



Ocala

City Council: Work Session

Minutes

110 SE Watula Avenue
Ocala, FL 34471

www.ocalafl.org

Tuesday, July 11, 2023

12:00 PM

FMPA & Affordable Housing

1. Call to Order

2. Roll Call

Present: Pro Tem Barry Mansfield
Council Member Kristen M. Dreyer
Council Member Jay A. Musleh
Council Member Ire J. Bethea Sr
Council President James P. Hilty Sr

Excused: Mayor Reuben Kent Guinn

Municipal Officers/Others Present: The meeting was also attended by City Manager Peter Lee, City Attorney William Sexton, Assistant City Manager Ken Whitehead, Deputy City Clerk Pamela Omichinski, Internal Auditor Randall Bridgeman, City Projects Director Tye Chighizola, Marketing & Communication Manager Ashley Dobbs, Director Economic Development Aubrey Hale, Budget Director Tammi Haslam, Planning Director Patricia Hitchcock, Strategic & Legislative Affairs Administrator Jeannine Robbins, Procurement & Contracting Officer Daphne Robinson, Growth Management Director Jeff Shrum, Chief of Staff Chris Watt, IT Representative, and other interested parties.

3. Public Notice

Public Notice for the July 11, 2023 City Council Work Session Meeting was posted on July 6, 2023

4. Public Comments

5. Topics for Discussion

5a. Florida Municipal Power Agency

Jody Finkley, FMPA, General Counsel & Chief Legal Officer, discussed Ocala's electric utility services. The annual economic value is \$34.5 million, and U.S. rates have increased over the years by 30%. Ocala's retail rates are very competitive, with \$6 million in annual savings to City residents compared to Duke. He provided a brief overview of the following: Florida Municipal Solar Project, local economic job growth, General Fund transfers, CARE program, and local control. He clarified the legislator's and Home Rule Authority's role regarding electric utility services with Council Member Musleh.

5b. Affordable Housing

City Manager Pete Lee discussed the City's affordable housing initiative. The City has overcome several challenges increasing the affordable housing stock. The City strives to increase affordable housing opportunities for the public.

Council President Hilty requested the City create a plan to develop vacant properties into affordable housing developments.

Director of Community Development Services James Haynes provided a brief overview of the following: affordable housing definition, income limits (SHIP), challenges, and rental/homeownership increases. Currently, 20% of Marion County households are spending more than 30% of their gross income on household expenses, which is considered a cost burden. The goal is to create an affordable product for the public.

Deputy Director of Planning Aubrey Hale discussed the City's affordable housing tools. The City will utilize surplus lands (currently 448 properties) and the Affordable Housing Incentive Fund, to encourage the development of affordable housing. He provided a brief overview of the following: analysis of surplus lands, Affordable Housing Incentive Fund, housing projects, CRA/Brownfields funding, land development modifications, and SB102 - Live Local Act.

Director of Procurement & Contracting Daphne Robinson discussed the Procurement Department's role in the disposition of City property for affordable housing. She provided a brief overview of the solicitation process (Invitation to Bid vs. Invitation to Negotiate), Procurement's role, and terms & conditions.

Mr. Lee discussed the City's affordable housing plan. The City will present strategic priorities to Council in September. The City will continue to explore affordable housing opportunities, and create partnerships with local organizations. Today's economic challenges include high housing prices versus low wages and limited number of affordable housing developers.

Council President Hilty questioned why past awarded properties were not developed for affordable housing. He suggested creating a land trust like Habitat for Humanity to maintain affordable housing stock or offer zero interest loans to encourage the development of affordable housing.

Mr. Lee reiterated the City's mission to increase the affordable housing stock. The City has solicited affordable housing development projects to for profit and non-profit developers. The goal is to utilize the surplus properties to create more affordable housing opportunities for the public.

Ms. Robinson clarified the land title issues with the North Magnolia affordable housing solicitation.

Council Member Dreyer requested the City highlight affordable housing successes. She provided a brief overview of the affordable housing challenges.

Cheryl Martin, Community Services Director, Marion County Board of Commissioners, commented the County executed a community land trust partnership with Habitat for Humanity to increase the affordable housing stock. The County received \$1.4 million in funding from SHIP, and several affordable housing development projects are underway.

Council Member Bethea concurs with Council Member Dreyer's comments regarding highlighting successes. He requested the City take action on the surplus properties.

Keith Fair, Executive Director Housing Finance Authority, stated Habitat for Humanity created a community land trust to maintain housing affordability. The Authority created a similar community land trust for rentals, which maintains affordability in the market. Furthermore, an affordable housing model will be presented at a future Council meeting. He agreed to Council Member Dreyer's request they will be an ombudsman to facilitate communication between the City and County.

Ms. Martin confirmed the County received \$73 million in ARPA funds; of which, \$2 million was given to the Marion County Community Foundation and \$2 million was allocated towards affordable housing projects.

Mr. Haynes confirmed the \$12 million in SLFRF funds was part of the ARPA funds.

Stacey Bannock stated he is the developer for the Madison Oaks West project. He provided a brief overview of their projects in the community. He thanked the City and County for funding their projects over the past three years.

Dwan Thomas, D&S Development Realtor, commented they are building four affordable homes and multifamily units in west Ocala. He thanked the City and Council for their support.

6. Adjournment

Adjourned at 1:16 pm.

Minutes

James P. Hilty Sr.
Council President

Angel B. Jacobs
City Clerk