

Approval of Agenda

1. <u>19-0627</u> Approve the Agenda

Items for Discussion

2. <u>19-0714</u> Affordable Housing Strategies: Follow-up on Board Direction from September 17, 2019

Fiscal Consideration: N/A

Recommended Action:

<u>Recommended Action</u>: Receive the presentation and direct staff to develop one or more of the following concepts to bring back to the Board for further review and direction:

- Allow for substitution for non-residential components in Traditional Neighborhood Developments (TNDs) with Affordable Housing;
- 2. Establish higher minimum density for new development with option for lower density development with provision of Affordable Housing or payment of Fee in Lieu;
- 3. Require Missing Middle mix of housing types with associated performance and design standards;
- 4. Evaluate Future Land Use Map and zoning designations in the Urban Cluster to identify areas where higher density Future Land Use categories and/or density ranges may be appropriate.

AffordableHousing-Agendaltem-Engagement Survey-12-3-2019.pdf 2019 Florida Statute per Chapter 2019-165.pdf Affordable Housing Strategies presentation BoCC 12-03-19 ADA.pdf

3. <u>19-0726</u> Recreational Vehicles & Tiny Home Regulations

<u>Fiscal Consideration:</u> RVs and Tiny Homes on Wheels would not be considered as permanent structures for ad valorem taxing purposes.

- 1. Direct Staff to pursue adoption of ICC Appendix Q for Tiny Home construction.
 - If the Board chooses to allow RVs as a temporary housing solution, then direct Staff to bring back ULDC amendments that would allow Recreational Vehicles and Tiny Homes on Wheels to be sited for up to a 180 day period in the Rural/Ag area including provisions for power and waste management.

Presentation_RV THOW 12_03_19 BoCC_ADA.pdf Community Engagement Survey.pdf

4. <u>19-0760</u> CareerSource NCFL - Status Update

Fiscal Consideration: N/A

<u>Recommended Action:</u> Receive status update and provide direction to staff.

Notification Letter.pdf

Closing Comments

- 5. <u>19-0628</u> Public Comment
- 6. <u>19-0629</u> Commission Comments

Adjourn



Agenda Item Summary

Agenda Date: 12/3/2019

Agenda Item No.: 1.



Agenda Item Summary

Agenda Date: 12/3/2019

Agenda Item No.: 2.

Agenda Item Name:

Affordable Housing Strategies: Follow-up on Board Direction from September 17, 2019

Presenter:

Ken Zeichner, 352-374-5249

Description:

This presentation is a follow-up to the Board of County Commissioners' direction to provide options for affordable housing strategies in the wake of recent state legislation and request for a minimum density recommendation.

Recommended Action:

Receive the presentation and direct staff to develop one or more of the following concepts to bring back to the Board for further review and direction:

- 1. Allow for substitution for non-residential components in Traditional Neighborhood Developments (TNDs) with Affordable Housing;
- 2. Establish higher minimum density for new development with option for lower density development with provision of Affordable Housing or payment of Fee in Lieu;
- 3. Require Missing Middle mix of housing types with associated performance and design standards;
- 4. Evaluate Future Land Use Map and zoning designations in the Urban Cluster to identify areas where higher density Future Land Use categories and/or density ranges may be appropriate.

Prior Board Motions:

September 17, 2019: (1) Refer to staff to return to the Board with creative options for incentives that would not draw funds from the General Fund and would enable linkage fees to be enacted by the Commission in compliance with State Law which clearly has some ambiguity; (2) Direct staff to return to the Board with a minimum density recommendation that the Board may be able to require.

April 2, 2019:

- Prepare Comprehensive Plan amendment requiring new developments to provide a percentage of workforce affordable housing or pay a "linkage" fee sufficient to provide affordable housing in another location in cooperation with local housing providers
- Prepare a Nexus Study
- County registers opposition to SB 1730/HB 7103
- Chair letter to City of Gainesville to inform that the County is relooking at affordable housing and requesting City work with County staff to identify opportunities for cooperation

•

Fiscal Consideration: N/A

Background:

As part of the evaluation and appraisal of the Comprehensive Plan, an Affordable Housing Workgroup was established to identify strategies for affordable housing. The workgroup met four times over a three month period in the summer of 2018. The recommended strategies were presented to the Board of County Commissioners in September 2018. Specific strategies were selected by the Board to be incorporated into the policy framework of the Housing Element as part of the update of the Comprehensive Plan that was adopted on November 12, 2019.

As part of the County Commission Special Meeting on April 2, 2019 discussing the Comprehensive Plan, the Board approved a motion to prepare a Comprehensive Plan amendment requiring new developments to provide a percentage of workforce affordable housing or pay a "linkage" fee sufficient to provide affordable housing in another location in cooperation with local housing providers, and related points including opposition to bills being considered by the Legislature to preempt or restrict adoption of inclusionary housing ordinances by local governments.

Subsequently, the 2019 State legislative session yielded Ch. 2019-165 that was approved by the Governor June 28, 2019, which included new requirements that would have to be met in connection with any inclusionary housing ordinance that requires developers to provide a specified number or percentage of affordable units or other alternatives in lieu of building the affordable units. Based on the legislative changes, staff presented information to the Board in September 2019 on the impact of the new law and approaches to complying with it, and asked whether the Board wished to proceed with further development of an Inclusionary Housing Program. The Board directed staff to return with information on additional options that would comply with the law and not draw funds from the general fund, and minimum density recommendations.

Engagement Survey

1. In regard to this item being submitted to the agenda, has County staff engaged with the stakeholders in a way that allowed input/ feedback to be shared?

Yes, please fill out the remainder of this form

No, please explain why: (If no, there is no need to continue filling out this form)

2. Please provide the following information for each method of engagement used by County staff. (*Please write N/A for any items that are not applicable*)

ENGAGEMENT ACTIVITY	QUANTITY	DATE(S)	LOCATION(S)	WAS COMMUNITY INPUT RECORDED
HOSTED BY COUNTY				
HOSTED WITH				
STAKEHOLDERS				
SURVEYS				
INTERVIEWS				
FOCUS GROUPS				
OTHER				

3. Please indicate what communication/ outreach was used to inform the public about your engagement activities. (Select all that apply)

Email
Letter from Mayor/Commission
Mailers
Phone calls
Print media (flyers, posters)
Social Media
Website
Other:

4. How has stakeholder input/ feedback been incorporated into the recommendations being presented to the County Commission?

The feedback was analyzed for patterns in priorities, questions, and goals mentioned by community members and has been compiled into the report and presentation to be offered to the Commission.

2019 Florida Statute per Chapter 2019-165

F.S. 125.01055 Affordable housing.-

- 1. Notwithstanding any other provision of law, a county may adopt and maintain in effect any law, ordinance, rule, or other measure that is adopted for the purpose of increasing the supply of affordable housing using land use mechanisms such as inclusionary housing ordinances.
- 2. An inclusionary housing ordinance may require a developer to provide a specified number or percentage of affordable housing units to be included in a development or allow a developer to contribute to a housing fund or other alternatives in lieu of building the affordable housing units. However, in exchange, a county must provide incentives to fully offset all costs to the developer of its affordable housing contribution. Such incentives may include, but are not limited to:
 - a. Allowing the developer density or intensity bonus incentives or more floor space than allowed under the current or proposed future land use designation or zoning;
 - b. Reducing or waiving fees, such as impact fees or water and sewer charges; or
 - c. Granting other incentives.
- • •

F.S. 163.31801 Impact fees . . .-

- . . .
- 8. A county, municipality, or special district may provide an exception or waiver for an impact fee for the development or construction of housing that is affordable, as defined in s. 420.9071. If a county, municipality, or special district provides such an exception or waiver, it is not required to use any revenues to offset the impact.



Affordable Housing Strategies

Follow up on Board direction from September 17, 2019

Board of County Commissioners Special Meeting December 3, 2019

Growth Management Department

BOCC MOTION FROM SEPTEMBER 17, 2019

- 1. Refer to staff to return to the Board with creative options for incentives that would not draw funds from the General Fund and would enable linkage fees to be enacted by the Commission in compliance with State Law which clearly has some ambiguity.
- 2. Direct staff to return to the Board with a minimum density recommendation that the Board may be able to require.



PURPOSE OF MEETING

Review of potential additional strategies for affordable housing and increasing densities –

- Under New 2019 Statute 125.01055 2. counties "must provide incentives to fully
 offset all costs to the developer of its affordable housing contribution" in connection
 with inclusionary housing ordinances that "require a developer to provide a specified
 number or percentage of affordable housing units in a development"
- Review of recommended concepts identified by staff for options for affordable housing, higher densities, and Missing Middle housing types, that would not draw funds from the General Fund

HOUSEHOLD BUYING POWER BY INCOME LEVELS ADJUSTED FOR FAMILY OF 3

Percent of AMI	Annual Household Income (\$)	Buying Power (\$)
120% (Moderate)	76,800	230,400
80% (Low)	51,250	153,750
50% (Very Low)	32,000	96,000
30% (Extremely Low)	21,330	63,990

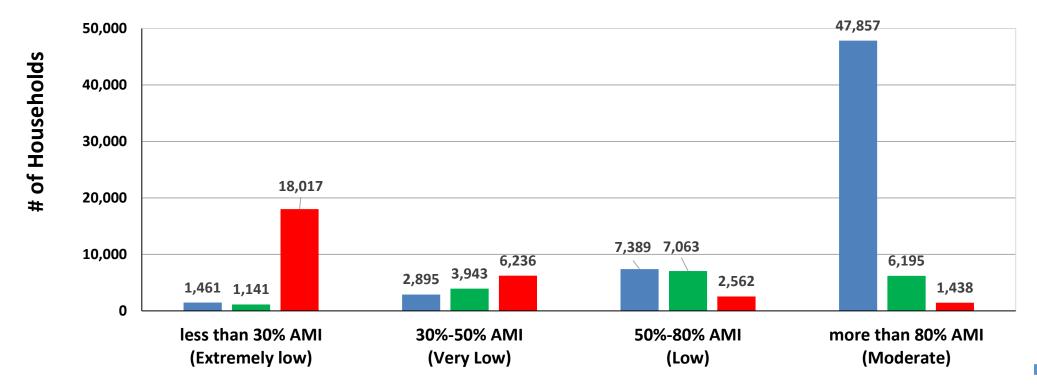


FLORIDA HOUSING RENT LIMITS ALACHUA COUNTY 2019 (\$)

AMI Category	0 Bedroom Limit	1 Bedroom Limit	2 Bedroom Limit	3 Bedroom Limit	4 Bedroom Limit
30%	373	400	533	699	864
50%	622	666	800	924	1,031
80%	996	1,067	1,281	1,480	1,651
120%	1,494	1,600	1,920	2,218	2,475

Source: Florida Housing Finance Corporation, 2019 Combined Income and Rent Limits by County

HOUSEHOLDS BY INCOME AND COST BURDEN ALACHUA COUNTY 2016



Household Income as Percentage of Area Median Income (AMI)

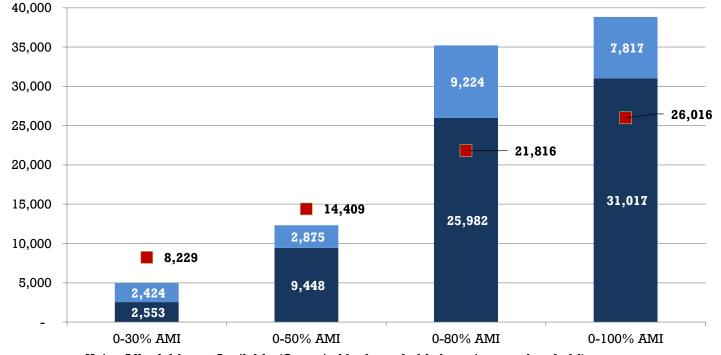
Percentage of Household Income Spent for Housing

0-30%

30-50% Cost Burdened

50% or more Severely Cost Burdened

AFFORDABLE AND AVAILABLE RENTAL HOUSING UNITS COMPARED TO RENTERS BY INCOME (% AMI) ALACHUA COUNTY 2016



- Units, Affordable not Available (Occupied by household above income threshold)
- Units, Affordable and Available (Occupied by household at or below income threshold or vacant)
- Total Renter Households in Income Group
 - Notes: An "affordable" unit has a gross rent at or below 30% of the top income in the range, adjusted by number of bedrooms. An "available" unit is either rented by a household at or below the top income in the range or vacant. Excludes Student-Headed Nonfamily Households

F.S. 125.01055 2. AFFORDABLE HOUSING

- Inclusionary housing ordinance may require developer to:
 - Provide specified number or percentage of affordable units or allow developer to:
 - Contribute to a housing fund or other alternatives in lieu of building the affordable housing units.
- In exchange, a county must:
 - Provide incentives to fully offset all costs to developer of its affordable housing contribution

Continued . . .

F.S. 125.01055 2. AFFORDABLE HOUSING

- Incentives may include:
 - Allowing developer density or intensity bonuses
 - Reducing or waiving fees
 - Granting other incentives
- Amended F.S. Section 163.31801 "Florida Impact Fee Act" to add specifics on rational nexus; and also "allowed exception or waiver of impact fees for affordable housing" and local government "is not required to use any revenues to offset the impact"

INCLUSIONARY HOUSING COMPONENTS

- Nexus study
- Specific areas v. whole jurisdiction
- Development threshold
- Implementation point (eg, plan amendment, rezoning, development plan approval)
- Target income levels & housing units price/rents
- Percentage of units to set-aside or mitigation options
- Incentives to fully offset all costs to the developer of its affordable housing contribution (per Statute)
- Control Period on price/rents
- Qualification of buyers and tracking resales
- Managing Housing Trust Fund
- Comparable design standards
- Affordable housing development plan

STAFF ANALYSIS OF F.S. 125.01055 2. AFFORDABLE HOUSING

- To not draw funds from the General Fund, do not require affordable housing units or fees in lieu under the Statute.
- Instead, staff has identified concepts for other approaches for provision of affordable housing, such as higher densities, Missing Middle housing types, and other strategies.



RECOMMENDED CONCEPTS IDENTIFIED BY STAFF FOR AFFORDABLE HOUSING

- 1. Allow for substitution for non-residential components in Traditional Neighborhood Developments (TNDs) with Affordable Housing
- 2. Establish higher minimum density for new development with option for lower density development with provision of Affordable Housing or payment of Fee in Lieu
- 3. Require Missing Middle mix of housing types with associated performance and design standards
- 4. Evaluate Future Land Use Map and zoning designations in the Urban Cluster to identify areas where higher densities may be appropriate

1. Allow for substitution for non-residential components in TNDs with affordable housing

- Development required to be used for non-residential uses per TND policy and code could instead provide affordable housing.
- Other TND design requirements (block pattern, street network, orientation of buildings) would still need to be achieved.



1. Allow for substitution for non-residential components in TNDs with affordable housing

Example: 40 acre TND @ min. 4 du/acre = 160 du

• Non-residential requirement: min. 10,000 sf

+ min. 50 sf to max. 250 sf per dwelling unit

x 160 dwelling units

min. 18,000 sf to max. 50,000 sf non-residential

• Substitute up to 100% equivalent amount of affordable housing on a square foot basis



2. Establish higher minimum density for new development with option for lower density development with provision of Affordable Housing or payment of Fee in Lieu

- Promotes efficient use of land in Urban Cluster
- Prevents build out of Urban Cluster without provision of affordable housing to meet needs
- Provision of dispersed affordable units



Urban Cluster Density Ranges Identified in Alachua County Comprehensive Plan

Future Land Use Category	Minimum Density	Maximum Density
Residential Estate	N/A	1 unit per 2 acres
Low Density Residential*	1 unit per acre	4 units per acre
Medium Density Residential*	> 4 units per acre	8 units per acre
Medium-High Density Residential*	> 8 units per acre	14 units per acre
High Density Residential*	> 14 units per acre	24 units per acre
Residential 0-2 (Idylwild-Serenola SAS)	N/A	2 units per acre
Residential 2-4 (Idylwild-Serenola SAS)	2 units per acre	4 units per acre

* Categories considered "Urban Residential" per Comprehensive Plan

3. Require missing middle mix of housing types with associated performance and design standards

 Minimum requirements for integration of smaller units/"missing middle" into developments accompanied by appropriate design standards

Missing Middle Housing is a range of multi-unit or clustered housing types—compatible in scale with detached single-family homes-that help meet the growing demand for walkable urban living. MID-RISE LIVE/WORK MULTIPLEX TOWNHOUSE BUNGALOW COURT COURTYARD MISSING MIDDLE HOUSING APARTMENT DETACHED SING E-EAMIN OPTICO Copyright © 2015 25 Onticos Design Ju

3. Require missing middle mix of housing types with associated performance and design standards

Missing Middle Housing: *House-scale* buildings with *multiple units* in *walkable* neighborhoods









4. Evaluate Future Land Use map designations and zoning within the Urban Cluster

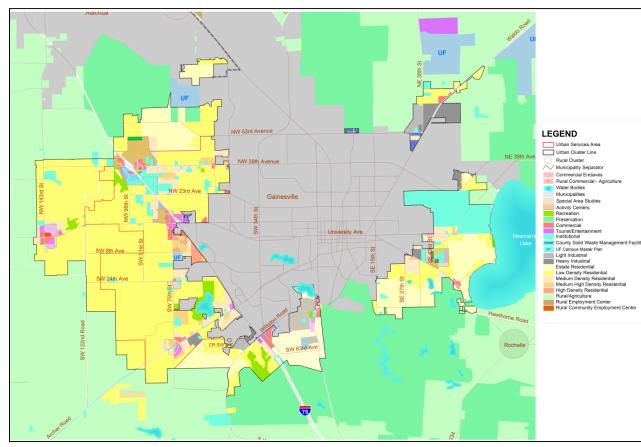
Evaluate the adopted Future Land Use Map and zoning designations in the Urban Cluster to identify specific areas where higher densities may be appropriate and consider amendments to the Future Land Use and/or Zoning Map.

Factors in evaluating potential areas for greater density may include:

- Available urban infrastructure and minimal environmental constraints
- Proximity to Activity Centers
- Proximity to approved or developed TODs and TNDs
- Proximity to major employment, education, or health care facilities
- Surrounding land uses
- Location relative to City of Gainesville
- Planned transit corridors

4. Evaluate Future Land Use map designations and zoning within the Urban Cluster

Future Land Use Map - Urban Cluster Area



Undeveloped Land In Urban Cluster

Future Land Use Category	Density Range Per Comprehensive Plan	Undeveloped Acres
Estate Residential*	Max. 1 unit per 2 acres	1,494
Residential Low*	1 to 4 units per acre	2,781
Residential Medium*	> 4 to 8 units per acre	413
Residential Medium-High*	> 8 to 14 units per acre	48
Residential High*	> 14 to 24 units per acre	25
Residential 0-2	0 to 2 units per acre	585
Residential 2-4	2 to 4 units per acre	18
Total		5,364

Data from November 2019

* Categories considered "Urban Residential" per Comprehensive Plan

SOME ADDITIONAL POTENTIAL APPROACHES TO AFFORDABLE HOUSING

- As part of update of mobility fees, reduce or include within maximum square footage cap per residential units, impact fees for Accessory Dwelling Units based on appropriate technical analysis relating to trip generation
- Provide incentives for affordable housing/or missing middle housing as part of redevelopment of commercial areas
- Require share of affordable housing in areas where extension of needed infrastructure such as components of central potable water and sanitary sewer is facilitated through County-sponsored Special Area Plans
- Promote partnerships with affordable housing development organizations

SUMMARY

Today

Staff seeks Board direction on which concepts it wants staff to develop further

Next steps

- Staff will bring back more detail on specifics of implementation components for Board consideration and direction on preparation of corresponding Comprehensive Plan amendments and/or land development regulations
- Board review of draft amendments to Comp Plan and/or land development code for authorization to advertise

RECOMMENDATION

Direct staff to develop one or more of the following concepts to bring back to Board for further review and direction:

- 1. Allow for substitution for non-residential components in Traditional Neighborhood Developments (TNDs) with Affordable Housing
- 2. Establish higher minimum density for new development with option for lower density development with provision of Affordable Housing or payment of Fee in Lieu
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- 4. Evaluate Future Land Use Map and zoning designations in the Urban Cluster to identify areas where higher densities may be appropriate

AFFORDABLE HOUSING STRATEGIES

BOARD DISCUSSION & DIRECTION





FOR MORE INFORMATION

Alachua County Department of Growth Management 10 SW 2nd Avenue, 3rd Floor Gainesville, FL, 32601 (352) 374-5249 <u>Planning@alachuacounty.us</u>

Agenda Item Summary

Agenda Date: 12/3/2019

Agenda Item No.: 3.

Agenda Item Name:

Recreational Vehicles & Tiny Home Regulations

Presenter:

Missy Daniels, Growth Management Director

Description:

The Board requested a staff presentation on current regulations for RVs and Tiny Homes.

Recommended Action:

- 1. Direct Staff to pursue adoption of ICC Appendix Q for Tiny Home construction.
- 2. If the Board chooses to allow RVs as a temporary housing solution, then direct Staff to bring back ULDC amendments that would allow Recreational Vehicles and Tiny Homes on Wheels to be sited for up to a 180 day period in the Rural/Ag area including provisions for power and waste management.

Prior Board Motions:

September 24th, 2019: "What would it take for Alachua County to allow people to live in Recreational Vehicles and Tiny Homes on Wheels and connect to electrical and water/sewer." Motion passed unanimously.

Fiscal Consideration:

RVs and Tiny Homes on Wheels would not be considered as permanent structures for ad valorem taxing purposes.

Background:

There have been several citizen questions to Staff and the Board regarding proposals to permanently reside in an RV or Tiny Home. Staff have prepared a presentation to go over the current state of Alachua County's regulations regarding this issue.



Recreational Vehicles / Tiny Houses on Wheels

Follow up on Board direction from September 17, 2019

Board of County Commissioners Special Meeting December 3, 2019

Growth Management Department

BOCC MOTION FROM SEPTEMBER 24, 2019

What would it take for Alachua County to allow people to live in Recreational Vehicles and Tiny Homes on Wheels and connect to electrical and water/sewer.



CURRENT RV REGULATIONS

Recreational Vehicles

- Allowed within RV Parks (Limited to 30 days)
- Allowed for visitors (7 days at a time, 14 days per year)
- Allowed for temporary residential use while building a home on a lot
- Allowed to be stored and plugged in for climate control but must be "road ready"



CURRENT REGULATIONS

Electrical Service

• Not allowed to be permitted on a vacant lot with the exception of agricultural uses.

Sewer/Septic Service

• Not allowed to be permitted on a vacant lot.





Tiny House on Wheels (THOW)



Tiny House on Foundation

DEFINITIONS



{class-b camper van}







{class-c mini-motorhome}

















Park Model RV











{travel-trailer}

{5th wheel travel trailer}

CURRENT TINY HOME ISSUES

- Must be built according to Florida Building Code meeting wind load and room size requirements
- Most requests currently are for pre-manufactured homes built out of state – closed construction (State Statute 553.36)
 - Cannot readily inspect the components without disassembly
- Two ways to approve
 - Visually inspect components (deconstruct the home on site)
 - Certified engineer can verify the unit meets FBC not possible for most of the homes – room size and height requirements, wind load, built to RV standards on a chassis

CURRENT BUILDING CODE REQUIREMENTS

- Habitable rooms not less than 70 square feet
- At least one habitable room must be a minimum of 120 square feet.
- No room (except kitchens) can be less than seven feet in any direction.
- Ceiling height of not less than seven feet (unless sloped then at least 50% 7 ft., none less than 5ft.
- Stairs require 36" wide

INTERNATIONAL CODE COUNCIL APPENDIX Q

Building Code Appendix Q (Tiny Home Appendix)

- Still requires foundation and most other typical building code compliant standards
- Contains allowances for tiny home components such as sleeping lofts, modified stairs/ladders, etc.
- Adopted by City of Gainesville
- Could be adopted statewide in upcoming legislative session.

RECREATIONAL VEHICLE INDUSTRY ASSOCIATION (RVIA)

• Park Model Standards:

- A park model RV (PMRV) is a unique towable RV designed to provide temporary living quarters for recreational, seasonal, camping or travel use. PMRVs (previously referred to as recreational park trailers) are built on a single trailer chassis, mounted on wheels and have a gross trailer area not exceeding 400 square feet in the set-up mode. They are certified by their manufacturers to comply with the American National Standards Institute (ANSI) A119.5 Park Model Recreational Vehicle Standard. PMRVs are most often sited in RV parks or campgrounds for seasonal use. The campground might own the units and rent them to guests, or an individual PMRV owner might site their unit on a space leased from an RV park or campground. PMRVs by definition are not meant to be affixed to real property. PMRVs are neither designed nor intended by their manufacturers to be used as permanent residences
- Many THOW are being built to RVIA Park Model Standards

TINY HOUSE ON FOUNDATION

- Modular Home Standards:
 - "Modular homes—are designed, built, permitted and inspected to the Florida Building Code (FBC), and must be installed on permanent foundations (e.g., poured footers, stem walls & poured piers or engineered slabs, just like site built homes) that are designed and built specifically for that home by a contractor licensed by the Department of Business & Professional Regulation (DBPR). It is a violation of Florida Statutes for a mobile home installer to install a modular home. To be acceptable in Florida, a modular home must bear the insignia of the Florida Department of Community Affairs (DCA) [*now Department of Economic Opportunity (DEO)] on the inside of the cover of the home's electrical panel. They are considered real property when installed on a permanent foundation, and insured as such."
 - Some Florida based Tiny Home companies are seeking to obtain modular home licenses

CONSIDERATIONS

- Allowing RVs/THOW in more situations:
 - Specify Location in County (Rural Ag or any Residential district)
 - Specify Type of RV (all RVs or just Park Model/THOW)
 - Specify an amount of time which historically is difficult to enforce (Manufacturers own certification says they are not meant for permanent residence)
 - RVs are not deemed storm worthy. RV residents will be required to find safe shelter in the case of tropical storm conditions.

RECOMMENDATION

- 1. Pursue adoption of ICC Appendix Q for Tiny Home construction
- 2. If the Board chooses to allow RVs as a temporary housing solution, direct staff to bring back ULDC amendments that would allow Rvs and THOWs to be sited for up to 180 consecutive days in the Rural/Ag area with permitted electrical and septic facilities.

BOARD DISCUSSION & DIRECTION





FOR MORE INFORMATION

Alachua County Department of Growth Management 10 SW 2nd Avenue, 3rd Floor Gainesville, FL, 32601 (352) 374-5249 <u>Planning@alachuacounty.us</u>

Engagement Survey

1. In regard to this item being submitted to the agenda, has County staff engaged with the stakeholders in a way that allowed input/ feedback to be shared?

Yes, please fill out the remainder of this form

No, please explain why: (If no, there is no need to continue filling out this form)

2. Please provide the following information for each method of engagement used by County staff. (*Please write N/A for any items that are not applicable*)

ENGAGEMENT ACTIVITY	QUANTITY	DATE(S)	LOCATION(S)	WAS COMMUNITY INPUT RECORDED
HOSTED BY COUNTY				
HOSTED WITH				
STAKEHOLDERS				
SURVEYS				
INTERVIEWS				
FOCUS GROUPS				
OTHER				

3. Please indicate what communication/ outreach was used to inform the public about your engagement activities. (Select all that apply)

Email		
Letter from Mayor/Commission		
Mailers		
Phone calls		
Print media (flyers, posters)		
Social Media		
Website		
Other:		

4. How has stakeholder input/ feedback been incorporated into the recommendations being presented to the County Commission?



Agenda Item Summary

Agenda Date: 12/3/2019

Agenda Item No.: 4.

Agenda Item Name: CareerSource NCFL - Status Update

Presenter: Michele Lieberman and David Forziano

Description: CareerSource NCFL - Status Update

Recommended Action: Receive status update and provide direction to staff.

Prior Board Motions: Click or tap here to enter text.

Fiscal Consideration: N/A

Background: Click or tap here to enter text.



Focused Management Solutions A Public Consulting Group, Inc. Company Focused Management Solutions P. O. Box 13534 Gainesville, FL 32601 Tel: 352,872-5901 Fax: 352,872-5908 www.finsworks.com

November 21, 2019

VIA HAND DELIVERY

Jeffrey Tate Board Chair Alachua Bradford Local Workforce Development Board d/b/a CareerSource North Central Florida 10 NW 6th Street Gainesville, FL 32601 Executive Director Frank Avery Executive Director Alachua Bradford Local Workforce Development Board d/b/a CareerSource North Central Florida 2153 Hawthorne Road, Suite 201 Gainesville, FL 32641

Re: Contract for Subrecipient Administrative Entity Services (Contract No. 07-01-16/17) Contract for Vendor Administrative Entity Services (Contract No. 07-02-16/17)

Dear Mr. Tate and Mr. Avery:

On behalf of Florida Management Solutions, Inc., d/b/a Focused Management Solutions (FMS),¹ and in light of recent actions taken by the Florida Department of Economic Opportunity (DEO), we regrettably have no choice but to send this notice under both our Contract for Subrecipient Administrative Entity Services (Contract No. 07-01-16/17), and our Contract for Vendor Administrative Entity Services (Contract No. 07-02-16/17), due to non-payment. In order for FMS to effectively continue services, full payment of outstanding invoices must be paid, under the terms of our existing vendor and subrecipient contracts. Failure to do so on or before December 6, 2019, may result in FMS being forced to enforce its termination rights under Section 5.2.3 of each contract, among other provisions, and cease operations as of that date.

As you know, by a letter dated September 27, 2019, DEO announced that it was changing the long-standing process under which state funding has been provided to CareerSource North Central Florida ("the Board"). This abrupt change has effectively left the Board without the working capital to pay its service providers under their contracts. FMS currently has outstanding invoices totaling \$399,652.55 (which includes youth and DWG participant payroll reimbursements) under our vendor contract and \$25,652.93 under our subrecipient contract.

Despite the lack of funding, FMS has continued to provide all the services required under our contracts with the same high level of service as we have in the past. Moreover, over its 14 years in support of the Board, FMS has consistently performed its services in good faith and in accordance with the contractual and funding models established by the Board 23 years ago and overseen by multiple state administrations.

2153 SE Hawthorne Road, Suite 201, Gainesville, FL 32641 FMSWorks.com PCG Workforce & Economic Development

¹ While FMS was acquired by Public Consulting Group, Inc., the contracts remain in the name of FMS.

To: Jeffrey Tate and Frank Avery November 21, 2019 Page 2

This positive, productive relationship has been resolutely focused on providing excellent service to develop and sustain a qualified and effective regional workforce. We are proud of the work we have accomplished together, and most importantly, of the positive impact we have had on the lives, careers, and economic well-being of thousands of Floridians in Alachua and Bradford Counties. Our successes include the following:

- Obtaining U.S. Department of Labor grants of over \$32 million for the region;
- Implementing innovative employment and entrepreneurship programs that have produced an estimated economic impact of hundreds of millions of dollars over the next 20 years;
- Receiving an Excellence Award from the U.S. Chamber of Commerce; and
- Supporting the Board and career service providers in serving 3,000 residents monthly.

We deeply regret the circumstances that have forced us to issue this notice. We want to stress that we are eager to engage with you in resolving the funding issue so that we can revoke this notice and continue to deliver all contracted services for years to come. We trust the Board will understand that this is simply a necessary business decision: FMS cannot continue to provide administrative entity services under either of its vendor or subrecipient contracts without being compensated and without assurance of future payments.

We are hopeful that further communications with DEO will resolve any concerns and that the Board's successful funding model will be restored. To be clear, FMS will continue to wholeheartedly support the Board. But in the unfortunate event that the difficult situation the Board now finds itself in cannot be remedied, FMS would be forced to consider termination of the contracts.

We look forward to your response and are available at your convenience for further discussion.

Respectfully,

Ban Dipalm

Brian Howells

cc:

Phil C. Beverly, Jr., Board Counsel, 408 W. University Avenue, Suite 500, Gainesville, FL 32601 (pcbjr@pcbjr.net)

2153 SE Hawthorne Road, Suite 201, Gainesville, FL 32641 FMSWorks.com PCG Workforce & Economic Development



Agenda Item Summary

Agenda Date: 12/3/2019

Agenda Item No.: 5.



Agenda Item Summary

Agenda Date: 12/3/2019

Agenda Item No.: 6.