



Ave Maria developer seeks to ease income requirements on affordable housing

By LIAM DILLON

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Ave Maria's developer is looking for some relief from Southwest Florida's less than heavenly real estate market.

Citing a new state law, the town is asking to change income requirements for those who wish to live in Ave Maria's affordable housing sections.

If the request is granted, annual family income restrictions on certain homes in the development would increase by nearly \$30,000.

The state law, passed in 2007 and co-sponsored by the late -Rep. Mike Davis, R-Naples, allows developers to request changes to their affordable housing income restrictions, provided the units have been marketed for six months and have received a certificate of occupancy.

For Ave Maria, the request could mean a dramatic shift in affordable housing requirements from original development plans.

Nearly half of the 700 homes designated for the lower-income restriction would now qualify for the higher-income restriction. That's because Ave Maria has advertised the Middlebrook section of town — planned for 326 homes, all income-restricted at the lower level — for over a year, even though only 48 of those homes have been built to date.

"As long as we continue to actively market the units, and we have no qualified low-income buyers, then we are able to offer these units to moderate income buyers at the same price," said Blake Gable, a vice president at town co-developer Barron Collier Cos.

The first meeting on Barron Collier's request occurred last month at the Collier County Planning Commission, which unanimously recommended approval, and the developer will have a hearing before the Collier County Commission on May 27.

Generally speaking, homebuilding has slowed at Ave Maria, but construction is still occurring.

Since February, 31 homes in the town have received certificates of occupancy. There are a total of 253 homes in the town that had received certificates of occupancy as of this past week. County property appraiser records also show 29 condominiums in the town's center have been purchased.

For more than six months, town co-developer Tom Monaghan has acknowledged home sales are falling below expectations, most recently telling a Detroit business magazine he didn't expect to turn a profit on the town until after 2010.

The town's affordable housing residences are particularly hard sells because of an inability to find qualified low-income buyers, Barron Collier representatives said.

During the planning commission meeting, Barron Collier's Naples-based attorney John Passidomo spoke to the "extraordinary difficulty that has been experienced at Ave Maria in attempting to sell affordable housing

units."

Kelly Lauman, general sales manager for town homebuilder Pulte Homes, said at the meeting her company has met with various county agencies, including the Sheriff's Office and Collier School District, to market the homes to low-income buyers, but to no avail.

Of the 48 homes already built in Middlebrook, 36 have sold. But of that number, 32 were bought by the university to be used as rentals. Only four homes designated as low-income have been sold to homeowners with one other under contract, Gable said.

The average selling price for the four homes was \$179,500. Pulte advertises two models in Middlebrook on its Web site. One is a 1,163-square-foot, two-bedroom, 2.5-bath model starting at \$169,900, and the other is a 1,395-square-foot, three-bedroom, 2.5-bath model, starting at \$195,900.

Gable also lamented last summer's move by county staff to question Ave Maria's eligibility for a program that defers impact fees for affordable housing projects. Impact fees are one-time charges paid on new construction to help pay for parks, roads and other capital projects.

Under the county program, fees are deferred until a home is sold, refinanced or ceases to remain the new homeowner's primary residence.

By the time the County Commission determined Ave Maria qualified for deferrals it was too late for the homes already under construction, Gable said.

"It was unfair to some potential homebuyers at Ave Maria," he said.

He added the town plans to take advantage of the deferral program in its future affordable housing construction. Ave Maria would reduce home prices by its deferral amount "dollar for dollar," Gable added. This year, the average impact fee deferral was just more than \$18,000.

According to county staff, Ave Maria is the first development in the county to request a change to its affordable housing requirements after the new state law took effect.

The state Department of Community Affairs, the clearinghouse for development orders, doesn't have records for how many projects in Florida have made this request, a spokesman said.

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