TRANSCRIPT OF THE MEETING OF THE

COLLIER COUNTY PLANNING COMMISSION

Naples, Florida

May 19, 2022

LET IT BE REMEMBERED, that the Collier County Planning Commission, in and for the County of Collier, having conducted business herein, met on this date at 9:00 a.m., in REGULAR SESSION in Building "F" of the Government Complex, East Naples, Florida, with the following members present:

Edwin Fryer, Chairman
Karen Homiak, Vice Chair
Joe Schmitt
Paul Shea
Robert L. Klucik, Jr.
Amy Lockhart, Collier County School Board Representative

ABSENT:
Karl Fry
Christopher T. Vernon

ALSO PRESENT:
Raymond V. Bellows, Zoning Manager
Mike Bosi, Planning and Zoning Director
Jeffrey Klatzkow, County Attorney
Heidi Ashton-Cicko, Managing Assistant County Attorney

P R O C E E D I N G S

MR. BOSI: Chair, you have a live mic.

CHAIRMAN FRYER: Thank you, Mr. Bosi.

Good morning, everyone, and welcome to the May 19, 2022, meeting of the Collier County Planning Commission.

Would everyone please rise for the Pledge of Allegiance.

(The Pledge of Allegiance was recited in unison.)

CHAIRMAN FRYER: Thank you. Before the roll is called, I have an announcement to make. With the news coming in on May 17 of 2022 from Dr. Kamela Patton, the superintendent of Collier County Public Schools, that the Board of County Commissioners has been informed of her desire to appoint Ms. Amy Lockhart temporarily to serve on the Collier County Planning Commission as the nonvoting school board representative in place of our friend Tom Eastman. Now, that's the only information I have except, of course, I'd be remiss in not taking time to say a few words about our former colleague, Tom Eastman.

As many of you know, Tom served as the public schools' representative to the Collier County Planning Commission since as far back, I believe, as 2007, and that's at least 14 years of dedicated service. We thank Tom for bringing to us his insight, his intelligence, his legal knowledge, and also his sense of humor. It will all be missed. I consider Tom to be a true friend, at least as close a friend as you can have when the only time you can talk with someone is when you're on TV.

And on behalf of the entire Planning Commission, our sincere and heartfelt thanks to Tom. We wish him God speed. And please join me in giving him a round of applause.

(Applause.)

CHAIRMAN FRYER: Welcome, Ms. Lockhart. And with that, I will call the roll. And then I might ask you to say a word or two about yourself, if you don't mind. Give you a little warning in advance.

All right. Starting with Ms. Lockhart. Here -- just say "here" for now.

MS. LOCKHART: Here.

CHAIRMAN FRYER: Okay. Thank you. I was just giving you warning.

MS. LOCKHART: Okay.

CHAIRMAN FRYER: Okay. Mr. Shea?

COMMISSIONER SHEA: Here.

CHAIRMAN FRYER: Mr. Fry?

(No response.)

CHAIRMAN FRYER: I'm here.

Vice Chair Homiak?

COMMISSIONER HOMIAK: Here.

CHAIRMAN FRYER: Mr. Schmitt?

COMMISSIONER SCHMITT: Here.

CHAIRMAN FRYER: Mr. Vernon?

(No response.)

CHAIRMAN FRYER: Mr. Klucik?

COMMISSIONER KLUCIK: Present.

CHAIRMAN FRYER: All right. We have a quorum of five. And now, Ms. Lockhart, we would like to hear just a few words about your career with Collier County Schools, and welcome aboard.

MS. LOCKHART: Good morning. I'm Amy Lockhart. I'm the long-range planner with the Collier County School District. I have been with the school district for almost 20 years; it will be 20 in July. Before that I was working with you all, so I consider Collier County Government my first family in Naples and the greater Collier County area.

So I appreciate being here. We're filling a tremendous loss with Tom not being part of our team, part of our CCPS family. So I am here to represent as best I can. I can certainly not fill his shoes for the temporary time I'll be here, but I will give it a try.

CHAIRMAN FRYER: A warm welcome to you from us, and we're sure you'll do a great job. We'd like to have you always, but I understand this is temporary.

MS. LOCKHART: Thank you.

CHAIRMAN FRYER: So thank you so much.

Before I move -- I'm sorry. Mr. Bosi?

MR. BOSI: Chair, I just wanted to say, when I first started with Collier County Government in 2002, one of the most welcoming co-employees that I met in Comprehensive Planning section was Amy Taylor at the time, and that's Ms. Lockhart, and she was a great addition to that team; moved on to the school district.

We worked well with her, developed the school interlocal agreements, the public school facility element of the GMP. So she has a strong history in association with the GMP, with Comprehensive Planning, and all planning issues related. So she's a long-time friend, and it's a welcome face to the -- but I agree with you, we most certainly will miss -- staff's perspective, we most certainly will miss Mr. Eastman.

CHAIRMAN FRYER: Thank you. You come very well recommended by Mr. Bosi.

Before we leave the roll, I want to acknowledge that Commissioner Vernon's and Commissioner Fry's absences are both excused.

Addenda to the agenda. Mr. Bellows?

COMMISSIONER KLUCIK: Mr. Chairman?

CHAIRMAN FRYER: Yes, Commission Klucik?

COMMISSIONER KLUCIK: Previously, I had an absence.

COMMISSIONER HOMIAK: Your mic.

COMMISSIONER KLUCIK: All right. Previously I had an absence, and I don't think you ever mentioned on the record anything.

CHAIRMAN FRYER: Well, thank you for bringing that to my attention.

COMMISSIONER KLUCIK: It was a conflict with a business appointment that I just couldn't get out of.

CHAIRMAN FRYER: And, of course, that absence will also be excused, and I apologize for not doing it in a timely way. But thank you for bringing that up.

All right.

COMMISSIONER SCHMITT: Mr. Chairman?

CHAIRMAN FRYER: Yes, Commissioner Schmitt.

COMMISSIONER SCHMITT: For the meeting on the 2nd, I will be out of the country, so I will not be here.

CHAIRMAN FRYER: Okay. Thank you. And that does take us to the subject of our upcoming meetings. We have one scheduled for June 2, 2022. Right now we only have one item on it. It's a combined item. But I'm sorry that there's only one on there, and I've been working with staff trying to find a way where we could be better stewards of everyone's time, but it just, unfortunately, doesn't seem to be possible at this point. But keep -- please know that I appreciate the fact that it's not fair particularly to those who are still working for a living to be brought in for a one-matter agenda, and we will make every effort in the future to avoid that whenever possible.

Having said that -- and, thank you, Commissioner Schmitt.

Anyone else know whether he or she will not be able to be in attendance on June 2?

(No response.)

CHAIRMAN FRYER: All right. Looks like we will have a quorum.

Then our next meeting after that won't be until July 7, 2022. Does anyone know whether he or she will not be able to attend that meeting?

(No response.)

CHAIRMAN FRYER: Thank you very much. We move on to approval of minutes. We have two sets before us this morning, those of our April 7, 2022, meeting, and of our April 21, 2022, meeting. First, is there any need for us to vote on them separately?

COMMISSIONER HOMIAK: No. I'll make a motion to approve both.

COMMISSIONER SCHMITT: Second.

CHAIRMAN FRYER: Thank you. It's been moved and seconded that we approve both the minutes of April 7 and April 21, 2022. Any further discussion?

(No response.)

CHAIRMAN FRYER: If not, all those in favor, please say aye.

COMMISSIONER SHEA: Aye.

CHAIRMAN FRYER: Aye.

COMMISSIONER HOMIAK: Aye.

COMMISSIONER SCHMITT: Aye.

COMMISSIONER KLUCIK: Aye.

CHAIRMAN FRYER: Opposed?

(No response.)

CHAIRMAN FRYER: It passes unanimously. Thank you very much.

BCC report and recaps. Mr. Bellows.

MR. BELLOWS: Yes. On the May 10th Board of County Commissioners, on the summary agenda the Board approved the Siena Lakes CCRC. It's the assisted living PUD that had the addition. And then they also approved the CCME amendment.

CHAIRMAN FRYER: Thank you very much.

MR. BELLOWS: That was on the summary agenda as well.

CHAIRMAN FRYER: Thank you very much.

Chairman's report, nothing today.

Consent agenda, none today.

***Public hearings, the first advertised is the Good Turn Center, which is MPUDA. It's PL20210003228.

All those wishing to testify in this matter, please rise to be sworn in by the court reporter.

(The speakers were duly sworn and indicated in the affirmative.)

CHAIRMAN FRYER: Thank you. Ex parte disclosures from the Planning Commission starting with Ms. Lockhart, please.

MS. LOCKHART: No.

CHAIRMAN FRYER: Thank you.

Mr. Shea?

COMMISSIONER SHEA: Staff materials only.

CHAIRMAN FRYER: For me, it's staff materials and matters of public record.

Vice Chair?

COMMISSIONER HOMIAK: Nothing for me.

COMMISSIONER SCHMITT: Staff materials only.

COMMISSIONER KLUCIK: Staff materials and discussion with staff.

CHAIRMAN FRYER: Thank you. And I also had a discussion with staff as well.

All right. With that, we'll turn it to Mr. Arnold. You have the floor, sir.

MR. ARNOLD: Thank you. Good morning, Mr. Chair and Commissioners. I'm Wayne Arnold with Grady Minor & Associates representing Sparrow Acquisitions. They're in -- they're acquiring the existing Good Turn Center. Good Turn Center is an existing Planned Unit

Development. It allows for commercial and for senior housing.

The intent here it to modify the building height that we originally had approved many years ago in order for the Sparrow Acquisition team to build a four-story senior housing project on the site.

Staff has recommended approval. I've got a short presentation. I think the significance here is the property is located in your activity center. So the highlighted area in purple is your activity center boundary. You can see that the subject property is well within it.

Properties to the north allow heights that are greater than we're seeking, and then properties surrounding us are asking and have been approved for comparable building heights.

Staff has recommended approval. And we had our neighborhood information meeting. We had one gentleman from Naples Lakes attend, and they seemed to offer no objection to it. We're adding a couple of other standard commitments that are now common for all of your PUDs. Staff opportunity to get those inserted in this PUD document, so we're happy to do that.

With that, I'm happy to answer questions or whatever you --

CHAIRMAN FRYER: Thank you. Any questions for Mr. Arnold from the Planning Commission?

(No response.)

CHAIRMAN FRYER: All right. I don't have a question but just a comment. First of all, I -- substantively I am absolutely fine with this and will vote in favor of it barring some terrible thing being reported by staff that I don't anticipate.

I will note that there was -- there were some pages in the agenda packet where the left margin was cut off. They were part of the NIM presentation. And since -- well, I make a judgment call that this is a pretty straightforward matter, and I could interpolate most of the words that were cut off, so I didn't make an issue of it, and I'm not making an issue of it now. And I don't know whether it was on the part of the applicant or staff, and it doesn't matter; I'm not asking. But please ensure -- all who submit materials for the agenda packet, please be sure that everything is legible. I know we're all working fast to get documents out, but it needs to be -- it needs to be fully legible.

So with that -- and there's still -- no one is signaling to be heard from the dais, so we'll turn to staff for its presentation.

MR. ARNOLD: Thank you.

MS. CASTRO: Hi. Sorry. Gabriella Castro, principal planner with the Zoning Division.

Staff is recommending approval and is here to answer any questions you may have.

CHAIRMAN FRYER: Thank you. Anybody have any questions?

(No response.)

CHAIRMAN FRYER: No one is signaling at this point, so I take it they do not.

Thank you, Ms. Castro.

Let's see. Mr. Youngblood, do we have anybody registered to speak?

MR. YOUNGBLOOD: I don't have any registered speakers for this item.

CHAIRMAN FRYER: All right. Does anyone who is in the room who is not registered care to be heard on this matter? Now would be the time. If not, thank you. We will close the public comment portion of this hearing and proceed to deliberate and vote as a Planning Commission on this MPUDA.

Anyone wish to start?

COMMISSIONER HOMIAK: I'll make a motion to approve.

COMMISSIONER SCHMITT: I second.

CHAIRMAN FRYER: Thank you. Now, I believe we need EAC approval as well, so this would be a joint motion to approve the MPUD.

COMMISSIONER HOMIAK: Not this one -- it is on this one?

MR. BOSI: Yes, an EAC is required.

COMMISSIONER SCHMITT: Because of the proximity to a bald eagle?

MR. BOSI: Ms. Cook is indicating yes.

CHAIRMAN FRYER: Ms. Cook's coming to the mic.

COMMISSIONER SCHMITT: I can't remember why the EAC had to vote on this.

CHAIRMAN FRYER: Ms. Cook.

MS. COOK: Good morning. Jaime Cook, your director of Development Review. EAC is required for this petition because there is an eagle nest on the property.

COMMISSIONER SCHMITT: On the property, or is it --

MS. COOK: On the property, yes, in the proposed preserve area.

COMMISSIONER SCHMITT: But from a standpoint -- there's no application for a take permit and, of course, the eagles are now listed species, but they're not protected species; is that correct?

MS. COOK: Correct.

COMMISSIONER SCHMITT: Okay.

CHAIRMAN FRYER: Thank you, Commissioner.

Any further comments on this?

(No response.)

CHAIRMAN FRYER: Now, Vice Chair, you made a motion. May we assume that you're --

COMMISSIONER HOMIAK: I will include EAC.

CHAIRMAN FRYER: So it's been moved --

COMMISSIONER SCHMITT: And I second.

CHAIRMAN FRYER: -- and it's been seconded, joint motion. Any other discussion?

(No response.)

CHAIRMAN FRYER: If not, all those in favor, please say aye.

COMMISSIONER SHEA: Aye.

CHAIRMAN FRYER: Aye.

COMMISSIONER HOMIAK: Aye.

COMMISSIONER SCHMITT: Aye.

COMMISSIONER KLUCIK: Aye.

CHAIRMAN FRYER: Opposed?

(No response.)

CHAIRMAN FRYER: It passes unanimously.

Thank you, applicant.

MR. ARNOLD: Thank you.

CHAIRMAN FRYER: So we've moving right along, folks. It's too early for a mid-morning break.

***Therefore, we'll go to the second and third matters; they are combined. PL20210000623, the Carman Drive Subdistrict Small-Scale Growth Management Plan amendment and PL20210000612, the Carman Drive 15 RPUDZ, and this is also going to require EAC approval when the time comes.

All those wishing to testify in these matters, please rise to be sworn in by the court reporter.

(The speakers were duly sworn and indicated in the affirmative.)

CHAIRMAN FRYER: Thank you very much.

Ex parte disclosures from the Planning Commission starting with Ms. Lockhart.

MS. LOCKHART: None.

COMMISSIONER SHEA: Staff materials only.

CHAIRMAN FRYER: Staff materials, a meeting with staff, and a discussion with applicant's representatives.

COMMISSIONER HOMIAK: Yeah. I spoke to Mr. Yovanovich, Mr. Torres, and Ms. Crespo.

COMMISSIONER SCHMITT: I, likewise, spoke with all three representatives of the applicant, Ms. Crespo, Mr. Torres, and Mr. Yovanovich.

CHAIRMAN FRYER: Thank you.

COMMISSIONER KLUCIK: Nothing.

CHAIRMAN FRYER: Okay.

COMMISSIONER KLUCIK: Just staff material and staff meeting.

CHAIRMAN FRYER: Okay. Thank you very much.

With that, we'll turn to Mr. Yovanovich on behalf of the applicant. You have the floor, sir.

MR. YOVANOVICH: Thank you. Good morning. For the record, Rich Yovanovich on behalf of the applicant.

The team here today is David Torres, myself, Alexis Crespo. Jackie Larocque is the engineer for the project; Russ Weyer did the economic analysis; Ted Treesh is our transportation consultant, and Bethany Brosious is our environmental consultant if you have questions.

The overall presentation you'll hear is I'll do a brief overview of what we're asking for, Ms. Crespo will get into the planning details, and then Mr. Torres will present a response to staff's proposed income-restricted condition for approval of both the Growth Management Plan amendment and the PUD.

We've spent some time working on a proposal and an explanation as to how projects are built and why we will not be able to agree with staff's recommendation, but hopefully you will agree that what we're proposing is a significant proposal to address affordable housing and income-restricted housing.

You have two proposals in front of you. There's a Growth Management Plan amendment because the property is located in the Urban Residential Fringe area, and we have a PUD for the project. As we went through the process --

CHAIRMAN FRYER: Excuse me. I think EAC approval is also --

MR. YOVANOVICH: I'm sorry. I keep forgetting EAC is -- because of that eagle that was on the property on the first item is requiring us also to get EAC approval.

The project as we've submitted it has evolved over time. Staff has asked us to -- because of the location of the property, the base density is 1.5 units per acre. We initially had proposed just doing affordable housing to get to the density. We have -- staff asked us to include TDRs, so our affordable housing initial commitment changed, but it's still there. We always proposed a 20 percent restriction, but we've added the TDRs.

We've committed to the project being rental, and we've committed to the project being rent controlled, if you will, for the 30 years that staff is requesting, and we will be utilizing 15 TDRs.

Just briefly, the project location -- and I'll turn it over to Alexis after this slide. It's a 15.4-acre parcel. Collier Boulevard is to the west. And we're next to the project you just considered.

All the necessary infrastructure is in place to serve the project. We had -- we've not really had any real objections to the project. We work closely with our neighbors and have included appropriate development standards to address their concerns, and Alexis will go over that.

And with that, we're requesting that the Planning Commission recommend approval of both the Growth Management Plan amendment as we're going to propose our income-restriction condition and then also your PUD.

Your staff is recommending approval of the PUD should the Growth Management Plan amendment get amended.

And with that, I'll turn it over to Alexis unless you have any questions for me on the general overview.

CHAIRMAN FRYER: Any questions for Mr. Yovanovich at this time? If not, we'll hear from Ms. Alexis.

MS. CRESPO: Thank you. Good morning, Alexis Crespo with RVI Planning.

So as Rich has provided you with a project location, you can see, again, this is an infill site, very well located to accommodate additional growth to accommodate the demands for affordable/work force housing within the county. And we do acknowledge in the discussion with staff and in the staff report that the key here is how much affordable and what level of affordability is needed to justify this increase in density on the property.

And the baseline we're working off is the 2.5 unit-per-acre maximum allowed in the Urban Residential Fringe.

And so we do want to just spend a moment and talk about that Urban Residential Fringe, the density cap on the east side of Collier Road [sic] and how things have substantially changed over the years that no longer make that density appropriate. And you can see that through policy decisions both this commission has made as well as the Board of County Commissioners have made in allowing for increased densities on the east side of the roadway where appropriately served by infrastructure and where compatible with surrounding development.

So back when the underlying land use was limited to 1.5 units per acre -- this dates back to 1989, over 30 years ago. At that time you can see, just looking at the aerial, the world was a very different place in Collier County. There was a desire to ensure transition to rural lands further to the east outside the urban rural boundary.

The county was not collecting impact fees. There was limited infrastructure in this area. And the development that has really shaped the land-use patterns along Collier Boulevard were either just getting started in the case of Lely Resort or Hacienda Lakes coming online after its 2011 approval.

So things have changed substantially and, as well, the county has acquired more lands to the east to provide for that transition. So the land-use patterns that we're trying to achieve through this future land-use category have been met through some of those actions.

When you look today at the aerial, you can see it's very different on the east side of the road. It is getting built out with suburban as well as urban levels of density/intensity around that quadrant of Rattlesnake Hammock and 951.

The county is collecting impact fees. They are investing in public infrastructure in this area based on the collection of those fees, and now you have the water/sewer, roads, schools, fire, EMS, sheriff to accommodate growth in this area.

And the continued growth pressures are pushing development further east. So taking advantage of the small 15-acre infill site well located with no environmental concerns or sensitivity is an excellent location for a project such as this.

So when you look at the side-by-side, we would just submit that we're working off a baseline of 2.5 units per acre, but the framework that put that in place is somewhat outdated based upon how the county has evolved over time.

So getting into the density surrounding us and why what we're proposing at 13.8 units per acre is appropriate. This is a dynamic area. You've got the Hacienda Lakes DRI which, while a low density from a gross acreage standpoint due to the vast preserve within that project, the actual built cluster densities within that project are significantly higher, especially in and around this property.

So to our north we do have one low-density residential neighbor which is Sapphire Cove.

This property was developed by David Torres. It is single-family detached, one- and two-story homes. Fortunately, their preserve is along the southern boundary and abuts our northern boundary, so we do have a nice buffer there via their preserve, which will be further enhanced by performance standards we're proposing through the PUD.

But that really is our only low-density neighbor. We have a fairly intensive FP&L facility to our northwest. In Hacienda Lakes the uses on the east side of Carman Drive, again, are not low-density/intensity. It's the Swamp Buggy races as well as the Junior Deputy facility. So fairly intensive nonresidential uses abutting us within Hacienda.

Just a few meetings ago you unanimously recommended approval to increase density on the Lords Way site, which is also very proximate to the property providing an affordable housing component. We are proffering more than that project did, and that's at 10 units per acre upon adoption of that amendment, which is anticipated next week.

As you move to the 951 frontage, while not density in all cases from a residential standpoint, there is group housing at significant densities allowed on those properties. You have the Amerisite, which is to our west/northwest, which is at 16 units per acre. The project you just heard, Good Turn, is proposing 200 units on less than 10 acres. So they are senior housing. It does have different impacts than a standard residential density unit. We acknowledge that. But the built form of these senior housing are four stories. There's a lot of units within these buildings, so it's really changing the built form of this quadrant to be more of an urbanized area.

As you move immediately south of us, we, again, have another senior housing project that's allowed at four and five stories, and it's 21 units per acre just for the first phase, and they have vacant land on the western portion of their property to do additional units.

And, lastly, we were before you a few years ago to increase density on the Hammock Park site at the northeast quadrant of the intersection to 13.8 units per acre with a commercial component.

As you move south of Rattlesnake Hammock, you have two, again, senior housing projects ranging in density from 16 to 26 units per acre. Those are fully permitted through SDPs. And then just, lastly, to anchor the southern end of this intersection, you've got future commercial development within the Hacienda Lakes, and David does intend to develop that with commercial retail entertainment type uses to service the residents in the area.

So the density pattern in this area, when you take into account the senior housing, is not necessarily low density.

Another key component when looking at density increase coupled with workforce housing is what employers are in the immediate area, and this map is just simply showing we've got several employers of essential service personnel folks that really hit that moderate income salary that are very proximate to the property, can walk to work when this housing development is available. That would include the Physicians Regional Hospital to the south -- or southeast of the intersection. You've got FSW College and Lely Resort. That future commercial component of Hacienda Lakes and public facilities such as schools, libraries, et cetera, within the area.

So we really took that into account when crafting the affordability component of this project. We did submit and work through this with staff to do a combination of TDRs and 20 percent moderate income housing, which is that 80 to 120 percent. David is going to present to you additional changes to that to try to address some of the items in the staff report, but that salary really hits on the nurses, the deputies, the folks that would live in this area and be serving those employment centers in proximity to the site. And you can see that per the latest numbers, the individual salary for that 80 to 120 percent, it ranges from about 53,000 up to 80,000, and that's falling right within that essential service provider client or future resident of this project.

And I'll just reiterate, there is this 30-year affordability commitment associated with the county's program. We're certainly going to comply with that. And what we're finding as a business in Collier County and Lee County is that the long-term control of the rent or sales price is just as critical as the price itself. We've lost employees whose rents have adjusted 5-, $600 in a very short period of time, so we do agree that is critical to making this program work.

Before I turn it over to David to talk about the modified affordable housing proposal, I just want to walk you through some of the design parameters that we worked through with staff. This is our PUD master plan shown on the screen.

CHAIRMAN FRYER: I think, if you don't mind, I'm going to interrupt you with some questions that are pertinent to the subject you're about to leave --

MS. CRESPO: Okay.

CHAIRMAN FRYER: -- if that's all right.

First of all, it's recognized that staff is recommending denial of your application, correct?

MS. CRESPO: Correct.

CHAIRMAN FRYER: Yeah, and I think the essential issues have to do with the amount of density being requested, which is roughly five times what is currently allowed in exchange for the affordable housing or the essential services personnel housing that you would be required to provide. Wouldn't you say that that's probably what the essential issue is?

MS. CRESPO: Yes. It's --

CHAIRMAN FRYER: Okay. Then -- and you showed some statistics on the fire district salaries. Do you happen to know what the -- as of 2022 what Collier County Public Schools, the teachers' starting salary is? Do you want to answer it?

MR. YOVANOVICH: Amy might.

CHAIRMAN FRYER: Well, I understand. And if you don't mind, I'll continue to preside and ask Ms. Crespo.

MS. CRESPO: What is proposed on that screen is the average salary, so we did not have the data of the starting salary.

CHAIRMAN FRYER: I obtained it from Collier County, and the starting salary for 2022 is 47,720, and also for the Sheriff's Department, same source, 45,010 is the starting salary, and Collier County workforce, the people working for the government itself, starting at 32,4-.

Now, you're offering opportunities for people who are in the 120 percent range of moderate housing, and the AMI right now for those people is $98,600, I believe. Is that your understanding for 2022?

MS. CRESPO: That would be for a household of four. As shown on that screen, an individual in that range would start at about 53,000 up to 80-.

CHAIRMAN FRYER: Well, I honestly don't think that's correct. And now I'm going to be basing upon -- my information based upon an exhibit that was provided to AHAC, and --

MS. CRESPO: The 98,6- is the latest 2022 number for a household of four persons. So there's a sliding scale where lower --

CHAIRMAN FRYER: I understand. But the -- and is Mr. LaRow here? I'm not going to interrupt the applicant's presentation, but -- he is? All right. Well, we'll -- I'll let you continue. But the point that I'm concerned about is that what you're proposing you could offer 100 percent, all 42 units, to people at 120 percent of the AMI, and you would, I think, miss a very, very large percentage of teachers, Sheriff's Department, Collier County workforce. And so to me, I don't see how that is a meaningful concession in exchange for five times the density that you're requesting.

MR. YOVANOVICH: And, Mr. Fryer, could you let us get to the next two slides. You will have seen how we're proposing to address exactly what you brought up.

CHAIRMAN FRYER: So --

MR. YOVANOVICH: Mr. Torres is going to get up there, and he's going to talk about a modification to where not all 42 units will be at the 120 percent.

CHAIRMAN FRYER: Okay. So this is something new since yesterday afternoon when you and I spoke?

MR. YOVANOVICH: We did -- I said we have a proposed -- we have a proposal, and you wanted us to present it here.

CHAIRMAN FRYER: All right.

MR. YOVANOVICH: And that's what we're going to do.

CHAIRMAN FRYER: Fair enough. Then I'll hold my fire until we hear from Mr. Torres. Thank you very much.

I had one other thing I wanted to mention before. Well, I'll hold it for now.

Continue, please.

MS. CRESPO: Thank you. And I just had one more slide before I hand it over to David, and that's the PUD master plan. We are in agreement with staff in the findings of fact in their staff report. This is a fairly straightforward layout. I think once we get past the affordable housing percentage and component, the project is relatively straightforward. We are proposing residential uses along with private on-site recreation. There is one point of ingress/egress from Carman Drive, which is being -- currently being improved. There is also an enhanced 20-foot Type C buffer. We worked with staff on this. They felt that having the same roadway buffer that Sapphire Cove developed to our north to have consistency along that roadway would be important, so we did agree to a 20-foot-wide Type C plantings along with a 6- to 10-foot wall. We are seeking a deviation to do up to 10 feet with that wall just for compatibility with the Swamp Buggy races to our east.

We do have residential layout surrounded -- surrounding those private on-site roadways. In terms of the intended housing type, it is -- we're looking at more of a townhome form of housing, and we are limiting the building height to two stories, 35 feet along our shared boundary with Sapphire Cove. You can see from the aerial that we do abut preserve. We are going to install our required what would be a Type B buffer along that property line.

But in addition to that we're going to limit building height to two stories to ensure that we're compatible with that lower density to our north but also understanding that we are adjacent to some very high density and intensity senior housing on other sides of the property.

And with that, I'll turn it over to David to talk about our revised proposal.

MR. TORRES: Yes, David Torres with the applicant, Carman Drive 15, LLC.

Thank you for the opportunity to speak. I wanted to discuss some of what the Chairman was bringing up just earlier, and the commitment that we made before, the county's response to it, and how we see us moving from hereon.

So part of what I'd like to do is, if everybody's patient, is try to quantify what the proposals mean. I always struggle when we have these conversations. They're very subjective. We're just throwing out numbers without truly understanding, hey, this is -- this is -- this is how it translates to the pro forma to the project.

So where we stand right now is we've submitted an application. We've said that we're willing to do 20 percent of the units in the 80 to 120 percent category. That restriction will remain for 30 years, and it, in essence, would be -- Rich used the term "rent controlled," but it is -- the maximum rents would continue to be restricted during that 30-year period based on these tables that get issued by the Florida Housing Finance Corporation, which are tied to wage -- the wages or median income.

The county has come back and said, we believe you need to do better. And my understanding is that I don't believe that the density is really what bothers them. And, you know, I'll let them speak to that. I think they're comfortable that this is an appropriate density for the area, but it's more than -- maybe you don't deserve that density for the proposal that you've put on the table.

So with that, the county's proposal is to do 20 percent of the units in the 50 to 80 percent and an additional 10 percent of the units at 80 to 100.

COMMISSIONER KLUCIK: Mr. Chairman?

CHAIRMAN FRYER: Yes, Commissioner Klucik.

COMMISSIONER KLUCIK: Is it fair in all of this -- you know, I guess, is the reality that when we say 50 to 80 or 80 to 20 [sic], we really mean 50 to 80 is 79.9 and the 80/20 [sic] is 119.9? And I'm not trying to be cute. I'm just saying, like, that would be a logical thing to assume that that's sort of what happens because of market forces, the pressure, and -- the pressure, you know, to have profit. And so I guess all I'm saying is, is that, do you feel the pressure to be at the upper end of either of those ranges, or am I kind of making an assumption that's way off base?

MR. TORRES: No. Your assumption is correct on the rent side. I had conversation with Mr. LaRow, and, you know, compliance in their department just to understand how these are going to be monitored in the long term, and the expectation is that you would have people, say, within 50 to 80 percent but that you're using the 80 percent rent. I don't know if you've seen what this table looks like.

You know, so your understanding is correct, on the rent side you're on the upper -- you know, on that line item of the table, you know, but when you're monitoring the people for income, they can be anywhere below 80 at that point in time, so...

COMMISSIONER KLUCIK: So as a percentage of monthly income for those charts that we saw earlier, you know, if you're at the starting salary, for instance -- not that that has to be the -- you know, I'm certainly not suggesting -- I think it's worth exploring. If you are at the starting salary, what's the monthly income at those starting salaries that you had mentioned, Mr. Chairman? I would just be curious to know, what would that turn out to be? And then on this -- whether it's 80 percent or 120 percent, what would that look like if we compared the monthly income to the monthly rent?

CHAIRMAN FRYER: I do have some numbers on that from AHAC. And if you don't mind, we'll answer the question, but may I postpone the answer to that --

COMMISSIONER KLUCIK: Sure.

CHAIRMAN FRYER: -- and we'll let them continue the presentation.

MR. TORRES: Yeah. If you don't mind, let me finish. It will take me another 10 minutes or so, five or 10 minutes.

CHAIRMAN FRYER: Go ahead.

MR. TORRES: So as I mentioned before, if the goal is to value what these commitments mean, we first start with saying, okay, what does a new apartment complex charge? Okay. And I picked -- these are the last five that have been built in town.

Is there apartments that are cheaper than these, yes, there are apartments that are cheaper than these, but I picked these because these have the most recent costs. And this is important because things have just gone up tremendously throughout the years. We completed the Milano Lakes project in 2018. That project we were all in at $180,000 a unit. Any project that is in planning right now is expecting to be in the mid $300,000 per unit as an apartment complex.

So just based on the increase in land, the increase in construction cost, just in the last 12 to 18 months we're seeing 35 percent increases in construction costs. So we have to be conscious about that, so...

CHAIRMAN FRYER: Commissioner Schmitt.

COMMISSIONER SCHMITT: David, just to clarify, that's your cost when you said 300,000.

MR. TORRES: Yeah, this is our cost.

COMMISSIONER SCHMITT: Your cost, not a selling cost.

MR. TORRES: No.

COMMISSIONER SCHMITT: That is your cost to develop, construct, and provide the product?

MR. TORRES: Absolutely.

COMMISSIONER SCHMITT: Okay. I just want to make sure that's clear.

MR. TORRES: Correct.

CHAIRMAN FRYER: Thank you.

MR. TORRES: So these rental rates are running, you know, on average, 2,879 and 3,894 for a two- and a three-bedroom. And I used the two- and the three-bedroom purposely because our project is planning, like, a townhome design that is going to be two and three bedrooms.

So we would then take those numbers and compare them to the rent limits. This is the maximum --

CHAIRMAN FRYER: Sorry, Mr. Torres. Would you repeat what you just said about the bedrooms and the numbers you're using.

MR. TORRES: So in this case, you will see my table only has two-bedroom numbers and three-bedroom numbers. There's no number for one-bedroom here, and the reason why is because our project is designed as a townhome design. So I'm not going to have one-bedrooms in it, you know. So it won't be part of the offering, you know.

CHAIRMAN FRYER: So did I hear you -- maybe I misheard. Did you make a comment about what rent limit would be for a three-bedroom and four-bedroom at 120 percent?

MR. TORRES: Yeah. We're going there now.

CHAIRMAN FRYER: Okay.

MR. TORRES: So in this slide, you see the average rate that we saw on the prior slide, 2,879, 3,894, that's what the market is charging, right? That's what these five apartment complexes are charging. And then we have three sections below here at 120 percent, at 100 percent, and at 80 percent. These numbers come from the table that we are supposed to be using of the maximum amount that we can charge people.

At 120 percent, that's $2,547 for a two-bedroom and $2,943 for a three-bedroom. You know, at 100 percent, it's $2,122.50. And to clarify, on 100 percent, the table does not actually have a 100 percent section, so this is an average of the 80 and the 120, and Mr. LaRow can clarify that that's the way -- how we're going to be monitoring --

CHAIRMAN FRYER: But your commitment would enable you to rent all 22 at 100 percent or 119.9, as Commissioner Klucik said?

MR. TORRES: Your understanding is correct.

CHAIRMAN FRYER: Okay.

MR. TORRES: The current application would say I could rent at 2,547 and 2,943.

CHAIRMAN FRYER: Okay.

MR. TORRES: Right?

CHAIRMAN FRYER: But that is at 120 percent. It's not at a blended average of 100 or anything else. That's what the number's showing up.

MR. TORRES: That is correct, and that is my understanding after having confirmed it with how compliance is going to be reviewing these projects.

CHAIRMAN FRYER: We're apples to apples, then, because you're using the same chart that I'm using, so thank you.

MR. TORRES: Perfect. So same thing at 100 percent and 80 percent.

So then what you see below those numbers is the reduction from the market rate. So how much is the developer giving up from market rate by having this restriction? So if I have to rent a two-bedroom for $2,547, I am giving up $332.60, and so on. And it gets -- at the highest amount, if I have to rent a three-bedroom at the maximum 80 percent limit, which is $1,961, I'm giving up $1,933 a month.

COMMISSIONER KLUCIK: Yeah, 7-, $8,000 a year on average if you took the median of 641.

MR. TORRES: So we're good up to there. So then from there we say, okay, let's value the proposals, the proposal I put on the table and the proposal that the county put on the table. So my proposal is 20 percent of the units, the original proposal, which is 42 units at an average reduction of 641.80, that's the average between two- and three-bedrooms times 12 months. So what I put on the table means I give up $323,000 and change every year in rent because of the reduction.

CHAIRMAN FRYER: But you also get five times the density.

MR. TORRES: I hear you.

Okay. The county's proposal is 42 units in the 50 to 80 percent, which is an average reduction of $1,557. It comes to 784,000 and change, plus an additional 10 percent of the units, which is 21 units, with an average reduction of 1,100 or so for an additional 277,000. So the county's come back and said, you need to give up over a million dollars rent a year, okay.

So this is where we are. I proposed 323,000. The county's come back with a million. So it is our position that their plan is not feasible, and I'd like to explain why.

COMMISSIONER KLUCIK: Can I ask a question?

MR. TORRES: Yes.

CHAIRMAN FRYER: Commissioner Klucik and then Commissioner Schmitt.

COMMISSIONER KLUCIK: Okay. So I realize I could figure this out if I went and looked at it again, so -- but right now those 42 units are additional units? What's the -- how many units could you have right now without the increased density? Just --

CHAIRMAN FRYER: Thirty-eight, I think.

MR. TORRES: Thirty-eight or so; two and a half an acre.

COMMISSIONER KLUCIK: Okay. And then how many -- so the total units that you could have under the existing density is 38?

MR. TORRES: Thirty-eight, correct.

COMMISSIONER KLUCIK: And then the total units that you would get under the proposal that you're asking for is how many?

MR. TORRES: 212.

COMMISSIONER KLUCIK: Okay. So you have a chance -- you know, 212 minus 42 is what, 170. And the current is how many, 38?

MR. TORRES: Yes.

COMMISSIONER KLUCIK: So then you have 132 huge chances for gigantic profit. You know what I'm saying? So, like, I get it. This is a great comparison. This helps us understand the two proposals, but you also have this gigantic --

MR. TORRES: Yeah. We're going to get there.

(Simultaneous crosstalk.)

COMMISSIONER KLUCIK: -- money, money, money and that's a factor, too. And I suggest that you -- you know, that your discussion addresses that.

MR. TORRES: No, and that's why we're here. I mean, we're not saying we don't need to give anything away, so...

COMMISSIONER KLUCIK: It's not just this raw, well, you're asking us to give up a million dollars in rent. There's -- you know, you're also asking for a chance to make a lot of money, and I'd like to hear how much extra money will you make. What's the opportunity --

MR. TORRES: Well, it is --

COMMISSIONER KLUCIK: No. Don't interrupt me, please. What's the opportunity to make more money under these two proposals? Because there's an opportunity to make more money under your proposal, and there's an opportunity to make more money under the county's, you know, suggested requirement, recommendation. Please don't interrupt me. And so I just want to know -- you know, you're getting something for this regardless. In either section, in either situation there's a nice opportunity, and that's why we do it. We -- the whole idea of doing this is to incentivize because we want -- my whole approach, we want -- I want you to make more money. I want you to have a great opportunity to make money and do something that benefits the community.

MR. YOVANOVICH: I'm going to ask your indulgence. Please let David finish the slides, because we've anticipated that question --

COMMISSIONER KLUCIK: Great.

MR. YOVANOVICH: -- so if you can just let us finish the presentation.

COMMISSIONER KLUCIK: You have a good lawyer, sir.

MR. YOVANOVICH: Thank you.

MR. TORRES: I do want to address your comment.

COMMISSIONER KLUCIK: I'm very pro-development, and I want nothing more than you to have this opportunity.

MR. TORRES: But in a sense we just need to decide how we want land to be developed. I can develop a project at 38 units. It will look like Sapphire Cove, and there's a resale in Sapphire Cove right now for $2 million on a 55-foot-wide lot. So if we want to see $2 million homes there, you know, it can be done. I just don't think that's what we want. I don't think that's what the county needs, but, anyway, I'll keep going.

So we were --

COMMISSIONER KLUCIK: There's an inherent benefit in building something -- I mean, just building a lot more units that are lower price regardless of whether they're low income. There's a market demand for that that relieves pressure on the housing.

MR. TORRES: In addition, additional supply of rental apartments, whether they're restricted or not, is a benefit to the overall market pricing, so...

Okay. So with that, I'm going move on to this next slide. We've just discussed what these proposals are valued at. And this slide shows you what our estimates are of what this apartment complex would make net in a year. So we do make money, so don't get me wrong. So this is -- I'm expecting, once this complex is built, it will be putting out $4.7 million a year. But to get there, we're going to spend 74,380,000.

So that pro forma, if I have no restriction, if I'm able to charge market rate, I'd be making 6.4 percent return on cost, which -- you know, you guys are not in the apartment development business. It would be a healthy number right now. It would be a healthy number in the current marketplace.

My application then proposes a concession of 323,000 a year. So it would bring my net income of the complex to 4,431,000, which would be at about 6 percent return, right? The county's, when I'm giving up over a million dollars, puts me at a return of 4.96. The problem with 4.96 is I can't get the project done. I can't get it financed. I can't raise capital for it. It's too much, you know. So we hear you that my proposal's too low. All I'm trying to convey is just the county's is too high. I believe I can get the project financed and built at a 5- and-a-half percent return on cost, which would put at me providing a concession, an annual concession -- this is every year, an annual concession in the $663,000 a year. That's your last column in that table.

So now we can discuss what does that mean. How do we use that money, you know, that 663,000? Which is basically twice what I've, you know, put in the application originally.

Okay. What would that mean? That would mean 10 percent of the units at 100 to 120, another 10 percent of the units between 80 and 100, and about 5.7 percent of the units in the 50 to 80 percent. So it would make our commitment a total of 25 percent. It brings the brackets down, and it gets the project built, which I think -- like I said originally, even if they were unrestricted, I mean, we need additional supply of rental apartments out there. So I --

CHAIRMAN FRYER: Commissioner Klucik.

COMMISSIONER KLUCIK: Yeah. I was just going to say that I appreciate this, and especially explaining the logic. And, obviously, you were already planning to give me the information that I was insisting that I have. So I kind of get ahead of myself sometimes. Mr. Yovanovich knows that.

MR. TORRES: No problem.

COMMISSIONER KLUCIK: But I'm also always fair.

MR. TORRES: Yeah, thank you.

COMMISSIONER KLUCIK: All right. Great.

MR. YOVANOVICH: I know that as well.

MR. TORRES: Unfortunately, this has all evolved in the last day or so, so the county, unfortunately, has not been able to review this revised proposal. But once they get up here, I'm hopeful that this satisfies, you know, their concern and that they consider this a fair middle ground.

COMMISSIONER KLUCIK: Can you talk about that 5.5 percent threshold for a lender. Is that your lender, or is that in general?

MR. TORRES: That's in general. That's in general. So lenders are -- and that's a moving target, you know. It's not always 5 and a half. It used to be higher years ago but, you know, cap rates have gone down, and they've adjusted the amount of capital in the marketplace at any point in time. So it is a moving target as well, so...

CHAIRMAN FRYER: Commissioner Schmitt.

COMMISSIONER SCHMITT: Yeah. I'm sorry. Can you go back to the previous slide. I just want to -- that one and the next one. I just wanted to see what --

Okay. And then you were on the next slide. No, but go forward, Dave. The last slide you were on. Okay. So this one is basically the 21 units; what do they represent? Because I lost track.

MR. TORRES: So there's three brackets in the revised proposal: 21 of them between 100 and 120 --

COMMISSIONER SCHMITT: Got it.

MR. TORRES: -- 21 of them between 80 and 100, and 12 between 50 and 80.

CHAIRMAN FRYER: Thank you.

COMMISSIONER SCHMITT: I do want to get into the discussions about operating costs as well. Now, of course, they have no bearing on rezoning. There's no criteria in our rezoning applications that talk about financing, cost of doing business, rate of return. None of that is really within our criteria for evaluating zoning. But from an operational standpoint, if you build a product that you can't raise enough revenue to either maintain, sustain, or keep it a viable or desirable place to live, then my point is, I don't want the product in Collier County.

MR. TORRES: Yeah, absolutely. At some point in time, I can't --

COMMISSIONER SCHMITT: I mean, I don't want something that's going to be built and then it's not sustainable, maintainable, and you don't have an operating revenue, and it becomes -- it becomes dilapidated and deteriorates from a standpoint.

So those are my concerns as well. I realize from a financing standpoint, your threshold as 5.5 is basically to secure revenue and to move forward with the project. That's pretty much your target, and that's what the banking industry is basically -- or the financiers are basically telling you.

MR. TORRES: That's correct.

COMMISSIONER SCHMITT: But from an operational standpoint, is that still true, your annual income -- you're looking at annual income, paying staff, paying all the other type of operating costs, you still have to have the rent to meet requirements, annual maintenance, painting, all the other kind of things that are associated with operating a rental product.

MR. TORRES: Yes. At that level, it will still be run as if it had no restricted units.

COMMISSIONER SCHMITT: Okay.

MR. TORRES: But I do recognize the risk. You know, the more you, you know, restrict revenue, you're right, an owner could decide to run it differently operationally, and then that wouldn't be fair to the neighbors.

COMMISSIONER SCHMITT: And that's the point. The reason affordable housing has such a bad connotation is because of the perception it's going to be run down and it's going to become less desirable and detract and degrade the surrounding neighborhoods, and our job is to make sure that doesn't happen. I mean, your job, of course, as the owner and operator, is to make sure that doesn't happen as well, so...

MR. TORRES: Absolutely.

COMMISSIONER SCHMITT: But all that said, it's -- like I said, those issues really aren't part of the zoning process, but they are part of our decision process and kind of -- that's kind of where we're at. Okay, thanks.

CHAIRMAN FRYER: Thank you.

MR. TORRES: I don't have any more. If anybody has any questions, or I'll give it to Rich to close our presentation.

CHAIRMAN FRYER: Anyone have a further --

COMMISSIONER KLUCIK: I would like a copy of the presentation if you can email that to me.

CHAIRMAN FRYER: Anything further for Mr. Torres?

(No response.)

CHAIRMAN FRYER: If not, Mr. Yovanovich.

MR. YOVANOVICH: Kind of picking up where David left off. The Board had a workshop a few months ago now about the need and importance of this being a -- basically a joint venture to bring more affordable units to Collier County. It's not just the burden on the property owner. We were asked to bring proposals that would lead to more income-restricted units coming to the market.

We've done that, but you have to also factor in the market risk that David faces. He doesn't know where construction costs are going to go.

CHAIRMAN FRYER: Commissioner Schmitt.

COMMISSIONER SCHMITT: I'll wait till he's done with his conclusion, because I have a --

CHAIRMAN FRYER: Okay.

MR. YOVANOVICH: So we have that risk, and we've brought forth a proposal that we think is fair, could be financed, will actually result in a Class A apartment complex with, as revised, another 12 units, I think was the slide, that was not in our previous proposal with income brackets that were not all at the 120.

CHAIRMAN FRYER: Commissioner Klucik, did you want to be heard now?

COMMISSIONER KLUCIK: No, I've gone in turn.

CHAIRMAN FRYER: Okay. Thank you. Sorry.

MR. YOVANOVICH: I would also say, as you heard from Alexis, I know what the Growth Management Plan says regarding density in this area. I think that's an outdated concept and an outdated policy and puts us in a position to be portrayed at an -- I think an unfair increase request in density. If we were -- right across the street, four units per acre as a base, and as an infill you get three units per acre.

So right across the street, I start with seven. I don't start with two-and-a-half. Because I'm on the other side of the street, I start out at two and a half, so now I'm being portrayed as a five-time increase in density. When I'm across the street, I'm not even a double. We'll round up. We'll call it a double, but I'm not five times. And I'm not that far off of what your current table would allow me to do without a Growth Management Plan amendment if I were across the street.

Now, if you look at how that has been developed along Collier Boulevard -- and some of us have been here -- I didn't get here in '89. I got here in '90. Some of us have seen how it's changed. And it was a great policy in 1989. 2022, I think it's an unnecessary restriction in density and how we look at things. So I think it's fair to us to look at this as a typical urban parcel of property with a typical urban density.

It's only a 212-unit project. You've seen other projects that have come in with 400 units and get a 30 percent income restriction. They have far more units, Mr. Klucik, as you were pointing out, to spread that out over. It's far different from what staff wanted and now what we're proposing. We're about halfway to staff's proposal.

So he's got the risk of the market, risk of costs, but he's willing to take that risk at what he can get financed. This is one of several proposals you're going to have coming your way. Next week -- next meeting Amerisite, similar concept. I've got several -- several other projects that are in the review process right now that are asking for density bonuses.

CHAIRMAN FRYER: Since you brought up Amerisite, you're not providing for any affordable housing in that, are you, or has that changed?

MR. YOVANOVICH: That's changed.

CHAIRMAN FRYER: Okay.

MR. YOVANOVICH: So what I'm saying is if you impose requirements that can't get financed, you're going to end up with, you know, lower-density projects. The developer will do okay, you won't have more rental to help either stabilize or possibly reduce the rental rates for the market rates, and you'll have no income-restricted rental housing coming forward.

What I think's been missed in this whole discussion is the benefit of that teacher moving in and knowing that his or her rent is not going to go up unless the adjusted median income goes up and that table shifts, because we're all aware over the last year or two -- my assistant who rents got a letter saying, congratulations, you get to pay me another $500 a month. She's fortunate because I've known others who get, congratulations, you get to pay me another thousand dollars a month.

But that teacher, that firefighter, and the sheriff's deputy is not going to get that letter. They're going to have security in what they're paying that they will not get that letter and try to find another place or, guess what, maybe leave Collier County because they can't afford to live here anymore.

I've had conversations on projects with the Sheriff's Office, Collier County Public Schools, hospitals, Chamber of Commerce. This is a big issue, and there's a lot of support for the projects that are coming forward. But you have to put us in a position where a developer's willing to take the risk. Hopefully what we've shown you is where we've got to be to get the project financed, show you what the impact is for the project, and hopefully have, with this proposal, justified the additional units that we're requesting.

We hope you'll recommend approval for what we're proposing. I don't think there's planning issues related to this. I think this really was about how many units that will be income restricted for the extra units.

And with that, this furthers two policies in your Growth Management Plan: Affordable units as well as the utilization of TDRs. Both of those are important concepts in the Growth Management Plan and, with that, we hope you will recommend approval to the Board of County Commissioners for both the Growth Management Plan amendment and the PUD and the EAC approval.

CHAIRMAN FRYER: Commissioner Schmitt.

COMMISSIONER SCHMITT: The 20 percent threshold, you're at 20 percent?

MR. YOVANOVICH: We're at 25.5 percent now.

COMMISSIONER SCHMITT: 25.5.

MR. YOVANOVICH: Yeah. We're at this. This is what David is proposing.

CHAIRMAN FRYER: 25.7, isn't it?

MR. YOVANOVICH: 25.7, thank you.

COMMISSIONER SCHMITT: And staff is still at 30 percent.

MR. YOVANOVICH: Staff was at 30 percent. And in fairness to staff, we haven't talked to them because we got a staff report on Thursday. We've been reacting to it and we've been -- you know, I've raised issues with Mike about costs and how this is all going to work, and I have not shared with him this slide, but I've shared with him the concepts of we're in an un -- the proposal is not workable from a business standpoint.

COMMISSIONER KLUCIK: Can I just ask the question. Are you saying that there was more units that would bring that 54 up higher, which makes the 25.5 percent go up to 30? Is that what you were talking about?

MR. YOVANOVICH: We were at 42 units. Staff was at 63 units. This counter is at 54.

COMMISSIONER SCHMITT: Staff is asking for 30 percent to be affordable.

MR. YOVANOVICH: They were asking for 63 of the units to be income restricted.

COMMISSIONER SCHMITT: That 30 percent comes from -- is that a policy decision, or is that a recommendation, or what -- what is the reason --

CHAIRMAN FRYER: We're going to hear --

MR. YOVANOVICH: I'd rather have Mike answer that than me.

CHAIRMAN FRYER: We'll hear from staff.

COMMISSIONER SCHMITT: And I -- okay. Because that's a question of staff.

MR. YOVANOVICH: That's a staff question.

COMMISSIONER SCHMITT: I'd just like to know why 30 percent.

MR. YOVANOVICH: You're going to have to ask Mr. Bosi that.

CHAIRMAN FRYER: It's a fair question, and I'm sure that it will be appropriately asked of staff.

Anything else, Mr. Klucik or Mr. Schmitt?

COMMISSIONER SCHMITT: Yeah. I want to just finish. From a standpoint of density -- and I've had this discussion with two commissioners previously. The affordable housing issue, to be developed in this county, to develop affordable housing, the only answer, quite honestly, with the cost of land, cost of construction, cost of operating and maintaining, the only way to meet the requirements is through density. You've got to have high-density product just like they do in other urban centers. You can pretty much classify Collier County as pretty much an urban center now, 300,000, 280-, whatever we are, probably above that.

MR. BOSI: Four hundred thousand.

COMMISSIONER SCHMITT: Four hundred thousand. But you've got to have density. When I'm talking density, 15, 16, 20 units an acre in order to make a product -- to develop a product that can be marketed as affordable housing at the rent threshold.

So -- and I've heard the comment five times the density, but density is the key to solving affordable housing. That is it. And if we don't provide a high-density product, a developer -- what you've presented, a developer cannot meet the requirement, even at 20 or now 25 percent. So that's your -- basically your bottom-line position?

MR. YOVANOVICH: We can make the project be financeable at what we're proposing. We can't make it financeable at what Collier County staff is proposing.

COMMISSIONER SCHMITT: Or you walk and then just develop another --

MR. YOVANOVICH: It would be a 38-unit, nice single-family community.

COMMISSIONER SCHMITT: Single-family dwelling unit.

MR. YOVANOVICH: And you get more of the same, and you get no more rental units, and you get no more income-restricted units.

COMMISSIONER SCHMITT: Okay.

CHAIRMAN FRYER: Commissioner Klucik, did you have more, sir?

COMMISSIONER KLUCIK: Yes. All right. So when -- you know, in this concept you have a couple hundred apartments and you have these set asides, whatever number it is, 54 we'll say in this case, is that -- is Unit 138B, is that, you know, always going to have the same designation, or is that a sliding designator?

MR. YOVANOVICH: We have to prove to the county staff through the review process that there are 54 units either rented to people who qualify in these categories or vacant to be rented for people in that category, because --

COMMISSIONER KLUCIK: The only reason I ask the question is because I'm thinking your friend that you mentioned who gets the little notice, and then if all of a sudden, you know, the landlord designated a different property -- you took the designator away, you know, so you have someone in there. And maybe there's some other provision that doesn't allow that. If you actually -- you know, if the same tenant stays in there and we have that income, they can prove that you can't change it to a non-income-restricted.

MR. YOVANOVICH: Well, once you're in, my understanding is if your income increases, the county's not going to force us to evict somebody. So there could be that teacher that eventually gets above the income threshold. My understanding is they get to stay. I don't think you have to worry about an apartment operator saying to you, guess what, I want you to go, but I'm going to replace you with Rich who makes the same amount of money.

COMMISSIONER KLUCIK: Right.

MR. YOVANOVICH: I think you're the safe bet. We want you to stay as long as possible and not have to go find another person.

COMMISSIONER KLUCIK: And another question: Are these -- you know, is the idea that these 54 units would be somehow sequestered from the other units, or would they be absolutely integrated?

MR. YOVANOVICH: They're integrated. It's a requirement that they be integrated.

COMMISSIONER KLUCIK: Okay. And then I guess I just wanted to say that I always kind of tickle the elephant in the room instead of, you know, letting the elephant just sit there. And, again, though, generally, my reason behind that is I would rather everybody have talked about the elephant. And I kind of like what I see in this proposal and your movement, you know, to try to accommodate some of the concerns. And so what I see on the screen, you know, I tend to think that's something I would vote for.

CHAIRMAN FRYER: Commissioner Shea.

COMMISSIONER SHEA: So I guess the question I have -- I'm very much worried about the percentage of AMI that you're servicing. I appreciate the effort of the revised proposal. I still think it's a lot to give up. Would you guys entertain switching in this table here your first 21 for the 12 and putting the 21 in the top line down on the bottom third bullet?

MR. YOVANOVICH: How about we figure out the math to where it's equal. I mean, we've got to stay at the 5.5 percent, Mr. Shea. So it may mean that -- and I don't know. Would you be willing to do --

CHAIRMAN FRYER: Three goes into 54.

MR. YOVANOVICH: I know how to divide that, but I don't -- I have -- basically, to get his rate of return, you need to shift, and that would be a greater reduction and bring it below the 5.5 percent.

So what I'm saying is, we're happy to -- we may do less than 54 by bringing some of the units from the 80 to 120 to a lower category. I don't know the number. I'd have to do the math. But, you know, we'd have to -- it has to be equal is what I'm trying to say from the loss of revenue. Does that make sense, Mr. Shea?

COMMISSIONER SHEA: Oh, I understand what you're saying. I just think there might be a little more room in there for negotiation.

MR. YOVANOVICH: You know, it's -- David's been here a long, long time.

(Simultaneous crosstalk.)

COMMISSIONER SHEA: There's a lot of assumptions that go into it, good and bad, that go your way and some that don't go your way.

MR. YOVANOVICH: And you know, and who knows? 2008 and 2009 seems to be a distant memory for a lot of people. It isn't for me. Who knows? And who takes the risk? David does. Nobody up there. Nobody at the county. I don't. So you have to -- he has to -- you have to be willing to take the risk.

CHAIRMAN FRYER: Thank you.

Anything further for the applicant?

(No response.)

CHAIRMAN FRYER: Anything further, Mr. Yovanovich?

MR. YOVANOVICH: No, sir.

CHAIRMAN FRYER: Okay. Thank you.

We'll now hear from staff. Ms. Mosca.

MS. MOSCA: Good morning. Michele Mosca with the Zoning -- Planning and Zoning Division.

So most of what I was going to present today has already been discussed. What I'd like to do is really kind of focus in on those income ranges. I think that's what's important to staff.

Rich and I had a discussion about the density. Let's say you're in a coastal urban, let's say, activity center. So what is the typical density in an activity center? Sixteen dwelling units per acre. If you have a density band around that within one mile of the activity center, you get an additional three units; it brings you up to seven.

So how do we get from seven to 13 point whatever or 14? Well, let's say you did the affordable housing provision that's within the Land Development Code. You would be looking at 20 percent to 30 percent of those units being in that low bracket.

So I understand that there are challenges with using that LDC table. I've heard that from several developers, but you still end up at that low 50 to 80 percent, so -- just so we address if this is an activity center within another area of the county.

Thanks, Michael.

So I won't go through all of this. We all know that in order to have a plan amendment, you have to have your data and analysis requirements. The market study that was provided for the apartment complex was reasonable, so we'll just move on. Again, 38 DUs per acre.

So what does it look like in the surrounding area? Alexis touched on all of this. Really, when you see the increases in densities, those have all been done with a Growth Management Plan amendment. So there's no question there. A lot of the PUDs that are along that corridor are well below or at 2.5 or below 2.2 -- sorry, two dwelling units per acre.

I didn't realize that was going to do that, but...

CHAIRMAN FRYER: Commissioner Schmitt.

COMMISSIONER SCHMITT: Michele --

MS. MOSCA: Yes.

COMMISSIONER SCHMITT: -- these numbers and the numbers that were in the staff report, both the Comp Plan amendment staff report and the rezoning, these are a little bit different numbers than what Alexis showed because of the recent -- recent approvals, do these reflect the recent approvals?

MS. MOSCA: It does. Well, the First Assembly Ministries, you'll see it on the map. So right now it's at 4.28 dwelling units per acre. They're proposing a density of 10 dwelling units per acre. So you see that right on the screen. Further south of Better Way, the approval for Hammock Park, you're at 13.85, and surrounding it, you're generally below 2 or you're at 2.5 with, for example, the Lords Way PUD 30.

Now, what I'd like you to do, though, is look at these properties in here. These are all vacant agricultural properties right within this area. They're outside of the activity center. So what do these become? And that's something I'm sure you'll see proposals moving forward. So the maximum for those properties -- they're agricultural properties -- are limited to a maximum of 2.5 DUs per acre with Transfer of Development Rights credits, and same thing with here, or they can come in for an ALF or something similar in the agricultural zoning district. I just wanted to point those out.

So you likely, with this approval -- I know each petition stands alone, but the developer expectation then will be looking at these particular units and bumping those up in density, just for your awareness.

COMMISSIONER KLUCIK: Mr. Chairman?

CHAIRMAN FRYER: Commissioner Klucik.

COMMISSIONER KLUCIK: I mean, the 16, is that -- what is that one? It just popped up on the screen below those ag units. Sixteen density.

MS. MOSCA: Oh, I'm sorry. So that's the Amerisite PUD that you'll hear on June 2nd. And right now, as it's submitted to staff, is a market rate product for rental units at 16 dwelling units per acre.

So TDRs have not been provided. They're not providing that nor have they offered up any type of affordable housing. But what I'm hearing today is Rich is saying that there's some sort of proposal on the table that staff will learn about.

COMMISSIONER KLUCIK: And I guess all I would say is, it seems like those two-and-a-half -- those five -- four ag parcels seem like they would be, you know, something, that -- I mean, is there a reason other than the fact that they're currently at that zoning, they seem like they would be the perfect candidates, you know, for an increased density just based on, you know, the area that they're in.

MS. MOSCA: Yeah.

COMMISSIONER KLUCIK: So I guess all of this is -- you know, the area is filling in, and it's filling in, you know, in ways you never can predict, and it seems as though even if we -- you know, in my view, even if we weren't giving -- even if we weren't getting the affordable housing, by nature of the product, you would -- you know, if you were just going to do a market-rate apartment building on some of this stuff, you'd want -- we would want, as a policy -- on a policy basis, we might want to say, yeah, I want to approve that because it takes stress off of the housing market. And so the fact that we're also -- you know, I mean, to me it's kind of one of those things where I think we can extract these concessions, you know, from the developers, but I also think, you know, we're getting so much out of it even if -- even if we were just going to give them that without getting anything back. The fact that they're doing something that provides relief to the housing market is a factor as well that I think we have to consider.

MS. MOSCA: And I agree. The proposal that they've provided is getting closer to where we want to be.

So let me just continue. I just want to address a couple more items. So we already talked about that, what are they getting. So they're at 38 dwelling units that they could build now. So we're looking at an additional 174; 170 at market rate. So that's based on the existing proposal, obviously.

COMMISSIONER SCHMITT: Michele, I'm going to interrupt. The Hacienda Lakes -- go back to that other slide, the Hacienda Lakes sports park and the Junior Deputy tract, aren't those all now identified for future development as part of Hacienda Lakes, or am I mistaken?

MS. MOSCA: They're all within Hacienda Lakes, as far as I know, and David could probably address that. I don't think there's any sort of future development on that at this time.

MR. YOVANOVICH: Correct.

COMMISSIONER SCHMITT: I thought --

MS. MOSCA: I mean, it is becoming -- you know, with the Swamp Buggy attraction, what is that -- what do we have, events, I don't know, a handful of times --

MR. TORRES: Three.

MS. MOSCA: Three times per year.

COMMISSIONER SCHMITT: Yeah.

MS. MOSCA: So the Sapphire Cove, they've been able to live comfortably next to them, is what I hear from a couple of the residents. But looking at the subject site, we probably could look at increasing that density, what that number is. Is that seven? Should it have some sort of transition from the activity centers similar to another activity center within the urban area transitioning east to Hacienda Lakes, so that's --

COMMISSIONER SCHMITT: Then when we get further east, we're into the rural fringe.

MS. MOSCA: Correct, sending and --

COMMISSIONER SCHMITT: Sending and receiving lands.

MS. MOSCA: Sure, yep.

COMMISSIONER SCHMITT: Okay.

MS. MOSCA: And so this -- the data and analysis, Russ did a great job. I think that it was inconclusive in terms of the employment categories. You know, Russ and I continued to talk, and then we had the petition moving forward to public hearings.

So there's sort of a disconnect, I should say. Maybe it's not a disconnect. But, for example, some of the -- let's look at food preparation. So what Russ included -- which, you know, he had the best available data. What he included were chefs and head cooks and managers to derive a mean salary when there's other standard classifications also listed in there which aren't included in that mean salary, which would be your line cooks or your food preparation servers. So then that goes back to, well, you know, what do we do when we look at, you know, what's appropriate for those income categories.

So staff, of course, is going to look at the HUD income and rent limits. So what -- again, this is the existing proposal that the applicant provided at the 120 percent. So, typically, when we see that 81 to 120, we're usually getting 120 percent; that's what typically end up with the rent.

So you can see those further to the right, the rent limit. So those would be one-, two- and three-bedroom. And now I understand maybe there's going to be a commitment from the developer to do a townhome. In the submittal now, it can be a multifamily, et cetera.

So then as part of our evaluation, we looked at the county's housing model, and the county's housing model identified a demand for low, very low, and extremely low in the rental categories. Five hundred plus units annually are needed.

So then what do we look at? So we're looking at the low at 80 percent, looking at those units, and then I also researched a number of apartments. You saw this in your staff report. And, again, that's just a snapshot in time. I know these rents fluctuate and they have ranges, but what it appeared to me, just doing the research and doing the evaluation, is that a lot of these rents are in the market-rate rental category, so there's a little bit of concern there. So that's why you ended up with your staff recommendation of denial.

I think we can move towards what the applicant is proposing. What I would suggest is maybe the applicant look again at their numbers and maybe get, you know, 5 percent below that -- you know, into that 80 and below range.

CHAIRMAN FRYER: I'm going to exercise the prerogative of the Chair at this point and call for the mid-morning recess, and during that time I would like to speak with Ms. Mosca and

Mr. Bosi. So we stand in recess for 10 minutes until 10:33.

(A brief recess was had from 10:23 a.m. to 10:33 a.m.)

MR. BELLOWS: You have a live mic.

CHAIRMAN FRYER: Thank you. Let's reconvene.

Ms. Mosca, please continue --

MS. MOSCA: Yes, thank you. Can you hear me? Yep.

So during the break staff worked with the applicant, and we've gotten closer to where we want to be as a staff in addressing the affordability needs for the community. So now what we're looking at is 24 dwelling units at 100 percent and below for the area median income for a 30-year commitment and then 24 dwelling units at 80 percent and below.

CHAIRMAN FRYER: Say that again.

MS. MOSCA: Yes, sir. So 24 dwelling units at 100 percent of the AMI or below.

CHAIRMAN FRYER: Or below.

MS. MOSCA: And then 24 dwelling units at 80 percent and below.

CHAIRMAN FRYER: Thank you.

Mr. Bosi, did you want to say something?

COMMISSIONER HOMIAK: So now it's 48 units, then, right? It's 48?

MR. BOSI: And that comes to about -- that's 23 percent of the units would have an income restriction associated with it.

CHAIRMAN FRYER: All right. And so that would -- that's 48 units.

MR. BOSI: Forty-eight units.

CHAIRMAN FRYER: And there would be nothing at the 120?

MR. BOSI: Nothing at the 120.

CHAIRMAN FRYER: Okay, gotcha. Everything 100 or less, right. Okay.

MR. BOSI: And the only thing I wanted to do is provide a little bit of an explanation of where staff has arrived upon that 30 percent number.

What you see on the table is the current -- that's 2.06.03 from the Land Development Code. It's your current affordable housing density bonus number. If they were -- if they are not seeking a Growth Management Plan amendment and were utilizing the affordable housing density bonus to get 11 units, they would have to hit the very low at -- and 50 percent of the units would have to be associated with it. If they were going into the low, that would be 70 percent. If they were at the moderate, the 80 to 120, that would be 90 percent of those units.

We've recognized that these numbers don't work for the marketplace. That's why it hasn't been exercised, and that's why you're going to hear later on GMP amendments that are proposing housing initiatives that are outside of this table that are an alternative to this table. We haven't gotten there yet with those GMP amendments. So the market has recognized that, and Mr. Yovanovich has represented various clients, and other petitioners have sought to increase density through the density bonus, and we recognize there's two avenues that you have to be able to exercise to address the affordable housing issue. You've got your income restricted, but you also have your market rate. And there's a supply and demand imbalance that currently exists. That's why the pricing power sits within the apartment complexes or the landlords is there's more demand than there is supply.

So as we add unrestricted units from a multifamily perspective, we know that addresses this issue in a way. It is a benefit. But we also know there's a benefit when we have the income restriction because it targets individual specific income levels for our essential service personnel.

So as we -- as we were developing what our proposals -- or what our reactions should be to these GMP amendments, we arrived upon 20 percent in the past couple years.

After the Board of County Commissioners meeting where they had their discussion on the affordable housing and the crisis and the recognition and the agreement from all five of the Board of County Commissioners and the urgency that they said and the request for partnerships and asking the development community to be on board with it, we've had meetings with the County Manager's Office, and they said, let's be a little bit more aggressive. So we arrived upon 30 percent. That's what -- we countered their original proposal with 30.

They're coming back with this revision. I, from a professional planning standpoint, appreciate it because it got us much closer towards where we wanted to go. With the -- with the abandonment of the dedication at the 120 to increasing the units available to the up to 100 and up to 80 to 24 and 24, we feel that there's a public benefit that's going to be provided.

Obviously, the applicant feels that their pro forma can still meet these -- the stress test of these subsidized units, and staff can support a revised proposal at those income levels.

But I just want to give you a little bit of history of where we're at, how we got to these levels. And it's not a specific policy. What -- our policy in our GMP is provide incentivization to provide for affordable housing. That's additional units to be able to offset the income restrictions that are associated.

So that's a big umbrella. We've developed this 30 percent through conversations with the County Manager's operation, and we appreciate the effort of Mr. Torres and Rich and Alexis in working on the fly, and we think that this proposal is something that -- we know staff can support it. Have had conversations with -- Mr. LaRow and the Housing team can support it as well.

So we are -- we're ready to amend our recommendation that's contained within the staff report based upon all the changes that we've discussed as part of this -- the hearings today.

CHAIRMAN FRYER: I appreciate that, Mr. Bosi.

And before I call on the other commissioners, I want to echo your positive comments. Well, no, first of all I want to thank staff for being able to react so quickly, because that shows that you are steeped in this material. You know it like on the back of your hand, and you're able to respond so very quickly, and we greatly appreciate that. And we also appreciate the spirit that the applicant and his team have brought to the table of being willing to talk these things through and see if we can find an accommodation.

I don't think anyone -- and correct me if I'm wrong, but I don't think anyone up here believes that 2.5 dwelling units per acre is the right maximum. I think we all realize it's too low, and we agree with the way Commissioner Schmitt said it, that if you're going to get affordable housing, you've got to have more density. And so I think that general concept is a given. It's just a question of striking a fair balance, and that's where people, I think, can perhaps disagree. But I think where we are at this point is -- it certainly shows some considerable progress and good efforts on the part of everyone concerned.

Ms. Mosca, do you have more to say?

MS. MOSCA: I don't. I'm just waiting for a vote.

COMMISSIONER KLUCIK: Mr. Chairman?

CHAIRMAN FRYER: I'm sorry. Oh, we do. First of all, Commissioner Schmitt and then Commissioner Klucik. I'm sorry.

COMMISSIONER SCHMITT: So, Mike, the 30 percent was not a policy. It was more of a -- kind of stress goal --

MR. BOSI: Correct.

COMMISSIONER SCHMITT: -- that -- to push applicants to come in with that. Okay. So that clarifies, because I was trying to -- I was trying to -- because to just throw 30 percent out without understanding the finances and dynamics behind it, as Mr. Torres points out, I think is important when you come up with a goal like that because it -- you've got to have a product that's going to be supported financially and a product that will be a success, not become an eyesore in the community. And that's -- so I'm -- but I understand -- so you're falling off that based on, now, the analysis and the adjustments made by the applicant now?

MR. BOSI: Correct. And what we were -- and when we were discussing with the County Manager's Office organization, it was -- we were at 20 percent, and they were 80 to 120 percent.

COMMISSIONER SCHMITT: Yeah.

MR. BOSI: So it's basically 120. We asked for 30 to be more aggressive, but if we can target income levels below that 120, as they're suggesting, all of a sudden that 30's not as necessary because we do know that we're going to be getting real value in terms of being able to provide housing for an additional 48 of the workforce that makes this community what this community is.

COMMISSIONER SCHMITT: Okay.

CHAIRMAN FRYER: Thank you.

Commissioner Klucik.

COMMISSIONER KLUCIK: Yeah. I just wanted to clarify. What you said, then, is the counterproposal that was the last item on the screen for the applicant before we switched to the county presentation, that proposal with the 25.5 percent and the 21, 21, 12, that's the one that you could support?

MR. BOSI: No. The proposal is a hybrid of that. It is basically zero units are going to be allocated to the 120 percent, 24 units are going to be allocated to the 100 percent, and 24 units will be allocated to the 80 percent. Because they increased the targeting to the 100 and then to 80 -- to the lower, we agree that it --

COMMISSIONER KLUCIK: Okay.

MR. BOSI: -- that that proposal is what we can support.

CHAIRMAN FRYER: Thank you. Ms. Mosca, anything further?

MS. MOSCA: No.

COMMISSIONER HOMIAK: Paul.

CHAIRMAN FRYER: I'm sorry? Oh, he's not --

COMMISSIONER SHEA: I took your advice.

CHAIRMAN FRYER: Commissioner Shea, thank you.

COMMISSIONER SHEA: Again, I want to thank you all. I think -- I support what the compromise is. And for me, it's getting down to that below 80, getting more numbers down there, because that's an area that we're just not -- everything that's coming before us seems to be this 80 to 100 percent, but we don't seem to be attacking the lower level, so I like that movement.

CHAIRMAN FRYER: Thank you.

Anybody else wish to be heard?

COMMISSIONER SCHMITT: Well, where are we now with the final proposal?

CHAIRMAN FRYER: Well, I think we're going to have to hear from the applicant pretty soon, but before we get finished with staff, I want to be sure that all questions have been answered, and then we'll have the applicant come back up.

COMMISSIONER SCHMITT: One last question.

CHAIRMAN FRYER: Go ahead.

COMMISSIONER SCHMITT: Michele, based on the urban boundary, is there initiative to relook at that whole thing that was dated back from '89?

MS. MOSCA: I'll have to defer to Michael.

MR. BOSI: One of the things I would say is that, yes, in 1989 they established the Urban Residential Fringe --

COMMISSIONER SCHMITT: Yeah.

MR. BOSI: -- but in 2003 we adopted the Rural Fringe Mixed-Use District. We recognized what the Urban Residential Fringe was, and we made no -- there was no decision amongst staff or the Planning Commission or the Board of County Commissioners to make any adjustment to those levels.

COMMISSIONER SCHMITT: So we made no adjustment -- no thought of adjusting those densities?

MR. BOSI: There was recognition of how that worked, but there was no -- there was no -- there was no initiative to say, okay, let's look at the eastern portion of that activity center, and does the 2.5 still make sense?

COMMISSIONER SCHMITT: Well, it may become overcome by events because of all the Comp Plan amendments that seem to be coming in along this 951 corridor right now.

MR. BOSI: I don't disagree. And I think that at the end of the day what we will have is this activity center acting as the other activity centers as almost the full quadrants having the type of densities that are associated with that.

COMMISSIONER SCHMITT: Right.

MR. BOSI: And I don't think that's a bad thing.

COMMISSIONER SCHMITT: Yeah. And I see a former employee sitting way back in the back of the room back there, and I wanted to see if he nodded his head. Mr. Weeks. He trained me on all this.

MR. BOSI: I think he trained us all.

CHAIRMAN FRYER: Anything further, Commissioner? Commissioner Schmitt, anything further?

COMMISSIONER SCHMITT: No, that's it.

CHAIRMAN FRYER: Ms. Mosca, just one comment, and this is -- this goes to procedure only. But I observed when I listened to the NIM transcript that only one person identified on the microphone, and that was Ms. Crespo. She identified herself at the beginning. No one did that, and that I find to be most unacceptable. Most of the people there should know better.

I'm not suggesting that it affect this action on the merits, but I'm going to call it out, and I'm going to call it out every time it happens, because it really deprives us of really important information. So please, please, please everybody who's involved in those NIMs be sure that members of the public identify themselves, be sure that county and applicant representatives identify themselves each time they speak. I don't think that's asking too much.

All right. Anything further for --

COMMISSIONER SCHMITT: Mr. Chairman, I think -- I would ask -- staff has a staff person there. It's not a staff-run meeting, but I think we just need to make sure that staff make sure that the applicant follows that guidance.

CHAIRMAN FRYER: Yeah, absolutely. Thank you.

COMMISSIONER SCHMITT: Thanks.

CHAIRMAN FRYER: Okay. Nothing further from the county. Let's hear from the applicant.

MR. YOVANOVICH: Do you have any public speakers that you might want to hear from?

CHAIRMAN FRYER: Well, do you want to wait?

MR. YOVANOVICH: I think let's just see what the public -- so I could just talk once.

CHAIRMAN FRYER: Okay. I was going to give you a chance to rebut after the public if you wanted. I wanted to hear what your view is on this proposal.

MR. YOVANOVICH: Well, we reached the proposal together at the break, so the 24 and 24 is acceptable to us.

CHAIRMAN FRYER: Okay. That's what I wanted to hear.

MR. YOVANOVICH: If I can, since the topic is lodged right now.

CHAIRMAN FRYER: Go ahead.

MR. YOVANOVICH: I actually made a math error earlier. If we were in a typical activity center where we are right now, we would have had four units base, three units for a residential density band, and three units for residential infill, so we would have had 10 units. And if you looked at the table, to get the additional units we wanted of three, we would have done a 10 percent commitment at the 80 percent and below. So I believe what we're proposing is far better for the county under that analysis. So I think the 24 and 24, staff did a great job. I think we were -- also did our fair share as well.

CHAIRMAN FRYER: Well, I commend you, and I commend staff for reaching that. I find it to be a very acceptable solution. Unless we hear something from the public to change my mind, I'm pretty far along here.

Mr. Youngblood, do we have any public speakers?

MR. YOUNGBLOOD: Mr. Chairman, I don't have registered public speakers for Items 2 or 3.

CHAIRMAN FRYER: All right. Anyone in the room who hasn't registered wish to be heard on this matter, now would be the time. Seeing none, we will -- do you want to rebut at this point?

MR. YOVANOVICH: I don't think so.

CHAIRMAN FRYER: Nothing to rebut.

MR. YOVANOVICH: No.

CHAIRMAN FRYER: Okay. Go ahead, Commissioner Klucik.

COMMISSIONER KLUCIK: I would just move to approve with the amendment of the 24 and 24 as stated to be approved.

CHAIRMAN FRYER: Okay.

COMMISSIONER SHEA: Second.

CHAIRMAN FRYER: That's in order. And would that be also for the EAC side and the PUD? So it's three matters we're joining.

COMMISSIONER KLUCIK: Correct.

CHAIRMAN FRYER: Okay. And it's been seconded. Any other discussion?

COMMISSIONER SCHMITT: I wanted to see the area where we're changing the language. That's what I'm looking for right now.

CHAIRMAN FRYER: Well, I think that's a point well taken. I mean, this is going to require I won't say considerable redrafting, but some redrafting, and we do have an opportunity to take another look at this after it's been redrafted focusing exclusively on the results of the redrafting effort by hearing it again on consent, and we haven't done that in a long time, and maybe this would be an appropriate time to do it. What is the --

COMMISSIONER SCHMITT: We have another item to discuss. I mean, by the time we're finished with that, would they --

COMMISSIONER KLUCIK: Yeah, that's what I was going to suggest --

CHAIRMAN FRYER: Go ahead.

MR. YOVANOVICH: Can I show you how easy it really will be?

CHAIRMAN FRYER: Go ahead.

COMMISSIONER SCHMITT: Yeah.

COMMISSIONER KLUCIK: Did you anticipate this?

MR. YOVANOVICH: I didn't make the change, but I'm just saying this paragraph -- it's that paragraph right there, C, in the subdistrict language, which is similar to the PUD. It is simply just changing a couple of numbers. Instead of percentages, to say the number of units at the 100 percent and below and the number of units at the 80 percent and below. I think -- I'm sure staff and County Attorney and I can work through this to where we don't need to come back for the consent. But it's similar language in the PUD, but that's the real revision.

COMMISSIONER KLUCIK: Could we postpone our vote until after we hear another matter, and then they actually can put it in writing for us?

CHAIRMAN FRYER: Well, I think this is in writing. Let's -- but let's see what other -- well, first of all, County Attorney, are you -- do you feel the need that this be brought back on consent? It seems like it's pretty straightforward with the language that Mr. Yovanovich offered.

MR. KLATZKOW: I don't feel the need, no.

CHAIRMAN FRYER: Okay. Thank you. Any planning commissioners feel otherwise?

COMMISSIONER SCHMITT: But the limit is at -- instead of 81 to 120, it's 80 --

MR. YOVANOVICH: It's going to be -- this language is going to say 24 units at 100 percent and below and 24 units at 80 percent and below, instead of percentages.

COMMISSIONER SCHMITT: Got it.

CHAIRMAN FRYER: That's pretty straightforward.

MR. YOVANOVICH: Hard numbers.

COMMISSIONER SCHMITT: That's pretty straightforward.

CHAIRMAN FRYER: Okay. It's moved and seconded that that is what we're going to do. There are three matters before us: The GMP, the PUD, and the EAC. Any further discussion?

(No response.)

CHAIRMAN FRYER: All those in favor, please say aye.

COMMISSIONER SHEA: Aye.

CHAIRMAN FRYER: Aye.

COMMISSIONER HOMIAK: Aye.

COMMISSIONER SCHMITT: Aye.

COMMISSIONER KLUCIK: Aye.

CHAIRMAN FRYER: Opposed?

(No response.)

CHAIRMAN FRYER: It passes unanimously.

Thank you, applicant.

MR. YOVANOVICH: Thank you.

CHAIRMAN FRYER: All right. I think we're moving smartly on time.

***And that takes us to the fourth and final matter coming before us for hearing today, which is PL20210000660. It is the staff-initiated affordable housing initiatives Large-Scale Growth Management Plan amendment, which means, of course, we'll hear it twice, and the Board of County Commissioners will also hear it twice. The matter is purely legislative in nature, so we don't need swearing in or ex parte disclosures.

And with that, staff may have the floor.

MR. BOSI: Mike Bosi, Planning and Zoning director.

I just want to give a little bit of a context of an introduction to the amendments that you're going to be hearing today. These are the last of the initiatives that were identified by the 2017/2018 ULI Collier housing analysis. There was a number of different things that were recommended to the Board of County Commissioners. Out of the those, they -- they went through the list. They called them what they wanted to support and what they, you know, couldn't support, and then they took troths of what they felt they could support and directed the staff to provide for those amendments or modifications as whatever the case may be.

These are the last of the four, so these will put a -- kind of a final touch upon the impact that that 2017 housing assessment from the ULI provided for us, and I think at the end of the day we can say it was a benefit that that did take place because we did -- and at the time that that was presented to the Board of County Commissioners, it was stated from the ULI participants that you're not at a crisis now, but there may be one coming. And we find ourselves in '21/'22 where I think that was very prophetic in the sense that we do find ourselves in a situation towards where housing is becoming an issue, a critical issue, not only to the individuals who need that housing, but to the individuals who employ those individuals who live within those housing.

So it's not just a one -- it's not just one demographic or it's just one population that this affects. This affects everyone within this community whether you can have individuals, you know, provide the services that your households need, whether you can find adequate staff within your favorite restaurant, within the areas in which -- you know, you do your business, you have your services provided for.

CHAIRMAN FRYER: Commissioner Klucik has a question or comment.

COMMISSIONER KLUCIK: Yes. My question really is -- and I couldn't -- you know, I should know this, and I didn't bring it up in our discussion, you know, when we had our staff meeting together -- how would this impact or would it impact, the things that we're looking at today, the RLSA or, because it has its own overlay, none of it affects the RLSA?

MR. BOSI: The proposals that you're having here today do not affect the RLSA because it has its own overlay. The majority -- these -- the majority of these are restricted to your urbanized area, your Immokalee urbanized area or your coastal urbanized area.

COMMISSIONER KLUCIK: And how about -- would it impact Golden Gate Estates at all?

MR. BOSI: The majority of Golden Gate Estates would not be affected except for Golden Gate City which is a separate sub-element of the Golden Gate Area Master Plan.

COMMISSIONER KLUCIK: Okay. Thank you.

CHAIRMAN FRYER: Thank you, Mr. Bosi.

MR. BOSI: And with that, I think we have some words from Mr. LaRow.

CHAIRMAN FRYER: Very good. Chair recognizes Mr. LaRow.

MR. LaROW: Good morning, Commissioners, Jacob LaRow, your Housing, Grant Development, and Operations manager with CHS, Community and Human Services. And, you know, I need training on this. How do I get this up on the screen?

MR. BOSI: I got you.

CHAIRMAN FRYER: Just mention your name and title, sir.

MR. LaROW: Oh, Jacob LaRow, Housing, Grant Development, and Operations Manager with Community and Human Services.

CHAIRMAN FRYER: Thank you.

MR. LaROW: So as Mike just alluded to, there's been some significant history with the county discussing affordable housing, and so I just have a number of slides, about four slides, compressing about six years of activity into four slides. So just full disclosure, I'm not doing complete justice with all the discussions, all the meetings that have occurred over the last number of years leading up to today. But I believe I'm pulling kind of the highlights out of that as it respects -- respects to the density kind of discussion we're having. And then once I get done with the history, then I'll be turning it over to Michele Mosca with Comprehensive Planning as the experts in planning.

So those of you that maybe have read the ULI advisory panel report that was compiled at the beginning of 2017, they really kind of pinpoint the workshop that the Board of County Commissioners had in March of 2015. That's where they started. Obviously, affordable housing programs and policies have been in place much longer than that, but at least to pick a starting point, this is where I'm starting.

So the two reasons there that were identified for the purpose of this workshop was just kind of taking stock of what happened in the housing crises in the mid 2000s, what proactive steps the county might take and to, you know, mitigate similar effects down the road. And then, of course, you're seeing update housing element of the Growth Management Plan, basically, improving the model in terms of how we evaluate our need in our community.

So the number of incentivizes that were listed on that -- or discussed at that workshop, I pulled up two, Incentive C and K, because those, again, largely, speak to density as a tool to help support the development of affordable housing.

And you can see here -- I won't read these verbatim but -- again, in the next slide I'll go into the next workshop, which occurred about a year later, where these themes were built on and further elaborated and analyzed as a tool.

So fast forwarding a year, this workshop, again, with the Board of County Commissioners was held jointly with the Affordable Housing Advisory Committee. I believe, Commissioner Schmitt, you might have been serving on AHAC at that time, and now we have Commissioner Shea. So this is something you'll have an opportunity to participate in in the next coming year, because this now is an annual report that we have to compile. Previous to 2020, I believe this is a triennial report. So this is something that we're taking -- because of the market demands and how quickly things shift, we're reevaluating our incentives more frequently in order to better react to market demand and those types of issues.

So this joint presentation through the AHAC and Community and Human Services division really expanded on the number of topics that were discussed at the previous workshop. And, again, keeping with the theme, just highlighting some of the myriad of items that were discussed focusing, again, on type of density.

The previous workshop looked at the Affordable Housing Density Bonus Program. This one was looking at that program and possibly expanding those types of flexibilities allowed under the program elsewhere.

So it was at the conclusion of this workshop that the Board directed staff, really, to start the planning process that culminated in the invitation to the Urban Land Institute and, ultimately, the adoption of the Community Housing Plan.

So those familiar with -- that might have watched or participated in the February 22nd board meeting of this year where we had about four hours of discussion on the topic of affordable housing, this slide -- the next two slides might look familiar to you. This really is just capturing key dates in terms of the progression of all the incentives, all the different opportunities that were presented to the Board through the development of stakeholder groups that worked, met several times through the course of the year 2017 to identify and incorporate viewpoints from industries such as banking, developers, local government, healthcare, essential service personnel employers, to really kind of get a community broad range of input in terms of what type of incentives/programs that may be entertained by Collier County to help with the development of affordable housing.

So October of 2017, the second bullet point from the end, that meeting in October, I think it was October 25th, is where the Board approved the Community Housing Plan and made incremental recommendations to staff kind of breaking off pieces of all those initiatives or all those items that were identified in the plan in working through those to evaluate those.

And so, finally, here's just kind of a summary of those items that were listed in the plan. Again, this is a slide that Community and Human Services went over at that February board meeting. Kind of broke these -- color coded these out in terms of what the Board had acted on or didn't act on or what was in process. So you can see the, I'm going to say, light brown near the bottom are those four remaining incentives, as Mr. Bosi had alluded, that are kind of the end cap to all the adopted recommendations to at least evaluate made under the Community Housing Plan.

So just backing up for a second, in October of 2018, the Board -- Community and Human Services and my predecessor, Cormac Giblin, brought an item to the Board that basically sought Board direction to look at and implementing the last number of incentives that you see before you here. Then October of 2019, I believe, the county engaged with Johnson Engineering to begin developing and ushering those proposed amendments through the planning process.

So, ultimately, what you see here that Michele will cover was a partnership between Johnson Engineering, Community and Human Services staff, and then the applicable staff from the Growth Management Department just kind of, again, tying everything up here in culmination before you today.

CHAIRMAN FRYER: On that slide, I noticed what was probably just a typo, but you've got seven-member BCC, and I think you mean five-member.

MR. LaROW: Yeah. That was -- they were -- one of the recommendations from the ULI was to consider expanding the Board of County Commissioners. I think two at-large members is one of the recommendations.

CHAIRMAN FRYER: Really?

MR. BOSI: Yes.

MR. LaROW: So the theory was to try to obtain a -- I want to be delicate here with the --

COMMISSIONER SCHMITT: To avoid the in-fight of where all the housing was located.

MR. BOSI: Yes.

MR. LaROW: Right. So you can have an at-large member that had a --

COMMISSIONER SCHMITT: I'll say it.

MR. LaROW: Yes --

CHAIRMAN FRYER: Okay. Well --

MR. LaROW: -- community-wide viewpoint, yes.

CHAIRMAN FRYER: -- thank you for educating me.

MR. LaROW: Yes.

CHAIRMAN FRYER: Thank you. That will go nowhere.

MR. LaROW: And I think -- Michele, was this the first slide of your next -- of your presentation?

MS. MOSCA: Is that one of yours, Michael?

MR. LaROW: Oh, oh, yeah, or I can dive into this. In fact, I was actually kind of hoping I'd get called on the last item because the development, the finance, that's kind of where my -- where I cut my teeth in terms of affordable housing.

So to the extent that I don't re-litigate that, if you will, I'll just clarify here. So the top number, extremely low, very low, low, and moderate, those are all -- those are all income and rent ranges that are determined by HUD. Actually, technically, 30, 50, and 80 are determined by HUD. The moderate and gap are then supplemented through the Florida Housing Finance Corporation. They take HUD's numbers, adopt their methodology, and then put those in those income ranges.

And so for the discussion over the last week or so, I was speaking with Mike and Michele and thought it might be beneficial for a visual to adopt the same methodology and determine 90, 110, and 100 -- excuse me, 90, 100, and 110 income and rent limits because the 80 to 120 is such a large span. So this just helps you kind of visualize what those income and rent limits would be based on and using HUD's methodology.

And with that, I think I'm done, and if anybody has any questions.

CHAIRMAN FRYER: Any questions?

(No response.)

CHAIRMAN FRYER: Thank you, Mr. LaRow.

MR. LaROW: Thank you.

CHAIRMAN FRYER: Ms. Mosca, welcome back.

MS. MOSCA: For the record, again, Michele Mosca with the Planning and Zoning Division.

So the proposed housing initiatives really try to expand the affordable housing inventory in the Immokalee area -- so I just put that map up. I know everybody knows where the Immokalee area is -- the Golden Gate City area, and then the Coastal Urban area.

Now, there's going to be a lot of information on these slides. I know you all had an opportunity to review the extensive staff report as well as the resolution for transmittal of these amendments. So with these amendments, we're really setting the framework for moving forward with the Land Development Code amendments which you'll see a certain degree of specificity probably between -- I think it's going to be at time of adoption or between transmittal and adoption.

So as we move forward with these amendments, keep in mind that you'll have greater detail when you see the Land Development Code amendments as well.

CHAIRMAN FRYER: You're going to touch on them, though, with the material that you supplied to us yesterday, right?

MS. MOSCA: If you'd like, sure.

CHAIRMAN FRYER: I absolutely would, yeah. Thank you.

MS. MOSCA: Okay. So the first initiative is the commercial mixed-use-by-right subdistrict. This allows mixed-use development without a rezoning.

The first change that we have in that second table, this builds on an existing provision that we have in our Future Land Use Element. It affects all C-1 through C-3 properties within the Urban Residential District and the Urban Coastal Fringe Subdistrict. And with these amendments, you can achieve up to 12 dwelling units per acre in a mixed development.

So in addition to your existing C-1 and C-3, this would also include your Planned Unit Developments that also are approved for C-1 through C-3 development.

The second -- I'm sorry. Where am I? Okay. Yes. The second table -- I meant the first table previously. Sorry about that. So the second table, the provision also expands mixed-use residential development to C-4 and C-5 uses. So this, again, would be for those properties -- and most of you are familiar with this -- those properties that have been deemed consistent by policy. So those properties that don't meet the local criteria of the FLUE, you can see some of the properties along the East Trail. You have some of them on the North Trail as well in red.

So these particular properties would be allowed to develop at that mixed -- at that mixed use. Some of the conditions include that no more than 75 percent of the project could be residential and that the height in the C-4 zoning district would be capped at 50 feet.

The height now in the C-4 zoning district is 75 feet. And, again, you'll see in the LDC in the Land Development Code amendments, you'll see some of the development standards, the buffer requirements, setback requirements, and so forth. We don't have those for you yet.

Okay. The next is the conversion of commercial by right subdistrict. So all commercial properties that are consistent by policy in the Future Land Use Element may convert to residential without a rezoning. So the last one we saw was a mixed-use development, and this one is a residential only without a rezoning.

The conditions include limiting the density to 16 dwelling units per acre. It requires a public facilities test. Height in the C-4 properties are, again, capped at 50 feet, and all dwelling units must be affordable. So I should have mentioned this in the previous one, that all units must be affordable as well. So these, by right, all units are affordable.

Some of the excluded areas include the East Trail. Currently we are undergoing a zoning overlay. We have a development plan in place, the East Naples Community Development Plan. So within that boundary of the East Naples Community Development Plan, again, which includes U.S. 41, but it also includes Rattlesnake Hammock and parts of Collier Boulevard. Then the other exception would be in Golden Gate City. This downtown district already has a development plan or an overlay in place. It would include the activity center here in Golden Gate City.

The next initiative is strategic opportunity sites. And I know you probably saw --

COMMISSIONER SCHMITT: Before you leave, can I --

CHAIRMAN FRYER: Yes. Go ahead, Commissioner Schmitt.

COMMISSIONER SCHMITT: I wanted to ask a question on the "by right." And that's an explosive term, quite honestly, because, again, you're denying the public to provide any input. So that's clearly a policy decision of our -- you know, we recommend to the Board of County Commissioners, but it is pretty -- a pretty significant change.

And I'm not arguing that, but the other issue is, as you propose these, the two issues, commercial conversion and 100 percent affordable, have you talked to any developer as to the viability of moving forward with any -- this type of proposal? Does it seem like someone could actually take this and produce a product at a cost? Does this maintain and operate and provide a product to do?

And I guess from that standpoint, would the Courthouse Shadows fall into something like this where they -- we converted the shopping center to -- it would not? Well, that's on 41, okay. Go ahead, Dave.

MR. BOSI: And that's within an activity center. Mike Bosi, Zoning director.

When this initiative started off, there was a meeting at Habitat between Johnson Engineering and the development community to talk about these four initiatives and what the components were going to be. I was a member of Johnson Engineering's team participating within that meeting. This was one of the ones where our traditional builders here would not participate, because it's 100 percent affordable. If you're going to eliminate the opportunity for the public hearing, we said it has to have some tremendous community benefit; therefore, the requirement that all units had to be provided as affordable, we recognized, then, your only -- the builders who are going to be able to satisfy the financing of that are the ones who provide for affordable housing who are very steeped in the federal tax credits, the grants, the subsidation [sic] that is required. Those aren't our traditional builders.

So this is one where this is outside of where the market-rate builders would participate in. And we understand that limits the numbers, but it was inspired, like I said, by the housing plan. It says eliminate NIMBY-ism and try to streamline the process to administrative. And that's why we -- that's why we restricted it to having to have all units be affordable.

COMMISSIONER SCHMITT: Mike, by right, of course, we avoid the whole public-hearing process, 8, 9, 10, 11, maybe 12 months accelerated because you're not going through the NIMs and the various gates that you have to go through for the rezoning.

MR. BOSI: Yeah.

COMMISSIONER SCHMITT: My concern is, it sounds great, and we're going to pound our chests and say, oh, boy, we really did this by right, but then it sits and nobody ever uses it because it just -- it's not something that could meet financing and all, as we heard in the previous petition, that somebody would actually take this initiative and move forward.

So I mean, I agree with it but, again, is it really something that somebody's going to take advantage of?

MR. BOSI: I would -- I could point to --

COMMISSIONER SCHMITT: Because it's 100 percent.

MR. BOSI: Yeah, it's 100 percent. Every Habitat project's 100 percent.

COMMISSIONER SCHMITT: Yeah.

MR. BOSI: So what Habitat can do -- Habitat, who has been very successful in terms of putting projects forward within this community, now has the ability to identify a commercial property that's consistent by policy that they can plan that there's not going to have a requirement for the uncertainty of the public hearings and the cost that's associated with the public hearings. So that helps subsidize the project a little bit.

And I understand there's other national providers that do specialize and provide for affordable housing all at unit [sic] and aren't utilizing market rates to subsidize it but are using other federal and state funds to do so.

So, yeah, at the end of the day, it could be like our affordable housing density bonus. It's not utilized anymore. It's on the books. This is one where I think Habitat is one of the ones we identified that could benefit tremendously from this in specific locations, and we would be getting units all that are dedicated to the income level. So we thought it was worth the effort for the potential that that could yield. Even if it's one project, it's still an improvement.

COMMISSIONER SCHMITT: So it's a conversion to residential?

MR. BOSI: Yes.

COMMISSIONER SCHMITT: Straight zoning?

MR. BOSI: Yeah. Straight zoning. To be eligible for that straight zoning, you have to do your public impact analysis, meaning you would have to compare the proposed residential development, their impacts upon Public Utilities and the Transportation System, compared against one of the uses that are allowed for within that commercial category, and if the public impacts are less than what the commercial would have imposed, we say, well, then, this is less than what already exists; therefore, that justifies why it's an administrative process.

COMMISSIONER SCHMITT: But just for clarity, then, I mean, if we get into deviations, we get into setback deviations or other types of things, then we're right back into a PUD.

MR. BOSI: If they were seeking a deviation and weren't going to develop per the codes that were required by the Land Development Code, they could not take the administrative route.

CHAIRMAN FRYER: May I cap onto that? Because I -- like with Commissioner Schmitt, when I read the -- when I see the language of "right" and "vested rights," alarms go off with me. And I had this conversation with staff on Tuesday. I'm still not completely comfortable with it, although I understand that it averts the NIMBY-ism stuff, which is going to be important.

But it's creating a vested right that's going to be with us forever. We can't take it away, which means that the obligation is upon us to try to identify and foresee all different ways where this could be used or abused and, as Commissioner Saunders frequently says, you know, lawyers can be tricky people, and he's one, and he can say it, and I'm one, so I can say it, too. And it's true. But the burden is on us to identify everything, because we're relinquishing not only the public's ability to weigh in on this, but also ours.

Now, you mentioned -- you mentioned public -- public benefit. No, that wasn't -- what was your term? Public justification.

MR. BOSI: Public benefit.

CHAIRMAN FRYER: Okay. But -- so that's -- is that a measurement or an exercise that staff will undertake? And what if you don't find adequate public benefit?

MR. BOSI: The public benefit is already defined. The pubic benefit is where there's an imbalance between the supply of affordable housing and the need for affordable housing. If you have a project that is going to be converted from commercial to residential that is all dedicated to income-restricted levels, you are providing a public benefit because you're providing a need.

CHAIRMAN FRYER: But I thought you mentioned a public benefit study of some kind.

MR. BOSI: Oh, public facility analysis.

CHAIRMAN FRYER: Public facility analysis. So that's going to call upon someone to make a judgment; am I correct?

MR. BOSI: They're strictly numerical. It's not judgment. It's not the area that we deal with in Zoning in terms of the gray area, which is opinions.

CHAIRMAN FRYER: Well, but these consultants who come before us are going to have to be engaged, and they're going to prepare a study, and staff is going to vet it. That's as far as it's going to go.

MR. BOSI: The staff from Utilities Department and staff from Transportation Planning will provide the analysis. Is this a reduction from what is currently allowed by the -- by the zoning in terms of the impact upon the system?

CHAIRMAN FRYER: Well, I, like I think everybody else up here, am a firm believer in affordable housing or what I prefer to call workforce housing, and I want to do everything that I can in the role that I play to advance that. But are we sure that there might not potentially -- I'm sorry.

County Attorney, please.

MR. KLATZKOW: You can put a sunset clause in it. In other words, if you're not sure this is a good idea and you're concerned that this is going to be forever and ever and ever, you can put -- pick a number, 10 years, see whether or not we get the applications for this, and at that point in time, a future Board of County Commissioners, a future Planning Commission could elect whether or not to continue it.

CHAIRMAN FRYER: Very good idea. Thank you.

Just to finish my thought, the concern that I have has to do with one of the variables that we weigh in the balance each time a project comes before us, and that falls under the heading of the word "compatibility." And, obviously, NIMBY-ism comes in. People say it's incompatible with what we've got, and so that can evoke knee-jerk responses as well.

But I can imagine -- and as much of proponent as I am of workforce housing, I can still imagine a potential situation where a particular project really is truly not going to be compatible with the neighboring properties, and that there should be some level of public vetting on that.

And maybe the County Attorney's suggestion is a good way of dealing with that. We put something in place and see how it works.

I've got Commissioner Shea and Commissioner Schmitt wanting to speak. Commissioner Shea.

COMMISSIONER SHEA: Mine's a simple question. Define affordable housing. How are you going to define it? I mean, we get into that discussion all the time. And my understanding is 120 percent or down.

CHAIRMAN FRYER: It's going to be in the PUD stuff, and that's why I'm asking her to --

MR. BOSI: The specifics of what -- to implement this policy will be contained in the Land Development Code amendments.

CHAIRMAN FRYER: That's what I meant.

MR. BOSI: That will be brought to the Planning Commission as part of the adoption hearing. So you won't -- you're not going to be able to -- we're not -- to be able to -- or we're not going to ask you to approve finally, to adopt a GMP amendment that you don't get to see the specifics of how it's spelled out within the land development, and it will have the income levels that are required to be satisfied.

CHAIRMAN FRYER: And that was the very reason that I asked Ms. Mosca and staff to send out the information that came yesterday showing how far along they are with the LDC amendments because, obviously, there must be specifics, because "affordable" is just a generic term, and they don't have that in mind any more than we have it in mind. There will be meat put on those bones.

And before she's finished with her presentation, I'm going to ask Ms. Mosca to tell us how far they are along without making any commitments, because it's all subject to change. But at least so that when we vote on this we know the general direction that staff is going to be taking with respect to such things as defining affordable housing and what we mean.

Commissioner Schmitt.

COMMISSIONER SCHMITT: Yeah. My question was going to be the implementation criteria comes to us in an LDC amendment. And of the four, this is probably the most significant and most dynamic, probably the most, from a standpoint, change in our philosophy here, because of by right.

My concern, will the LDC amendments deal with all the kind of things associated with the conversion, setbacks, landscape criteria, density, all the other types of things? Because those are the impacts. I mean, I could look at different areas of commercial from both -- the standpoint, looking at Comp Planning or Zoning. But to do it by right, I've got to have all the other factors to evaluate whether it can be suitable or not.

MR. BOSI: The development standards that are contained within the -- whatever the commercial category that is being converted to residential will need to be maintained by the project.

COMMISSIONER SCHMITT: That could be problematic.

MS. MOSCA: Well, in addition to that, we have greater setbacks as well.

MR. BOSI: Yeah.

MS. MOSCA: Staff was a little concerned about the various heights. That's why we capped the height in C-4 because, potentially, C-4 you could have 75 feet adjacent to one-story or two-story residential, and that was a concern that staff discussed at length.

COMMISSIONER SCHMITT: Did this map -- did you say that that represents areas that potentially would fall into this category?

MS. MOSCA: Well, on this map -- this doesn't represent everything, but on this map it was supposed to be representative of the consistent by policy. Now, those aren't those activity centers. These are properties, for example --

COMMISSIONER SCHMITT: Yeah.

MS. MOSCA: -- along the East Trail --

COMMISSIONER SCHMITT: Right.

MS. MOSCA: -- although this portion is excluded. But let's say around the Naples Park area, so there's C-3, C-4 properties within there. I think there may be a couple within Golden Gate City as well. So this is representative of those existing commercial, consistent-by-policy properties.

COMMISSIONER SCHMITT: Yeah, okay. Well, I would agree with what -- from a standpoint what Jeff recommended, a sunset clause, but I think there also should be some kind of an addition to that as part of the affordable housing briefing to the Board of County Commissioners. Maybe at a five-year threshold they come back and brief the county commissioners as to whether this program was ever even thought of or utilized or a standpoint where they evaluate whether there needs to be tweaking to -- because I'd love to see somebody try and do it. That's -- I mean, there's properties that certainly beg to be converted from commercial to residential, and if it's by right, you avoid all the other process, and it would be interesting to see if somebody actually came in to do it and what kind of hurdles they would have to go through. So I would just propose that as well, as some kind of a report back at a five-year window if we do a 10-year sunset clause.

MS. MOSCA: I just want to --

COMMISSIONER SCHMITT: Thanks.

CHAIRMAN FRYER: Thank you.

MS. MOSCA: Yep. I just want to -- on this same conversion of commercial subdistrict, if you look to the bottom, it identifies the total number of parcels that may be able to participate. It also has the acreage and the potential max dwelling units. So David worked on all of the properties that perhaps would be eligible for all of these various initiatives.

So the strategic opportunity site, this is only applicable to the urban coastal area. Some of the conditions include the project must be 10 acres in size or more. The project must have a qualified target industry as defined by Florida Statutes. Those are your headquarters type facilities. They must have direct principal access to an arterial roadway. The minimum density is

10 dwelling units per acre, and the maximum density is 25 dwelling units per acre.

So this particular initiative, not subject to the density rating system. The base density would be four dwelling units per acre. And also there would be an allowance for support commercial uses as C-1 through C-3 intensity.

COMMISSIONER SCHMITT: But this would come in as a PUD?

MS. MOSCA: Yes, yes. And so just to touch on -- so I can either do it at the end or as I go through. So, Mr. Chairman, you had asked about the provisions for affordability. So, again, this allows for a base of four dwelling units per acre, up to 10 dwelling units minimum, to 25 dwelling units max. Twenty percent of the units have to be at low and very low. And so we're still working through those numbers, but I'll sort of address them as we move through these initiatives.

CHAIRMAN FRYER: I think -- good. And, conceptually, we want -- and I think we need very little incentives the higher up you go against AMI and greater incentives, and they should be scaled in order to incent people to put -- because we've seen the charts. I think, what, annually 148 new units are needed at the 120 percent of AMI, and, like, 1,500, roughly, units are needed at the three lowest levels. And so that's -- you know, that's really where the need is. And I -- on Tuesday I was uncomfortable about passing on this as a GMPA without also seeing the LDCA, but the way I satisfied myself in our meeting was is that to receive a briefing from you as to how far along you are in reaching the general objective that I just expressed.

MS. MOSCA: So the next initiative is the Transit Oriented Development Subdistrict, and the goal is to increase affordable housing inventory as well as the CAT area ridership. So the market rate density begins at 13 dwelling units per acre. That's without any affordable units. You can achieve up to 12 additional dwelling units per acre for the affordable housing bonus. So the maximum is 25 dwelling units per acre. These are for multifamily projects only.

Fifty percent of all units must be within a quarter mile of the transit stop or future transit stop. Excluded areas would be the Urban Residential Fringe, and we talked about that this morning with the project. As you know, the density there is 1.5 with a maximum of 2.5 dwelling units per acre, and also excluded would be the Urban Coastal Fringe, and that's within the Coastal High Hazard Area just south of U.S. 41 where the density is lower as well.

CHAIRMAN FRYER: And the cap is a creature of Collier County. It's under Collier County's --

MS. MOSCA: Yes.

CHAIRMAN FRYER: -- absolute control, so the county can establish where it wants to put stops, correct?

MS. MOSCA: Yes. And right now you can see all the stops that are on the map. There's a tremendous number of them. If you look at the bottom table, the total number of parcels that potentially could participate are around 60. So -- and then the acreage and so forth. So there are a limited number of parcels that could participate.

So let me talk about the affordability side. So this is broken down into rent and ownership. So two-thirds of all the units in excess of the 13 base units must be low and/or very low. So that would be 13 to 25. That would equal 12 dwelling units per acre. Two-thirds of that would be eight dwelling units per acre, so that would be the affordability. This -- hopefully I explained that.

So the sold would be two-thirds of the first nine dwelling units per acre. So the 13 plus 9 would give you 22. There would be six dwelling units per acre at the low and very low.

And then two -- this is still for the ownership. So two-thirds of the final three, getting you from the 22 dwelling units to 25, that two dwelling units per acre could be at any price point within that affordability chart.

CHAIRMAN FRYER: As a practical matter, is it really possible to construct single-family dwelling units -- or I should -- well, I should say owned units for low and very low?

MS. MOSCA: Well, this is for a multifamily project, but Habitat does -- they, in fact, do the --

CHAIRMAN FRYER: Habitat does single-family, don't they?

MS. MOSCA: Yeah. Did you ask about single-family or multifamily? I'm sorry.

CHAIRMAN FRYER: Well, really both. The low and very low, I assume, we pretty much had to put ourselves into rental-only category. But argue with me on that.

MR. BOSI: You could have an arrangement where you have a structure that has all the characteristics of a multifamily rental that is -- that is condominiumized, so they could be ownership opportunities that would be dedicated to the income level that we're discussing.

CHAIRMAN FRYER: And those numbers work?

MR. BOSI: Do those numbers work? I guess we will -- I mean, we didn't have any negative comments from the development industry that participated with us as we developed the initiatives. Ultimately, if we adopt, I guess we will see if the numbers will work by the participation or lack of participation.

CHAIRMAN FRYER: Is there any chance that Habitat is willing to get into the multifamily business?

MR. HARNEY: Sir, I'm from Habitat. I can speak to that.

CHAIRMAN FRYER: Come on up. Please identify yourself, and then you have the floor.

MR. HARNEY: I'm John Harney. I live in North Naples. I am the lead advocate for Habitat, so I can answer these questions. I'm also a member of the AHAC, and I will be speaking later.

We're building multifamily units right now.

CHAIRMAN FRYER: Okay.

MR. HARNEY: Whitaker Woods is six units per acre. We're building those by right. We're also projecting a condo development -- these are all townhouses we're building today. We also are projecting condo development which would be a two-unit -- rather, two-floor condo development called Songbird that's already on the books for our design.

We expect we could build those as sold units, purchased units in conjunction on the same property as these rental units. We think they'd fit in well. It would work within our pricing model. We are doing that. We can do that. We project doing more of that. Within the urban area we don't expect to build any more single-family houses unless it's a very special circumstance like with CRA money supporting it, that sort of thing.

CHAIRMAN FRYER: Thank you, Mr. Harney. Appreciate it.

Anybody have any questions for him?

(No response.)

CHAIRMAN FRYER: Thank you, sir.

MS. MOSCA: Okay. And then the final initiative is the Mixed-Use Activity Center Interchange/Activity Center Subdistrict.

So there are 19 activity centers throughout the county. They're roughly spaced no more than two miles apart. You can see them on this map. Most activity centers would allow an increase in density from 16 dwelling units per acre to 25 dwelling units per acre with the affordable housing.

The bonus structure will need to be adjusted for the Urban Residential Fringe area and the Urban Coastal Fringe area due to their base densities. Again, Urban Coastal Fringe, roughly 4, and then the Urban Residential Fringe, 2.5 maximum.

So this, again, has had a rental and by-owner for-owner bonus, and this is very similar to the last where it has the two-thirds bonus density for low and very low, and it's broken into, you know, your first nine dwelling units and then your second six, or with the sold, two-thirds of the first six and so forth. So it's very similar to the last discussion.

And then in the bottom, we have roughly 104 properties that were identified as potential properties that could utilize this provision.

So this is just a recap of the total number of parcels within each of those initiatives, and the total acreage, maximum DUs for each, and then the DUs that increase over the existing GMP. So what that means is if you are allowed 16 now and then you can go up to 25, that shows you what that difference would be. It doesn't tell you how many individuals, how many properties would be participating in the affordable housing program.

And then lastly, staff is recommending that the Planning Commission forward the petition to the Board of County Commissioners with the recommendation to approve for transmittal to the Department of Economic Opportunity.

CHAIRMAN FRYER: Thank you, Ms. Mosca. No one is signaling. Does anyone up here have any questions or comments?

COMMISSIONER HOMIAK: I'm just -- I'm concerned about the "by right."

CHAIRMAN FRYER: Yeah. Well --

COMMISSIONER HOMIAK: And also when you are evaluating, you're focusing on providing affordable housing but not taking into consideration losing the commercial. I mean, you don't know that you're not going to need it. I mean, the population's going -- eventually we'll be using the commercial as commercial to keep traffic off the road.

MS. MOSCA: The activity center -- oh, I'm sorry. I was going to say the activity centers is where we want to direct commercial to. These are the properties that are consistent by policy. So these are the properties that we looked at years ago that weren't consistent with the plan, and so these are the properties that we had anticipated moving to another use besides commercial.

MR. BOSI: And I could add a little bit more to that as well. The activity centers is where we have an abundance of commercial. Where we want to try to promote is what the design of those activity centers were is higher density residential to provide a compliment of housing choice for the area.

As you know, and I think as I think most people in this room who pay attention to trends understand that brick and mortar retail is most certainly something that is continuing to evolve and shift. And the amount of square footage of commercial that can be supported by an area is continuing to be influenced by the opportunities for Internet, commerce, delivery, and the majority of major retailers are not building brick and mortars anymore.

So what we're seeing is within our activity centers a shifting of the highest and best use. And these -- the programs that we're proposing is recognizing that the amount of square footage from a commercial standpoint that we can support is continuing to evolve and change, and they provide us the greatest opportunity to really have significant increases within the supply of affordable housing.

A great example is at our activity centers. You can add a 20- to 25-unit residential component to an activity center. Good example would be Pine Ridge Road and Airport Road. If one of those -- if one of those shopping centers replaced one of their strip portions or a big box with a 450-unit multifamily development, it would be a reduction in the amount of traffic that that activity center would be projected to develop, and the impact of that residential inclusion would be absorbed by that activity center without a negative impression upon any of the traveling public.

I could speak to that specifically, and it's not an activity center, but the southwest corner of Livingston Road and Golden Gate Parkway, Orchid Run Apartments came in. It's about 15 units per acre. I take that route into work every day, off of the interstate, down Golden Gate Parkway, making a left onto Livingston, going past those apartments. When those apartments opened up, I noticed not one difference within the way that that intersection functioned. The increase of 15 units per acre on the surface sounds like, wow, that's going to have a serious effect upon how you experience the traffic within the local area. But when you exchange that -- a high-attraction property such as a commercial, which attracts a lot more trips than residentials generate, and it actually results in a net positive increase within.

So we understand that having neighborhood goods and services is critical towards what we're trying to do from a transportation standpoint. You know, people complain about traffic congestion. So what we're trying to do is add commercial opportunities that shorten those lengths, but the amount of commercial that this community can support that the market is demanding is continuing to change. And what these initiatives are trying to do is take advantage of that -- of that fact, but also the recognition of having a mix of uses in closer proximity helps our transportation, helps the transportation road system without expanding any of the lanes but by having a better land-use arrangement and how those land uses interact with each other and satisfy the needs of each of those land uses.

So we understand those concerns. And we -- I would agree that any one of these initiatives where you feel that you're uncertain how much of an impact it's going to have, have a review period. Ask the staff to say in three years, in five years report back to the Board of County Commissioners. If there's an end sunset, that report could be provided prior to that sunsetting date to give the Board -- inform the Board, inform the Planning Commission how well this initiative worked or how well -- or how poorly it has worked, and that could influence the ultimate -- whether they feel that it's something to move forward.

And also, that we will have the Land Development Code amendments with the -- with the GMP amendments at adoption. So we're not going to be asking you to adopt -- take final action on these proposals without seeing the specificity that's going to be contained within the Land Development Code. And staff is supportive of that review period and having a -- you know, having an expiration date, so to speak, sometime after that so that we can give the Board another opportunity and the Planning Commission another opportunity to say, all right, did these initiatives meet their marks, or do they need improvements, or should we abandon them.

CHAIRMAN FRYER: Thank you. I have a couple --

COMMISSIONER HOMIAK: I still have one. I still have some concern. I mean, if we're going to have a sunset of five years or something, that's, you know, acceptable, I think, to me. But still, if people are buying things on the Internet, you need warehousing next to the interstate. So you wouldn't want to give up a commercial area there.

MS. MOSCA: And, Commissioner, this is all voluntary. So if someone wants to utilize their property for a multifamily project, they can. If they want to retain their commercial, they can do that as well.

CHAIRMAN FRYER: But that decision will be based on highest and best use which doesn't necessarily mirror benefit to the county. They're not necessarily the same thing.

I have a couple of questions. Under the findings and conclusions on the staff report, Page 9 of 10, which is Page 682 of the packet, the first bullet point it says, it is difficult to determine the impacts upon public infrastructure. And the second bullet point it says, it is difficult to determine the impacts of these amendments upon environmental resources and cultural resources resulting from these amendments.

Is this a good idea for us to be considering it now without having made at least some kind of a preliminary judgment about impact?

MS. MOSCA: Well, this is going to be a case by case. As these properties come in, we'll evaluate the impact. No different than when we have a rezone petition that comes in, we evaluate that impact during the PUD process, et cetera.

CHAIRMAN FRYER: But it's going to be as of right.

MS. MOSCA: Well, as of right you have -- is that the public facility test?

MR. BOSI: As of right, you still have to satisfy the concurrency management system, and you still have to satisfy all the environmental regulations that we have on the books related to development.

CHAIRMAN FRYER: Commissioner Klucik.

COMMISSIONER KLUCIK: Yeah, I would just say to this point -- I was looking at the same thing previously. And it seems as though the reason that they can't predict the impact is because it's, you know, such varying locations. So it's not really saying we have no idea what impact. It's saying, like -- as with any other petition that might come before us or application that might come before us, you have to do the specific analysis for that site. And I don't think it actually -- I think what I'm hearing staff say is that any existing requirements as far as environment, for instance, would have to be complied with.

So just because you could do whatever it says, this new zoning is going to allow, you know, some increased density or whatever, you still have to meet whatever the environmental concern is.

CHAIRMAN FRYER: Well, if those are -- if those automatically attach such that we're guaranteed that the infrastructure -- well, of course, it's going to be at the cost to the taxpayer. If the infrastructure's insufficient to accommodate the new uses, the taxpayer's going to have to make up the difference without a public hearing because it would happen as of right.

Mr. Bosi.

MR. BOSI: The only one that doesn't require a rezone is the conversion by right, and the only way that it can go forward by right is if it has a reduced impact compared to the existing allowance. So the only one that does not require a public hearing is the one that has to establish that it has a reduced public facilities impact than what the -- than what's currently allowed.

CHAIRMAN FRYER: Can you point me to the language that says that? Can someone show me? I missed it.

COMMISSIONER KLUCIK: Mr. Chairman?

CHAIRMAN FRYER: Yes, go ahead.

COMMISSIONER KLUCIK: Is it safe to say that the staff anticipated this exact concern, and you had the concern yourselves?

MR. BOSI: We always are concerned about impacts to infrastructure, and no matter -- no matter what is done at the rezoning stage, where the impact analysis is truly applied is at our concurrency management system, and every development order -- or every SDP or every plat is reviewed against that concurrency management system to ensure that there is adequate capacity within the required fields.

CHAIRMAN FRYER: Thank you. That does explain it.

I think I am coming down with where the Vice Chair is on sunset and following the suggestion of the County Attorney, although I believe five years is more appropriate than 10 years to have a further restudy, and maybe another one after 10 years, just so that we're sure we haven't overlooked something that those sneaky attorneys like me can find a way to circumvent.

Commissioner Klucik, did you have any more, sir?

COMMISSIONER KLUCIK: No.

CHAIRMAN FRYER: Okay. Commissioner Schmitt.

COMMISSIONER SCHMITT: Yes, I would recommend, since we are the land planning authority both in designing -- or approving the implementation language as well, I would propose that at the five-year interval at some meeting as part of this amendment process, that both the Planning Commission and the Board of County Commissioners get a -- what do you want to call it? -- interim review of just how many applications have come in and the implementation. The other three -- of the four, the one that's most significant, of course, is the one by right. The others we will see through a rezoning process. So I would say, at a five-year interval, an in-process review, and part of that is a sunset provision whether we decide to continue it.

CHAIRMAN FRYER: Thank you.

COMMISSIONER SCHMITT: You can craft the language accordingly, I guess, when it comes back for adoption.

CHAIRMAN FRYER: Commissioner Klucik.

COMMISSIONER KLUCIK: Well, yeah. And we could frame it as we either would have to take a vote to stop it or we have to take a vote to continue it.

COMMISSIONER SCHMITT: We would have to make a recommendation to the Board.

COMMISSIONER KLUCIK: Right. And then -- and what you've done, then, is the right that anyone has is limited in time, and they all know that it may expire based on the voting that might happen, and then that incentivizes people to take advantage of it in the interim.

MR. KLATZKOW: If you picked five years -- I'm just -- whatever you want to pick -- you would have five years to make application. Once you made application, you could move forward. If you want a sunset provision, it automatically terminates on that date unless extended by the Board of County Commissioners.

COMMISSIONER SCHMITT: Yep.

MR. KLATZKOW: You could have a review process and everything else, but anybody who had an application in before the end date would be allowed to utilize that.

COMMISSIONER KLUCIK: So it's -- the application is what you have to do before --

MR. KLATZKOW: The application date.

COMMISSIONER KLUCIK: You have to ring that bell.

MR. KLATZKOW: Yes.

CHAIRMAN FRYER: Okay, good. Any further discussion on this? If not, I think we're ready to entertain a motion.

COMMISSIONER KLUCIK: I guess my only question is, is that enough -- are we giving -- the people who might take advantage of this, are we giving them a big enough window, five years? You know, they have to think about it for two years and then say, yeah, we should do that, you know. By the time they get their plan together -- I just want to make sure we're not kind of dooming it to failure because the window is just too small.

CHAIRMAN FRYER: That's a good concern. I don't think it's going to be the case, though, because the process is going to be so short-circuited, shortened that we should be able to see right away whether there's interest in this, I would think.

COMMISSIONER KLUCIK: And I would just ask staff if -- what they think of this sunset idea, if that -- and the five years, in particular.

CHAIRMAN FRYER: Fair question.

COMMISSIONER KLUCIK: Do you have concern?

MR. BOSI: I guess the question that I have is the five-year interim report, is that the same five years that we have that -- and then it sunsets in five years, or is it in five years the report and then it sunsets a year later if the Board doesn't take action after that report or --

CHAIRMAN FRYER: I think five years from the date of enactment when the Board enacts it, it would sunset, and prior to that time, four years and 10 months or whatever, staff would release its report so that the Board -- well, so that we and then the Board would be able to consider staff's report and we, in making our recommendation, would have the benefit of that.

MR. KLATZKOW: And keep in mind, it's unless otherwise extended by the Board. So if we're going back and forth with the staff reports and everything else, the Board could simply increase it for another three months, six months while the process is going on. But you have to have an end date if you want to get rid of any vested rights issue.

CHAIRMAN FRYER: All right. Anybody want to make a motion?

COMMISSIONER SHEA: Public speakers?

CHAIRMAN FRYER: Do we have public speakers?

COMMISSIONER SHEA: I know John's here to talk.

CHAIRMAN FRYER: Mr. Harney.

MR. YOUNGBLOOD: Mr. Chairman, I do have two public speakers. Mr. Harney is with us, and then we'll go online to Joe Trachtenberg.

CHAIRMAN FRYER: Thank you.

Mr. Harney, go ahead, sir.

MR. HARNEY: Yes. I'd like to go back to the meeting that we had about two years ago. Mike was involved with that. This was at the Habitat office, and we had the development community in there, and the idea there was what's it going to take? This was not pie in the sky. It was, if you as a developer, as a builder, are going to get involved, take an interest in building these projects, what do you have to have from the county to make that happen?

So this kind of turned things on its head. It wasn't, hey, there's a need. It was, what do you want to do -- what do you have to have in order to build this profitably, which would mean that you stop building single-family houses and you build this instead.

So these rules were developed with the idea that they were to be attractive to developers, and the agreement was we came up with rules that are. We feel that there will be developers who will want to step forward to participate in this process.

One of the things that they really wanted was rules, and typically people don't want those, but what they wanted was something understandable and predictable which would make things happen faster. The time-is-money problem.

And we don't have that today. As you know, it takes a long time to get things done. We just had a discussion this morning about something that we arrived at a good agreement on, but that doesn't always happen. Sometimes it takes years, and people eventually find out that it's just not going to work for them. If we have understandable rules, we feel that we're going to get something that people will participate in. So this was -- this was done from a different basis from the way a lot of these things happen.

You mentioned a number earlier about the number of new apartment units that are needed in the county. The number we're using now with the AHAC is 2,000 per year. So there's been an increase because so many people are buying houses. Corporations are buying houses and renting them. So there are less houses to buy. And when they're renting them, they're renting them at market rate. So that has very much increased the number of affordable units that are required.

There are other market influences that have affected it, but -- there was one number earlier. We were talking about market-rate apartments being indexed to the AMI. This is kind of off the side of what I have here for today, but I hope you let me do the math here for a minute.

CHAIRMAN FRYER: Go right ahead.

MR. HARNEY: We had an AMI here which was about 85,000 not very long ago. Now it's almost 100,000. If you round them off, call them 95 -- or, rather, 85,000 and 100,000, $15,000 increase in AMI in a year. Now, if that were to happen again and again -- and who knows if it will or it won't -- if you take that number and you take the 30 percent that somebody's supposed to pay out of their income for housing, that's $4,500 a year. Divide that by 12, that's $375 a month more when you index off AMI for an affordable unit. Just -- I thought that was additional information that might be helpful for you, because when you start indexing off the AMI, sometimes you get results that you wouldn't have expected.

The idea here, as Mike talked about, is that it's very much pitched towards very low, low, and moderate income. It is not pitched toward gap income or anything like it. This project -- these amendments are pitched to help the majority of wage earners in the county. If you look at the census statistics for people who are out there working, no matter what they're doing, they fall in the moderate-and-below income ranges. Our AMI is very skewed by all the passive income that's out there.

These buildings, as we anticipate them, are going to be mid-rise buildings. They'll be moderate; two stories, three stories. They're not going to be big units. We feel that since they are going to be located in activity areas and transit areas and that sort of thing, they're going to fit in. They aren't going to be big high-rises. You're not going to get that we're building Miami with affordable units. They will be buildings like a lot of other buildings we see in the county right now. They will not stick out like a sore thumb.

There are a lot of things built in there to make these buildings look like other buildings from the street. Proper setbacks, fences in some cases, other things like that. So the -- it's a very detailed set of rules in the amendments. These are made so that they look like everything else we have out here today.

We talked about CAT. We feel that there -- with the location for these units, there will be a lot more people who will ride a bike to work, they'll walk, they'll take CAT. This is going to reduce traffic impact, and we will get that negative cost for the county for roads.

There have been developments in a number of other areas where they had reduced number of parking spaces required. If they are close to an urban area where people are walking to work, riding a bike to work, they don't need a car. This will allow people with lower income to be able to get into those units because they don't have to pay that almost $10,000 a year that it takes to own and operate a car. So this will help us be able to get the people at the lower ranges of income into these areas better.

There's another part of this that is a recent development in the county and that we feel that many of these buildings will be tied into projects which link in with the Local Housing Trust Fund. I'm also on that subcommittee with AHAC and the Community Land Trust. And with the Community Land Trust, these buildings would be leased or, rather, these properties would be leased to the developers, and we would have 99 years of affordability locked in through that lease. So that is a really big hook on making sure that these stay affordable for a long time. And there's a very close association between AHAC and the CLT with Michael Puhala (phonetic) and we feel that many of these projects will get tied in that way as well.

The AHAC fully supports everything that's in the amendments. We've been very much involved with them from the beginning, and we feel that what is in there is going to do a great thing to solve this crisis. It's not going to happen overnight; we understand that. It will take a little while for this to finish the approval process, but we do encourage the Planning Commission to approve this.

I will also be appearing at the DSAC meeting. We're hoping to get the commissioners to look at this before their summer break at least on a preliminary basis, or make a special meeting during their typical summer break. We don't want to wait until October after they have finished their budget review for next year. We're trying to get things done faster.

Yes, Mike.

CHAIRMAN FRYER: Mr. Bosi.

MR. BOSI: Oh, I just want to provide a clarification. This does -- it's a full-scale amendment, so it takes a round at transmittal and adoption, so it won't be able --

MR. HARNEY: It still has to go to the state, I understand.

MR. BOSI: Yes. So this is scheduled for the June 28th Board of County Commissioners hearing.

MR. HARNEY: I didn't know that.

MR. BOSI: Yeah. So the Board will hear it, then we'll send it off to the state. The summertime we'll get a -- we'll get feedback from the state agencies, and we're probably going to take this October/November time frame, December to the Board of County Commissioners.

So before the end of the year, this will be in front of the -- the Planning Commission and will then the Board of County Commissioners for an adoption hearing.

CHAIRMAN FRYER: Thank you, Mr. Bosi.

Anything further, Mr. Harney?

MR. HARNEY: That's all I have. Are there any questions?

CHAIRMAN FRYER: Any questions for Mr. Harney?

(No response.)

CHAIRMAN FRYER: Sir, thank you very, very much for your service on AHAC. It's an extremely important committee, and we're honored to have you appear before us. Thank you.

MR. HARNEY: Thank you. And going back again just briefly, we talked about the six units per acre that we're doing. We're in discussions with some other developers to do what we do, which would be sold housing, and mix that in with apartments. So these are some discussions that have been going on for months already. So we feel there would be a place to put all those together.

CHAIRMAN FRYER: Thank you, sir.

And with that, it's my pleasure to call upon Mr. Joe Trachtenberg, who is the chairman of AHAC and who is online. Mr. Trachtenberg.

MR. TRACHTENBERG: Good morning, Commissioners. I'm Joe Trachtenberg, for the record. I'm chairman of the Affordable Housing Advisory Committee.

And I appreciate the opportunity to speak with you today really for two purposes. First to introduce myself and tell you how anxious AHAC is to work with the Planning Commission. We're delighted to now share a member with you.

The second thing is to reiterate what John just said, that we've been through with Mike and with staff, and AHAC fully supports the proposal that's before you today.

You know, one of you earlier used the term "the elephant in the room." And I think we have to acknowledge the elephant in the room is -- if you speak to most consultants, they'll tell you, we're 5,000 units behind right now. John talked about needing 2,000 a year, and the way we're proceeding in terms of adding units by getting 40 or 50 per development is nowhere near what we need to be doing. So AHAC, for the past several months, has been discussing what we need to be doing differently as a county in order to fulfill this need.

We have 40,000 people who work in the county and live elsewhere commuting every day to their jobs here, many of them working for the county. We have people, as Mr. Yovanovich mentioned, who are getting 500 and $1,000 a month [sic] rents, so that 40,000 number of people leaving the county is growing every day.

So the approach that AHAC believes is required is going to take more than increased density as the solution. For those of you that listened to our February 22nd meeting, first we're going to need more density than 16 units and -- per acre. We're going to need an ad valorem contribution from the county. We're going to need land donations. We're going to need a revisitation of impact fee deferrals for as long as rents are controlled as opposed to some set figure and then an expectation that somehow the developer will come up with the -- with that amount of money. And we're going to need some other zoning modifications. Whether this works financially is dependent upon the county doing more than they're doing today.

I think the conversation with the Carman Drive folks was fascinating. I applaud them and staff and you commissioners for coming up with a solution to that problem, but what they said is very real. Land costs are increasing, building costs are skyrocketing, interest rates are going up, and the ability to make these developments work is getting harder and harder, especially when you consider that we need all affordable projects as opposed to 10 or 20 percent of the multiunit developments that are being made. So it is going to take more creativity. The land trust is going to have to be involved, and we're going to have to work collaboratively, really, to create a new day and a new series of inducements to get developers to be willing to come in here and provide the housing that's necessary.

There's a very serious concern if we don't -- the quality of life in Collier County is not going to be acceptable to the people that are living here. And certainly not acceptable to the folks in that room.

So please approve this proposal on behalf of AHAC and on behalf of the 40,000 commuters every day and those that are joining their ranks. And thank you for my opportunity to introduce myself to you.

CHAIRMAN FRYER: Thank you. Very well said, Mr. Trachtenberg. Commissioner Klucik has a question or a comment.

COMMISSIONER KLUCIK: Yes. So you're suggesting that in your view it's increased density but it's also -- what else is there besides increasing density?

MR. TRACHTENBERG: We're going to have to do -- we're going to have to do a number of things. First, it's going to cost money, and the county is going to have to be fronting some of this, not as a developer. The county is the last -- the last group -- any government agency is the last group that actually should be owning housing -- owning and operating housing developers -- developments.

So we need developers, but we need to do things to induce them to come in here, and that means actually making a reasonable return on their investment. There are all kinds of opportunities. There are tax credit deals. There are a variety of loans, but we have to recognize the risks are growing dramatically with increased costs, increased interest rates.

So, specifically, we've informed the BCC of our recommendation that impact fees go into a different kind of deferral program. Deferred for as long as the rentals are controlled, and if that means in perpetuity, then impact fees would be deferred in perpetuity.

We've asked for a study of linkage. We've asked for ad valorem tax starting at $10 million a year be allocated, and we've asked for very serious focus on both the county and the school board and, additionally, the fire departments to look at surplus land and see what might be made available. We've got to do all these things, and we've got to expedite it as well. We can't take four years or five years for a project.

Golden Gate Golf Course was purchased, what, in 2018 or '19, talking about maybe groundbreaking in 2023. We've got to speed this up, because the shortage is growing by the thousands. And so we do believe this is a crisis, and we believe that more people's hair should be on fire as a result of it.

CHAIRMAN FRYER: Thank you, Mr. Trachtenberg. Thank you again very much for your service on this extremely important committee. You're always welcome to come before us and share your expertise and your great thoughts, and thank you also for taking on our commissioner, Paul Shea, who is also very committed to the philosophy and the purposes being served by AHAC. Thanks to all.

Anyone else have a question or comment for Chairman Trachtenberg?

(No response.)

CHAIRMAN FRYER: If not, thank you, sir.

And now I think it would be appropriate for us to wrap this up with a motion unless, Ms. Mosca, did you have more to say?

MS. MOSCA: No.

CHAIRMAN FRYER: Okay. Anybody want to make a motion at this time?

COMMISSIONER SCHMITT: I'll make a motion to approve subject to language in the adoption hearing as to either some kind of IPR, in process review, or other type of language if we're going to put a sunsetting clause on this. I have no other amendments. So I would recommend approval based on staff's proposal subject to the comment I just made.

CHAIRMAN FRYER: May I offer a friendly amendment?

COMMISSIONER SCHMITT: Yeah.

CHAIRMAN FRYER: That it -- that we recommend a sunset of five years with a staff report leading up to that.

COMMISSIONER SCHMITT: Yes, following the five year, I would approve, or agree with.

CHAIRMAN FRYER: Thank you. Is there a second?

COMMISSIONER KLUCIK: I'll second that.

CHAIRMAN FRYER: It's been moved and seconded as you heard. Any other further discussion?

(No response.)

CHAIRMAN FRYER: If not, all those in favor, please say aye.

COMMISSIONER SHEA: Aye.

CHAIRMAN FRYER: Aye.

COMMISSIONER HOMIAK: Aye.

COMMISSIONER SCHMITT: Aye.

COMMISSIONER KLUCIK: Aye.

CHAIRMAN FRYER: Opposed?

(No response.)

CHAIRMAN FRYER: It passes unanimously.

Thank you, Ms. Mosca. Thank you, staff. Thank you, Commissioners.

We go to old business. I don't believe there is any old business at this time, unless a commissioner has something to be brought up. And if not -- or staff.

And if not, new business, same thing, I don't believe we have any of that.

Public comment, any member of the public wish to be heard at this time on matters not on the agenda, now would be the time for that.

(No response.)

CHAIRMAN FRYER: Seeing none and without objection, we're adjourned.

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There being no further business for the good of the County, the meeting was adjourned by order of the Chair at 12:10 p.m.

COLLIER COUNTY PLANNING COMMISSION

EDWIN FRYER, CHAIRMAN

These minutes approved by the Board on 7/7/22, as presented ✔ or as corrected _________.

TRANSCRIPT PREPARED ON BEHALF OF U.S. LEGAL SUPPORT, INC., BY TERRI L. LEWIS, RPR, FPR-C, COURT REPORTER AND NOTARY PUBLIC.