

**FRANKLIN COUNTY BOARD OF COUNTY COMMISSIONERS
WORKSHOP
COURTHOUSE ANNEX, COMMISSION MEETING ROOM
MAY 23, 2023
1:30 PM**

MINUTES

Commissioners Present: Ricky Jones-Chairman, Jessica Ward-Vice-Chairman, Cheryl Sanders, and Ottilie Amison

Others Present: Michael Shuler-County Attorney and Michael Moron-County Coordinator

Call to Order

Chairman Jones called the meeting to order. Chairrna Jones welcomed everyone and thanked Mr. Billy Fuentes from Eastpoint Water and Sewer and Mr. Joseph Wilch from ADONAI for attending the workshop.

Public Comments

There were no public comments.

Workforce Affordable Housing Project Discussion

1. Billy Fuentes - Administrator - Eastpoint Water and Sewer District

Mr. Fuentes noted the Eastpoint Water and Sewer District owns forty-five acres up Highway 65. The property was originally intended for a spray field. Mr. Fuentes noted the acreage has close access to water and sewer and is within EPWSD service area. He said the plan is to develop thirty-seven acres with 160 units, 40 homes and 8 townhomes. He noted the intended use will be for workforce-based rentals. A portion of the property will be for true work force. He noted they would like to work in conjunction with the county and developers to get the program going.

Commissioner Sanders noted that Franklin County has had an ongoing problem for affordable workforce housing. Chairman Jones said we would need to make sure our qualifier is workforce. He noted it would be set up like a housing authority and the property would still be owned for EPWSD. He noted rent would need to be no more than 30% of income and the qualifier would be the job the applicant holds.

Mr. Fuentes noted that the first phase is 48 units. Most workforce housing projects are one unit at a time. By the end of all four phases, we would have over 160 units.

2. Joseph Wilch - CEO - ADONAI - Project Developer

Mr. Wilch spoke to the Board about the construction of the units. Noting his company does modular and stick builds. He noted in working with the FRHA Program they will be able to make attainable affordable housing. He noted the focus will be for law enforcement, medical field personnel, first responders, education. He noted the plan is to use modular units which are built at an offsite factory. Mr. Wilch explained the construction materials of the interior and exterior. He explained the chart with costs with subsidy and without.

Mr. Craig noted that Franklin County needs affordable housing to rebuild. He noted this project focusses on affordability. He noted that they do not just take care of professionals but those with lower incomes as well. He noted that 20% of the units would be designated for low income. Mr. Craig explained the Florida

Housing Finance Corporation program and stages.

3. Project Discussion

Commissioner Amison inquired about the requirement for 20% of the units to be low income. Mr. Wilch explained this was a requirement to be eligible for the PLP program. Commissioner Amison asked if these would be rentals or purchases. Mr. Wilch noted that they will be BTR communities. The average occupancy rate is two to four years. Commissioner Ward asked if the data provided for 32328 included St. George Island and if it is based on a points system. Mr. Wilch noted that they are anticipating getting into HOA covenants to guide them through the process with possible deed restrictions. There will be upper income cap limits and low-end income limits. We are not looking at getting involved in the federal points system. Commissioner Amison noted there may be an issue with finding applicants who meet the income requirements. He noted that it is not hard to make over \$20,000 in our area. Mr. Wilch noted we only must make the lower income homes available. We do not have to let them sit empty if we do not have anyone who qualifies. Commissioner Amison inquired if the 20% of low-income housing had to be done all at once or could it be split up in the different phases. Mr. Wilch noted that it could be split up. Mr. Craig noted they anticipate four units per month absorption. Mr. Wilch noted they anticipate dirt to keys in three to four months for the start of the project. Commissioner Ward asked if the county was going to be asked to do some things and possibly amend some of our land use plans and ordinances. Mr. Wilch noted that any predevelopment fees that can be waived or subsidized would be helpful and ultimately keeps costs down. Commissioner Sanders inquired if the builders had considered speaking with some of our local builders instead of shipping units from down south and using other people to work. Mr. Wilch noted that they chose modular units due to the amount of time to build. He noted that as far as costs, stick vs. modular equal out to about the same per square foot. The benefit of modular is time since they are done in a controlled environment. Commissioner Amison inquired about the depreciation factor of modulars. Ms. Nicole Campbell spoke noted that she is a local appraiser and manufactured modular homes are compared to stick built when appraising. They hold their market value the same as stick. She noted they are built in a controlled environment so there is no damage to them from weather events like normal stick builds and they are built to local standards unlike mobile homes. Chairman Jones brought up the issue currently at Denton Cove where they are having issues qualifying tenants due to them making too much money. He noted that we want to make sure this project is economically affordable for work forced housing. We already have affordable housing and HUD projects in the community. Chairman Jones noted that we must make sure to check all the boxes as we go and get it right. Mr. Cliff Butler spoke commending the EPWSD board for their initiative with this project. He noted the average median income in Franklin County is \$45,000. He noted the stated AMI levels would rule a lot of our deputies, nurses, and teachers out. Mr. Butler inquired as to how far the property was away from the fire station noting there may be issues with insurance coverage if more than five miles. Chairman Jones noted that it was closer than five miles from fire station. Mr. Butler noted that the insurance industry treats modular homes as mobile homes. He asked for the Board to forward him any materials available on the project. Mr. Fuentes noted that they have the infrastructure of twelve-inch water main with six inch going up Hwy 65. It would not be a problem to add on to that. Ms. Campbell noted there may be an issue with affordability unless everything is going to be rent. On a budget of \$50,000 those numbers do not give. Chairman Jones noted that the numbers would have to be revised. Ms. Campbell noted that the market has gone up in the last twelve months. Commissioner Amison inquired as to when they would have the revised numbers. Mr. Wilch noted the figures presented were old numbers. They are trying to figure out how to make this affordable. We are in the process of putting the final numbers together and expect to have them in 2-3 weeks. Chairman Jones noted this a large project and something that we have never done before. EPWSD may need county support when they go to apply for funds. He noted this is a collaborative project and would need assistance from EPWSD, the county and the builder. Mr. Fuentes noted that EPWSD is agreeable to waiving tap fees, and there is no county impact fees. Mr. Fuentes noted that the county applied for them in the past for the CDBS grant funds. Mr. Craig noted that the FHFC guidelines were in place before Governor DeSantis approved the Live Local Act. Mr. Craig noted that he

would not focus on the 50% AMI at this point. He noted in other parts of the state they are starting to change some of that already. Chairman Jones noted that EPWSD board voted a couple of years ago to begin this process and we cannot continue with inadequate housing.

Adjournment

There being no further business before the Board, the meeting was adjourned.

Ricky Jones – Chairman

Attest:

Michele Maxwell – Clerk of Courts

The audio is available upon request. Please e-mail jgay@franklinclerk.com, call 850-653-8861 to speak with the Administrative Assistant, or submit a request in writing to obtain audio of this meeting.