acknowledged that staff is constrained by its rules, but AHAC can still recommend expending public money for the project.
- AHAC discussed government getting in the way of an amazing project; discussed EMS's support for the project; McDowell's intent to build only 160 units and to elevate the project.
- AHAC agreed a CHHA shouldn't eliminate a project's ability for funding.
- The front section where the building is located is zoned C-3, which is eligible for the Live Local Act, while the upper part, where the pool, clubhouse and some parking are located, is not.
- Only the building is on commercially zoned land. There hasn't been a direct staff interpretation on allotment for accessory use on the northern parcel, where the clubhouse stands. The units are permitted and feasible, as proposed.
- McDowell is working with the county to ensure it's feasible and meets requirements.
- The use of the Live Local Act for the commercial area is still being explored.
- Mobile home zoning is a subset of residential.
- The BCC has the ability to approve it under Live Local without a public hearing because the project is 100% affordable.
- It's still feasible if McDowell couldn't have accessory uses.
- Staff is impressed with the numbers and project. This Coastal High Hazard

Area is in close proximity to many economic employment opportunities and staff supports that, but is constrained from making a recommendation due to conflicting policies.

- Being zoned as a Mobile-Home District, it needs a principal use. These are accessory uses, so we may have to ask the Board of County Commissioners to exercise its right to say that within the Mobile Home District the amenity centers and parking can be approved as proposed.

Vice Chair Faron told the AHAC:

- Experience includes 12 years on the board of a Chicago affordable-housing developer that built and managed units using 4% and 9% tax credits.
- Without the LIHTC (Low-Income Tax Credit) program, there would be a substantial deficit in affordable housing nationwide, but LIHTC doesn't create or incentivize efficiencies in the process across the board. It's onerous, burdensome and takes a long time.
- Another inefficiency is the cost structure.
- The Sources and Uses Analysis on p. 96 shows an 18% allocation of project funds to developer profit and overhead.
- If there's an 18% allocation, \$3.5 million of that is the deferred developer fee, and you'll earn that over time, and deserve it, but the other \$3.1 million is overhead. McDowell has three other county projects and a struggle exists with the \$3.1 million in overhead costs to build 160 units. Conclusion is McDowell doesn't need the surtax money.
- Struggling with using public dollars to allocate \$6.5 million to McDowell when they have many costs covered. She doesn't believe in allocating public money when so much goes toward overhead and profit, mostly overhead. She's leaning toward a no-vote.
- There's some bloat in the funds.

Mr. Zunamon said McDowell understands, and believes there was a mistake when reading the *pro forma*. McDowell is only requesting funds for the land, \$3.75 million. Understandable, a 4% tax credit project without additional financing is not feasible in Florida and 18% is a state standard for a bond deal. It may be different in Illinois.

Vice Chair Faron said *pro forma* is a source and use document. Seems like an overkill use of public money.

A discussion ensued and the following points were made:

- The \$3.1 million allocation is part of the state application for 160 units. It's not overhead, it's a fee.
- 18% is solely for development costs; \$3.5 million is the deferred-development fee.
- If surtax funding were taken out, there would be no fee earned.
- McDowell is only seeking \$3.75 million in funding for land costs and the project isn't feasible without funding.
- Is the LIHTC an appropriate use of public funds when there's already public financing through tax credits?

- McDowell looks for every opportunity to find other financing to build the best product possible.
- No timeline was detailed because McDowell didn't know if funding would be approved.
- If funded, they'd immediately start getting entitlements, which would take six to nine months before they'd begin construction.
- McDowell isn't a public corporation, so they don't qualify for the next tax-credit funding cycle but will be looking at all funding sources.
- They're ready to move forward immediately with the design process.

Ms. Harrington told the AHAC:

- The parcel is unique and is zoned C-3, which would be eligible for the Live Local Act.
- Regarding the inconsistency with the Comprehensive Plan, the Growth Management Plan and location within the Coastal High-Hazard Area, during Hurricane Ian, area residents requested FEMA trailers because this creek is tidally influenced.
- Conversations with Emergency Management could offer opportunities to mitigate the location and potential concern of the location.

Mr. Giblin noted staff is seeking a recommendation from the AHAC. The Surtax Committee's next meeting is January 11.

Ms. Waller made a motion that was seconded by Planning Commissioner Shea, but Vice Chair Faron, Mr. Felke, Hains and Terhune opposed it; Chairman Hruby abstained.

Commissioner Hall asked why the others were opposed, and a discussion ensued:

- The county is seeking applicants.
- Concern over the conflict with the Comprehensive Plan and other funding issues.
- Staff has a policy that says they can score Coastal High-Hazard Areas properties lower. Staff must follow their guidelines. AHAC doesn't have to and neither does the BCC. The developer is willing to mitigate those areas.
- More comfortable with a plan in place.
- AHAC isn't bound by policy. Staff likes the project but can't recommend it due to the policy conflict.
- McDowell offered to provide AHAC with an emergency plan.
- Concern about the CHHA location due to what occurred in Fort Myers Beach. Noted hurricanes will worsen and sea levels are expected to rise.
- Mr. Zunamon said the structure will be concrete and built above flood elevation.
- McDowell is building a quality concrete project in an area surrounded by trailer parks ruined by Hurricane Ian. That kind of investment needs support. A for-profit developer could buy that land and build market-rate apartments. McDowell is trying to build affordable housing and we're complaining that they're making too much money. It will cost a lot to mitigate this, including gopher tortoises, wetlands and fill.
- AHAC members could be swayed to approve it, noting McDowell has done a good job on its three county projects.
- McDowell is aware of the problem and is willing to mitigate it. They've stood by every promise they've made on all the construction in Collier County involving senior living and workforce housing. Developers were asked to apply for surtax money, which has been sitting in a fund.
- AHAC is making too big an issue of the Coastal High Hazard Area. Many projects have been built in those areas.
- Mr. Zunamon noted that their three county projects were in flood zones.
- The Live Local Act doesn't prohibit building in flood zones.

Ms. Waller moved to recommend that McDowell Housing Partners' Ekos on Collier receive \$3.75 in surtax funds. Second by Planning Commissioner Shea; Vice Chair Faron and Mr. Felke voted against; Chairman Hruby and Mr. Terhune abstained. The motion passed 4-2, with two abstentions.

[Chairman Hruby provided a Form 8B detailing his conflict; Mr. Terhune filed a Form 8B showing no conflict of interest or financial benefit.]

2. **Habitat for Humanity of Collier County – Town of Big Cypress**

[Michael Solorzano, Habitat’s director of Land Development, *detailed a PowerPoint presentation showing the project.*]

- **Requested surtax amount, \$1,984,500, to purchase two parcels totaling 88.2 acres.**
- **Score: 58.2/100%**

A discussion with staff, Habitat and the AHAC ensued, and the following points were made:

- Barron Collier Companies set aside 88.2 acres at \$22,500 per acre, a pre-set price, and gave the county the right of first refusal.
- Staff will discuss whether to exercise that right with the BCC.
- AHAC members loves the home ownership aspect. When Habitat, the note holder, sells the homes, they stay off the tax rolls in perpetuity because Habitat is a non-profit.
- This application is light on details, financing structure, plans, etc., and has a longer horizon timeline.
- Habitat can’t move forward with the Town of Big Cypress until the development infrastructure – water sewer, roads, and power – is there.
- Habitat COO Mara Foley said Collier Enterprises can start the main infrastructure in February. Plan to start at the north and move south. Plat submitted and under review. Infrastructure is expected to begin by mid-2024 and be complete by mid-2025. Construction can occur before the infrastructure is completed.
- It’s owned by Tarpon Blue Family of Companies but is still operating under the Barron Collier name. Tarpon Blue is the umbrella ownership.
- The lands were set aside during the entitlement process for the Town of Big Cypress and are required to be affordable housing.

Mr. Giblin said it presents a dilemma. Does the county purchase the land and then find a partner developer to build it? Or do we let go of our option and let Tarpon Blue or Collier Enterprises fulfill that obligation? Do we spend surtax money on something that’s already required to be affordable for 30 years or spend surtax money to bring it into the county fold to ensure it’s affordable in perpetuity? It may take getting this money to spur it to be developed in the way the county desires it to be developed.

A discussion ensued and the following points were made:

- \$2,200 per unit for land costs is highly leveraged. To buy an additional 70 years of affordability for \$2,250 is a no-brainer.
- Habitat CEO Lisa Lefkow noted it’s required that the 88.2 acres yields 882 units.
- Over 45 years in Collier County, Habitat has built 2,500 owner-occupied units and recently has built multifamily, townhomes and condos.
- The community will be partially leased and partially sold; 20% would be set aside as compensation for a rentals developer. Habitat and the county will determine the percentage of rentals needed.

- County staff recommended low-income rental units be built because that's the county's No. 1 need, but Habitat won't be building rental units. Habitat spoke with several developers, including McDowell, about the rental side.
- Habitat could build more units, but the county is the obstacle.
- 80% AMI is the primary focus.
- At approval time, Habitat families are all at or below 80% AMI, but during construction and the investment of sweat equity, it can take a year from application approval to closing and there were families who earned more and ended up above 80% at closing.
- There's an opportunity to provide up to 120%, depending on the direction the county gives Habitat.
- Habitat homes have been purchased by county staff, teachers, and firefighters.
- Ms. Lefkow said it's difficult for developers to provide affordability for people making less than 80% AMI.
- This could be affordable for 99 years.
- If surtax money were used, it extends affordability to perpetuity.
- Attorney Perry noted the county would own the land until it decides to sell it.
- The home sales price is capped.
- The BCC deal required the town to set aside 82.5 acres and restrict them to 100% or less of AMI for rental and ownership for 30 years, not 120% AMI. Under current zoning, 120% AMI isn't an option unless it's opened again.
- If an owner wants to sell, the sales price is capped, and they're encouraged to sell to Habitat.
- There's a shared appreciation agreement limiting the amount of appreciated value that a homeowner taps into based on time and tenure.
- Habitat is a shared equity owner and doesn't charge interest on mortgages.

Commissioner Hall made a motion to recommend awarding \$1,984,500 in surtax money to Habitat for Humanity of Collier County's Town of Big Cypress. Second by Mr. Felke; the motion passed 8-1; Mr. Terhune opposed it.

7. STAFF AND COMMITTEE GENERAL COMMUNICATIONS

a. DSAC Update (H. Roberts)

[Discussed after 7.b]

Ms. Roberts said the DSAC discussed the food-truck park code language and that the AUIR (Annual Update & Inventory Report) will go before the Board of County Commissioners for approval in December. It provides the estimated infrastructure capacity and outlook for five years of infrastructure improvement projects that the county plans to take on. The county gets hit with traffic concerns and the capacity to support denser projects. Mr. Bosi will provide updated information.

Mr. Bosi detailed the AUIR-CIE (Capital Improvement Element):

- The AUIR-CIE goes before the BCC on December 12.
- It sets the county's concurrency management system, which is applied when you come in for a development order, such as a plat or SDP.
- They'll analyze the capacity of the road system and additional trips, to determine

the capacity of public utilities, parks, schools, etc., which are part of the current concurrency.

- The AUIR allows the county to move forward with higher density projects within specific areas and ensure the road system volume is available.

Ms. Roberts continued her DSAC update:

- Bob Mulhere, a civil engineer on the DSAC, provided industry statistics showing construction costs went up 20-30% and insurance jumped 30-50%.
- She saw a 100% jump in the insurance for her company's condominium project.
- As AHAC consider projects, it's important to remember what developers are up against. The insurance for the building post-occupancy once it's delivered and there are people dealing with labor shortages and land expenses.
- It's a challenging market, especially in Southwest Florida, to build even when you're doing it for-profit.

b. ADU (Adjacent Dwelling Units) Update (M. Bosi)

Mr. Bosi told the AHAC:

- Commissioners directed staff to speak to the Urban Estates community to determine their interest in allowing guest house rentals.
- Staff mailed 3,580 postcards to every Urban Estates homeowner.
- Staff held Public Information Meetings on Oct. 11, 18 and 25 at North Collier Regional Park, Heritage Bay Government Services Center and South Regional Library.
- Staff collected only 59 responses at three meetings, less than a 2% return rate.
- Staff couldn't get a lot of participation, so posted the survey on the web page and Collier County TV promotional ads ran to spur more interest.

Mr. Bosi outlined the survey questions:

- Do you currently have a guest house on your property or under construction? 33 people, 56%, said no; 26 respondents said yes.
- Would you be interested in renting your guest house on an annual basis? 53% said yes and 20 respondents were not interested.
- Would you participate in renting a guest house if it was only for income-restricted tenants? 78% said no.
- Staff told residents if the county were to allow guest houses to be rented in the Urban Estates, the county could not limit the duration, meaning it could be rented for six months, a year or a day. 61% thought it should be rented for six months; 32% thought it should be rented on a daily or weekly basis.
- Staff provided that information first because we wanted residents to know that if there was a guest-house program, there could be an Airbnb next door, but the majority supported guest house rentals.
- The survey will remain on the website until the end of this week.
- Whether income restricted or market rate, staff believes it's a benefit to supply and demand. By adding to rental supply, it will have a positive effect on the imbalance the county has with such high demand and limited supply.
- Staff heard from Rural Estates residents who live east of 951 that there's tremendous interest in renting out guest houses there. We'll have to ask the Board

of County Commissioners about that area.

- Staff will be seeking a formal AHAC recommendation at the next meeting, when we present our white paper, results and discussions with the Tax Collector and Property Appraiser.

A discussion ensued and the following points were made:

- The majority support renting guest houses, but not with an income restriction.
- The guest house will be 40% of the primary structure. It would be in a desirable neighborhood, so it would be discounted compared with home rentals.
- The guest house would be subtracted from the homestead exemption and the entire property would have a 3% property appreciation cap. For the area surrounding the guest house, the cap is 10%, which is not the same homestead exemption.
- There are taxing implications that were discussed with meeting attendees so they could make an informed decision.
- Staff had discussions with the Oakes Estates Homeowners Association. Oakes resident Carl Fry, a former Planning Commission member, spread the word, but we didn't get much participation.

[Commissioner Hall left the meeting at 10:40 a.m.]

- If it moves toward approval at a BCC hearing, more homeowners will probably show up to speak out.
- A lot of Urban Estates homeowners already are renting out guest houses, so they don't want to respond to an inquiry about renting because they don't want to expose themselves to doing something they're not supposed to be doing.
- If there's legitimate support, that's more than 3,500 lots, so there could be significant housing opportunities to discuss with the BCC.
- The public was highly skeptical about the Property Appraiser's ability to track which properties are being rented and enforce that. Staff must ensure the rental program is well documented.
- If you're renting a guest house, you're no longer qualified for a homestead exemption. There may be an ability for that if it's income-restricted, so staff will research that and present it next month.

c. SHIP Incentive Strategy Report (C. Giblin)

Mr. Giblin provided an update:

- The report the AHAC approved last month was submitted to the Board of County Commissioners, who approved it as part of their consent agenda.
- Between this meeting and the BCC meeting, minor cleanup issues were edited out of the agenda, so we'll compare those.
- The biggest outcome is the surtax process. Staff is going to the BCC in January to amend it to create a fact-track process for an application that scores highly on the staff-scoring sheet, so it can go straight to the BCC and move forward.

Chairman Hruby asked if there's a statutory requirement involving reviews.

Mr. Giblin said there's a local ordinance, but it doesn't specify the order of reviews.

The ordinance doesn't need to be revised, but they need a vote to say it's a lawful expenditure. The reimbursement would come after the purchase.

d. Upcoming Public Meetings (C. Giblin)

Mr. Giblin provided a list of meetings:

- The Community Land Trust held its annual meeting on November 16. The trust and Community Foundation announced plans for the Housing Alliance, a clearinghouse that will provide all information on affordable housing countywide. The official kickoff will be in January.
- The county held a dedication ceremony yesterday for the Golden Gate Golf Course affordable housing development. The county dedicated about 25 acres of the Golden Gate Golf Course purchase for a workforce housing development site. It will include 252 affordable rental units and 120 senior-housing affordable units. Construction is expected to begin in January.
- After seeing the county spur development there, a developer is renovating an old, dilapidated hotel next door to become 215 affordable efficiency apartments.
- JLM Living, 175 units of rental housing off Vanderbilt Beach Road, is going to the Planning Commission on January 4 and the Board on March 26. Of the 175 units, 15% will be at 80% AMI and 15% at 100% AMI, 26 units of each.
- Fiddler's Creek Section 29, a Growth Management Plan Amendment, and a rezone of a section of Fiddler's Creek is pending and involves adding 750 units of multifamily housing; 11.3% at 80% AMI and 11.3 percent at 100%, which is 85 units each. It goes before the Planning Commission on February 1 and the BCC on February 27.
- There are no Neighborhood Information Meetings involving affordable housing scheduled for the next month.

8. NEW BUSINESS

a. December meeting date

Mr. Giblin said anyone who abstained from voting today must fill out a Form 8B.

[No committee member shall vote in an official capacity upon any measure that would inure to his/her special private gain or loss. Each committee member also must abstain from knowingly voting on a measure that would inure to a special gain or loss involving any principal or entity by whom they are retained, or to any relative or business associate. If there is no conflict or appearance of conflict, the public official must vote.]

A discussion ensued over the meeting date, which is close to the holiday, but the AHAC opted to meet.

Ms. Waller asked that an update on the county's PR firm be presented to the AHAC because the AHAC haven't heard from the PR firm this year.

Ms. Sonntag will include a report in the next agenda packet.

Mr. Giblin told the AHAC staff has attended many ground-breaking, dedications, community forums and meetings and speakers all have their own facts, which conflict and leads to confusion, so staff compiled a list of county facts.

Mr. Giblin outlined Collier County's housing facts:

- There are 49,399 households that are cost burdened; more than 30% of their monthly income is spent on housing expenses.
- There are 52,749 people commuting from outside Collier County to work here daily. Housing affordability is the Greater Naples Chamber of Commerce's No. 1 public policy priority. The Community Foundation's Community Assessment, which is conducted every five years, this year showed that the cost of housing and controlling housing costs are the No. 1 community priority. There was a 65% response rate, compared with a 45% response rate five years ago.
- The median monthly rent here increased 28% from 2020 to 2021, and an additional 25% between 2021 and 2022, for more than 50% total increase over two years. It was the highest increase in the United States.
- The median rent here is now \$2,230; market rent is \$3,922.
- There is a less than 1.1% affordable apartment vacancy rate.
- The county's median home sales price is \$571,500, which combines condo and single-family homes.
- Single family is \$765,000 median, a condo is \$465,000 median.
- Home prices increased 88% from pre-COVID prices.
- About 5% of the jobs in Collier County pay less than \$35,000 a year.
- 58% of jobs pay less than \$45,000 a year.
- A \$45,000 salary can afford a housing payment of \$1,125 a month.
- Collier County's housing plan was approved in 2017 and contained over 35 actions that were adopted to improve housing affordability.
- Since 2018, the Board of County Commissioners approved 3,891 new affordable units for construction, with 2,108 in the urban area, and 1,783 in the rural area.
- Commissioners dedicated the five-acre Bembridge PUD site and partnered with McDowell Partners to build 82 affordable rental units.
- The Board dedicated 25 acres of a golf course to build over 252 units.
- Today, the county had its first recommendation for surtax funding.

[Mr. Giblin passed out the fact sheet and asked everyone to use those facts at community forums and meetings they attend for consistency.]

Chairman Hruby said it's important to carry the fact sheet around so they can be prepared to present the facts as an elevator speech at meetings or to attendees.

9. ADJOURN

Vice Chair Faron made a motion to adjourn the meeting. Second by Mr. Felke. The motion passed unanimously, 8-0.

10. NEXT MEETING DATE

9 a.m. December 19, 2023

Conference Room 609/610

Growth Management Community Development Department

There being no further business for the good of the county, the meeting was adjourned by the order of the chair at 11:03 a.m.

**COLLIER COUNTY
AFFORDABLE HOUSING ADVISORY COMMITTEE**

Stephen Hruby, Chairman

*These minutes were approved by the committee on _____,
(check one) as presented _____, or as amended _____.*

Guesthouse Rental Public Outreach

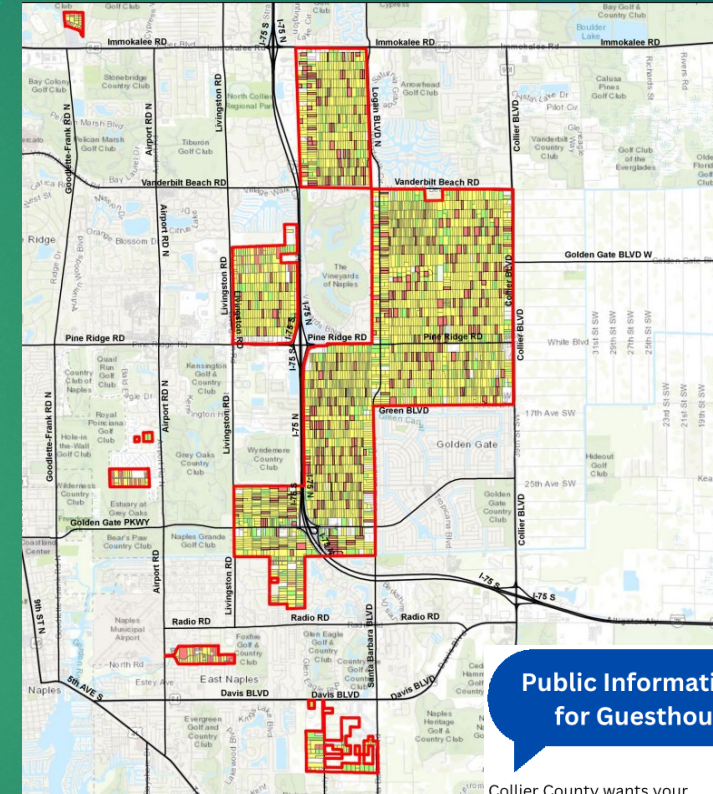
Affordable Housing
Advisory Committee

Overview - History

- ▶ On February 14, 2023, the BCC discussed an agenda item to look at the option of the renting of guesthouses within the Urban Golden Gate Estates.
- ▶ The BCC asked Commissioner Hall to bring the topic before the AHAC & to direct staff to assess the options & ramifications of allowing the rental of guesthouses.
- ▶ The County hired Agnoli, Barber & Brundage, Inc. (ABB) to assist with the Study.
- ▶ On May 15, 2023, staff presented the topic & the AHAC was supportive of looking at the rental of guesthouses as a possible solution to the overall housing shortage & the affordable housing shortage within the County.
- ▶ AHAC directed staff to gather feedback from the residents on the topic.

Overview - Public Outreach

- ▶ Staff decided to hold 3 Public Information Meetings (PIMs):
 - North Collier Regional Park
 - Wednesday, October 11 at 6:00 pm
 - Heritage Bay Government Services Center
 - Wednesday, October 18 at 6:00 pm
 - South Regional Library
 - Wednesday, October 25 at 6:00 pm
- ▶ A postcard with meeting details was sent to 3,559 property owners of the Estates zoned properties located west of Collier Blvd/C.R. 951.
- ▶ Traffic signs were also set out to provide notice for the meetings.



Public Information Meetings for Guesthouse Rentals



Meeting Schedule & Information

Collier County wants your feedback to help determine if the current restrictions on renting of guesthouses should be modified in the urban Estates area.

Please join us at one of these Public Information Meetings to voice your opinion!

Be sure to bring your smart phone to participate in the interactive survey!

Contact Email: guesthouserental@colliercountyfl.gov

Wednesday, October 11, 2023 | 6 p.m.
North Collier Regional Park
15000 Livingston Road
Naples, FL 34109

Wednesday, October 18, 2023 | 6 p.m.
Heritage Bay Government Services Center
15450 Collier Boulevard
Naples, FL 34120

Wednesday, October 25, 2023 | 6 p.m.
South Regional Library
8065 Lely Cultural Parkway #9005
Naples, FL 34113

The Collier County Public Library does not sponsor or endorse this program

Public Information Meetings

- ▶ Each PIM included a presentation made by the Consultant, which included an in-person, interactive survey to gather feedback & opinions from the attendees.
- ▶ Meeting attendance & survey response:
 - October 11 – 29 attendees, 25 survey responses
 - October 18 – 23 attendees, 15 survey responses
 - October 25 – 28 attendees, 19 survey responses
- ▶ In an effort to gather additional feedback, staff made the presentation & survey available online.
 - 76 online survey responses

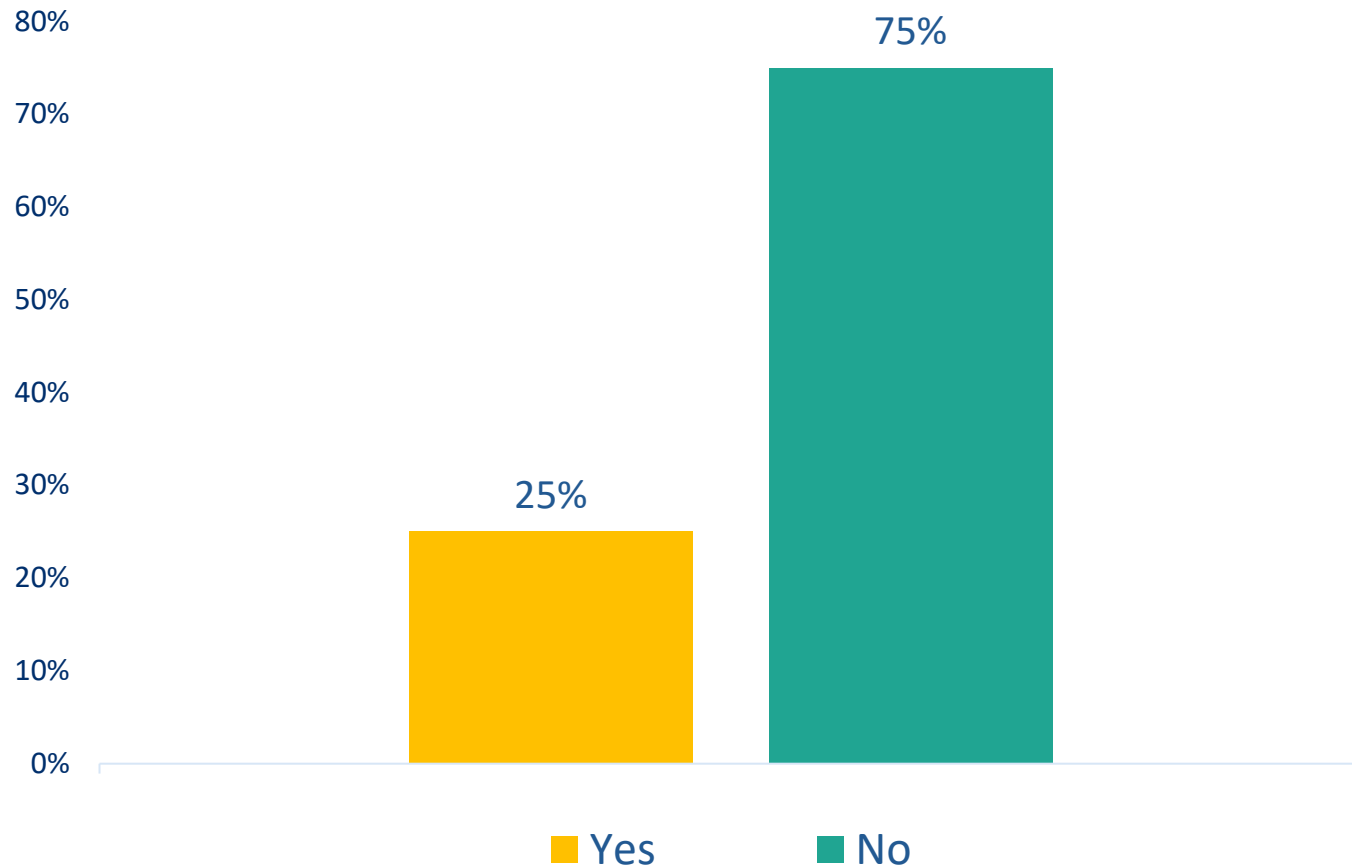
Meeting Presentation

- ▶ Stated that the objective of the meeting was to request feedback on the topic
- ▶ Introduced Staff & Consultant
- ▶ Gave background information of the study & showed study area map
- ▶ Explained what a guesthouse is & current LDC regulations
- ▶ Presented considerations:
 - Affordable Housing/Workforce Housing option
 - Property Appraiser (homestead vs. non-homestead rates)
 - Tax Implications (short-term vs. long-term rentals)
 - State Statutes regarding regulation of vacation rentals
- ▶ Interactive survey with 6 yes or no questions
- ▶ Question & Answer

Survey Questions

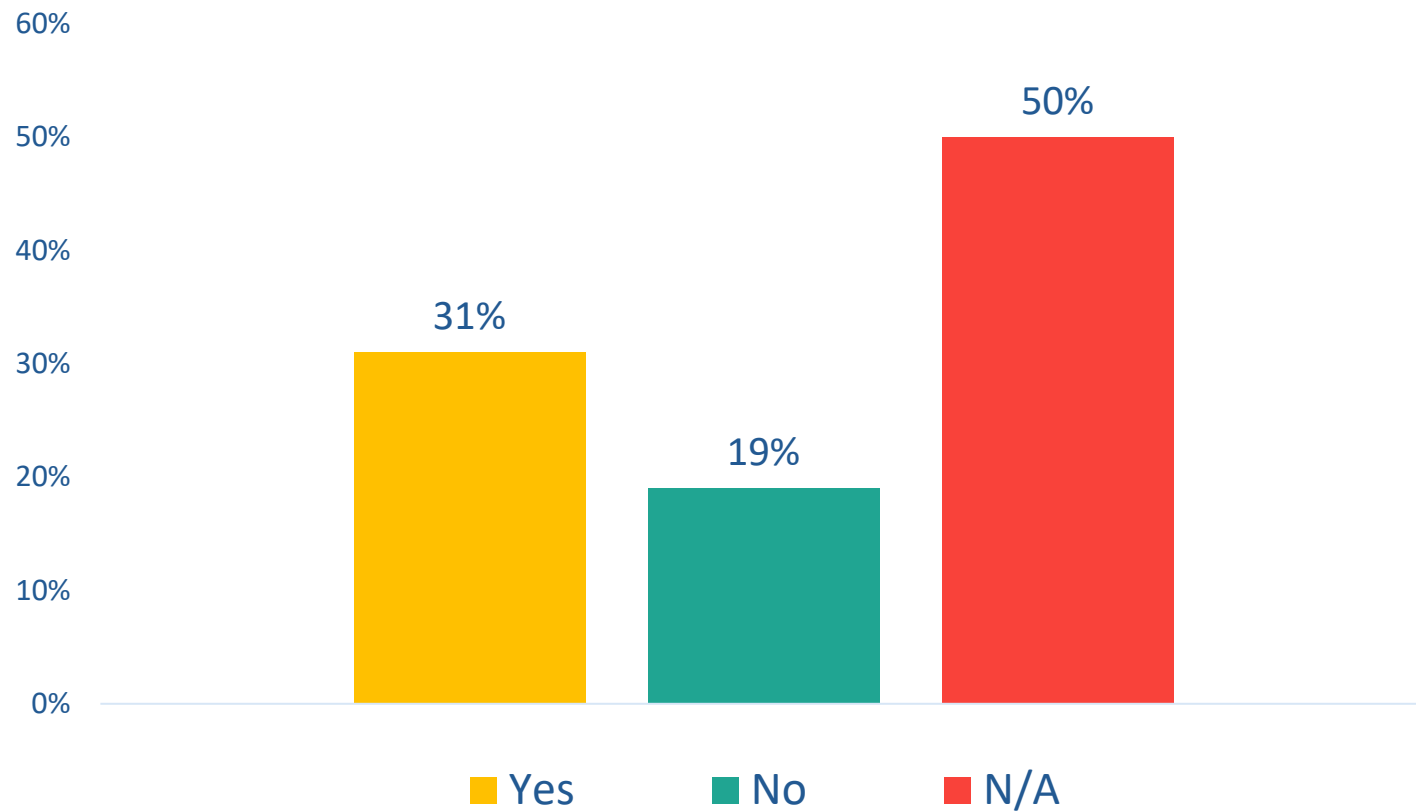
1. Currently, do you have a guesthouse on your property or under construction?
2. If yes, would you be interested in renting your guesthouse on an annual basis?
3. If no, would you construct a guesthouse on your property if you were able to rent it on an annual basis?
4. Would you participate in the renting of your guesthouse (or construct one) if it was only for income restricted tenants?
5. Should guesthouses have the ability to be rented as a short term rental (less than 6 months)?
6. Should guesthouses have the ability to be rented as a daily or weekly rental?

Currently, do you have a guesthouse on your property or under construction?



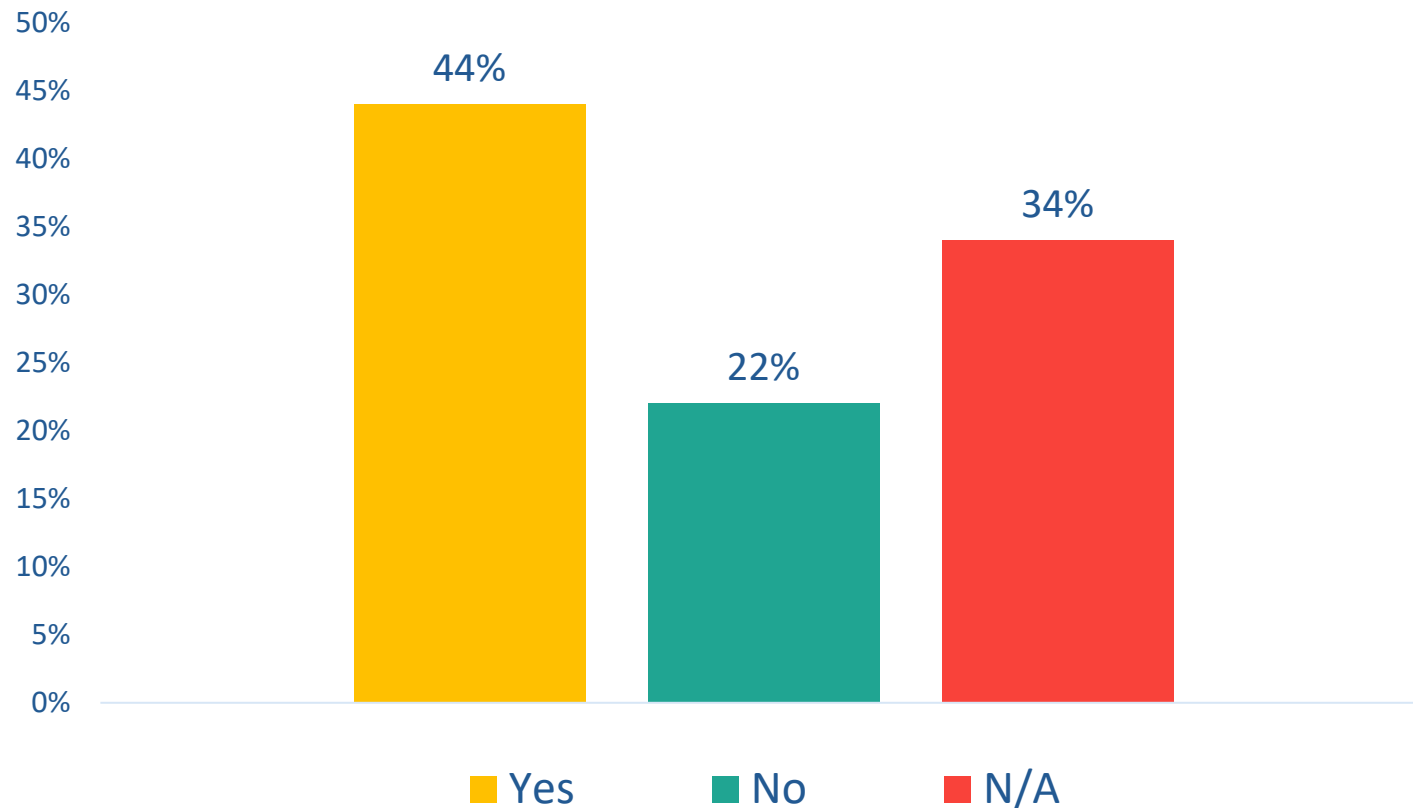
Survey Results

If yes, would you be interested in renting your guesthouse on an annual basis?



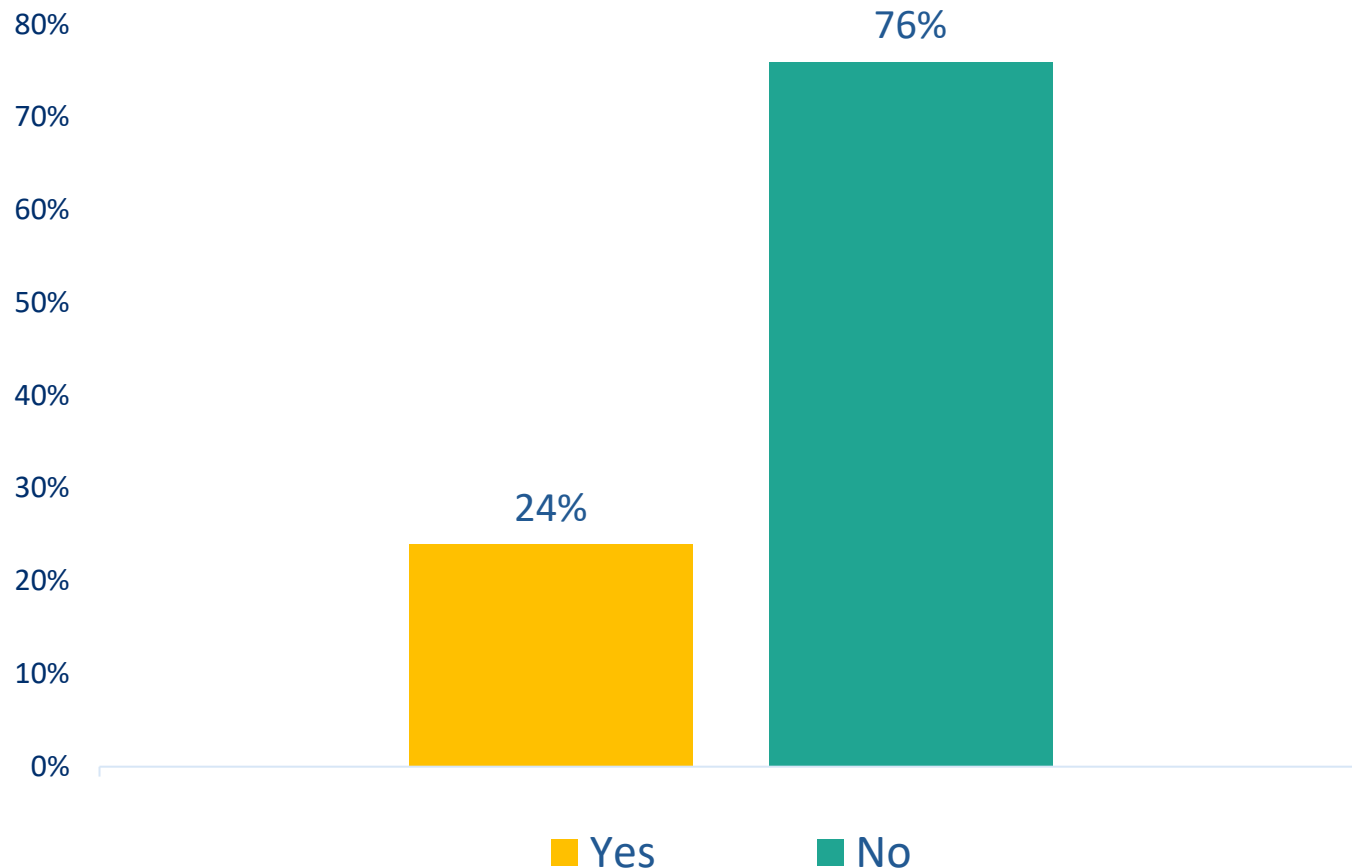
Survey Results

If no, would you construct a guesthouse on your property if you were able to rent it on an annual basis?



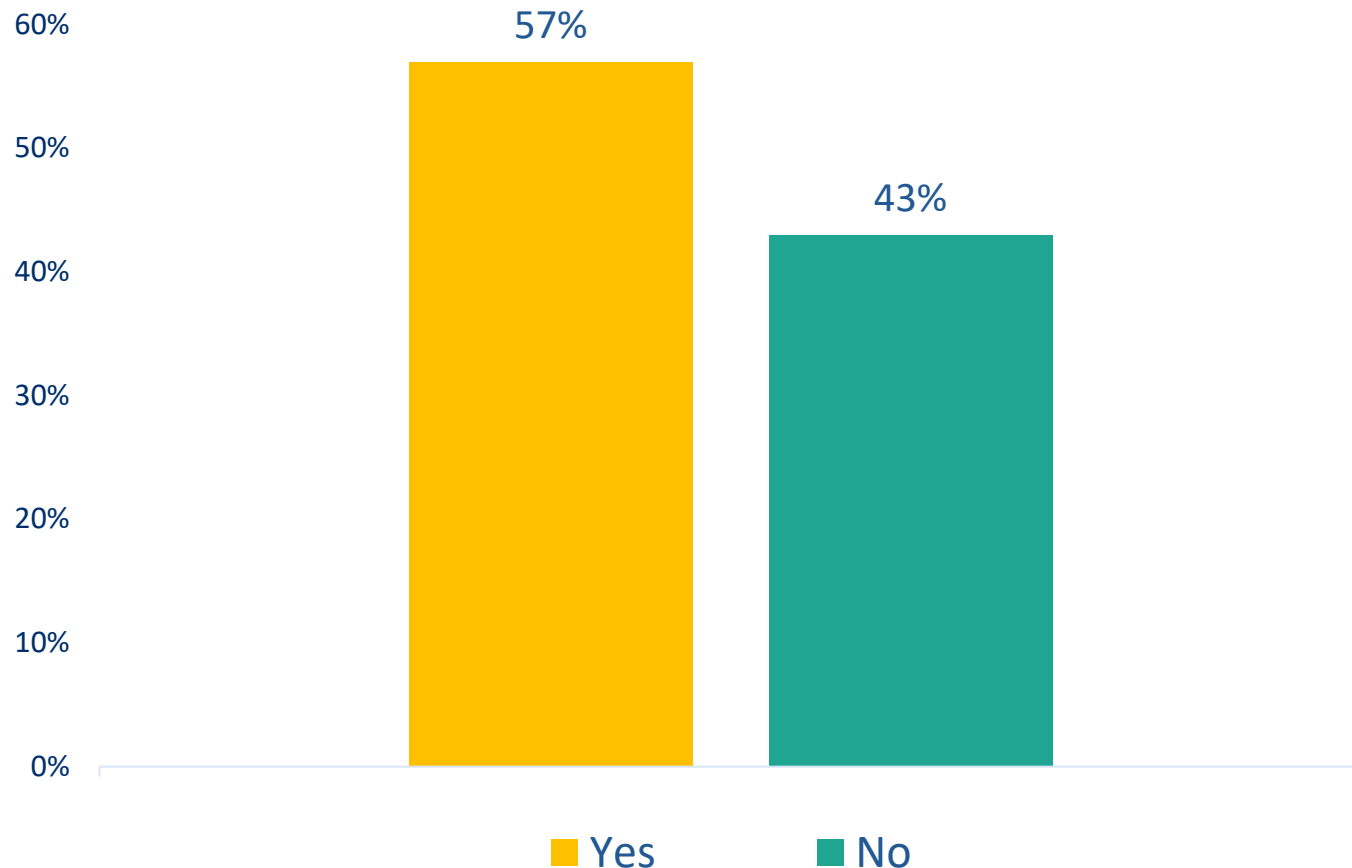
Survey Results

Would you participate in the renting of your guesthouse (or construct one) if it was only for income restricted tenants?



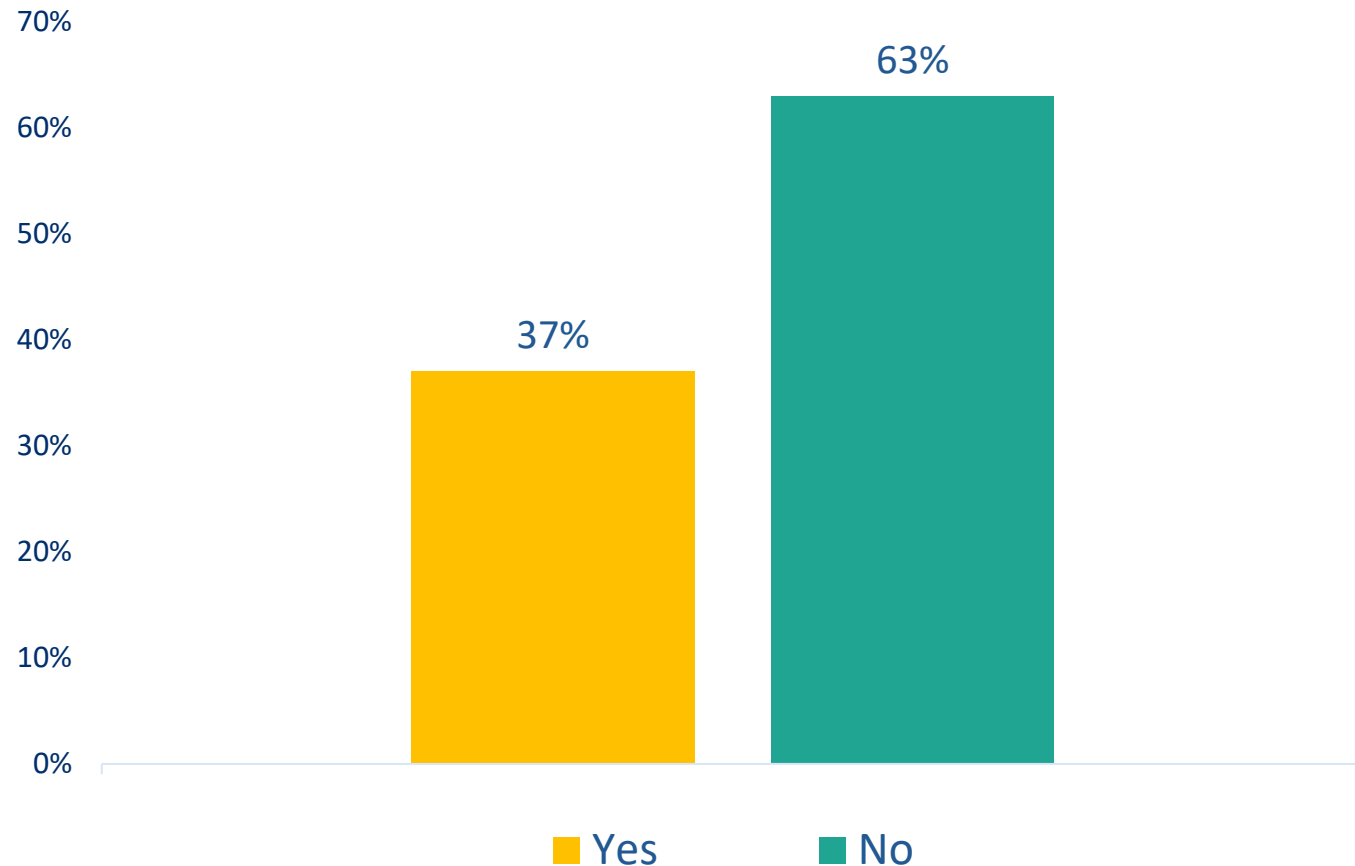
Survey Results

Should guesthouses have the ability to be rented as a short term rental (less than 6 months)?



Survey Results

Should guesthouses have the ability to be rented as a daily or weekly rental?



Survey Results

Additional Public Comments Received

- ▶ Why not allow the rental of guesthouses in the Rural Estates/east of C.R. 951 or other areas of the County?
- ▶ Is it possible to defer the impact fees associated with construction of a new guesthouse?
- ▶ What benefits could a property owner receive if they rented as an affordable unit?
- ▶ Concerns about the increase in property taxes.
- ▶ Concerns about possible nuisance & code enforcement issues.

Next Steps

- Staff is seeking a recommendation from AHAC.
- Staff will present the recommendation & study findings to the BCC in first quarter of 2024.

Questions or Comments?

2023 Website Report CollierCountyHousing.com

Summary by Quarter

Quarter 1 January - March

- Total Visitors 5,151
 - 4,899 (81%) New Visitors
 - 252 (19%) Returning Visitors
- Sessions 7,727
- *Pageviews 14,471
- Top Three Pages
 - CCAP (3,114 views)
 - Homepage (2,400 views)
 - Individual Assistance and Availability (1,732 views)
- Top Three Referrers
 - Google (2,803)
 - Direct (1,498)
 - Collier County Government (482)

Quarter 3 July - September

- Total Visitors 5,090
 - 4,486 (88%) New Visitors
 - 620 (12%) Returning Visitors
- Sessions 6,424
- Pageviews 13,456
- Top Three Pages
 - CCAP (2,732 views)
 - Homepage (2,285 views)
 - Individual Assistance and Availability (1,658 views)
- Top Three Referrers
 - Direct 3,635
 - Google 3,121
 - Collier County Government 279

Quarter 2 April – June

- Total Visitors 5,326
 - 5,145 (81%) New Visitors
 - 181 (19%) Returning Visitors
- Sessions 8,296
- Pageviews 17,045
- Top Three Pages
 - CCAP (3,569 views)
 - Homepage (2,896 views)
 - Individual Assistance and Availability (2,021 views)
- Top Three Referrers
 - Google 2,812
 - Direct 1,731
 - Collier County Government 329

**Quarter 4 October – December

- Total Visitors 3,187
 - 3,013 (94.5%) New Visitors
 - 512 (16%) Returning Visitors
- Sessions 4,771
- Pageviews 10,122
- Top Three Pages
 - CCAP (2,448 views)
 - Homepage (1,864 views)
 - Individual Assistance and Availability (1,213 views)
- Top Three Referrers
 - Direct 3,098
 - Google 2,298
 - Bing.com 193

Year Summary

Note: does not reflect December metrics

- Total Visitors 18,754
 - 17,543 (93.5%) New Visitors
 - 1,211 (6.5%) Returning Visitors
- 27,218 Sessions
- 55,094 Pageviews
- Top Three Pages
 - CCAP
 - Homepage
 - Individual Assistance and Availability
- Top Three Referrers
 - Google
 - Direct
 - Collier County Government

**Pageviews is inclusive of all page visits, including multiple visits by the same user or IP address.*

*** Quarter 4 reflects two months and does not include December data as it will not be available until January 3 or January 4, 2024.*