

Board Nixes Denton Cove Appeal

Media Mention
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The Willie Speed board room in Eastpoint Monday night was emptier and quieter than it was 11 months ago, when a packed house of Apalachicola neighbors gave the school board a standing ovation for its rejecting a settlement offer to sell Denton Cove 3.66 acres at the former Apalachicola High School site for development into low-income rental apartments.

On Monday, following a report from its attorney on a court decision 10 days ago that compelled the school board to close the deal, the Franklin County School Board unanimously accepted, without comment, a recommendation to not appeal the matter and to close the deal by Circuit Judge Charles Dodson's imposed deadline of Feb. 15.

"I can't guarantee any outcome other than the outcome in front of you," said Leonard Dietzen, the board's outside counsel, from Rumberger, Kirk and Caldwell out of Tallahassee. "The judge made this issue whole. I don't know how to keep this case economically alive given this district's fund balance."

Dietzen made clear he was not in favor of appealing the decision to the First District Court of Appeals. "There's something about finality than rolling the dice again. As much as we like your business, you'd be writing additional checks for briefs," he said.

"You'll have certainty and your expenses will be cut," Dietzen said. "We don't know what will happen on appeal. We could spend \$50,000 on appeal and the court could decide to let the decision stand."

Dietzen said appellate judges were likely to decide not to issue an opinion, and let Dodson's ruling stand. "That's a likely scenario, not a lot of cases get opinions," he said. "And there's nothing preventing Denton Cove from appealing it (beyond that)."

The stage is now set for the district to get the purchase price of \$425,000 for the property, the same amount Denton Cove proposed in the rejected settlement offer following court-ordered mediation. More than half of this

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money, about \$240,000 so far, has been eaten up in litigation costs, which is what Dietzen predicted would happen when he urged the school board back in February to accept the settlement.

"Fighting for principle is one thing, but spending twice for lawyers is another responsibility you have as board members," he told the board back in February. "The past stuck in everybody's craw and I understand it, but you have to deal with economics."

The company plans to construct 52 low-income housing units, complete with amenities such as a fitness center and computer room, on the land at 17th Street and Avenue L. The project is funded through the sale of roughly \$9.4 million in federal low-income housing tax credits (\$940,000 annually for 10 years) the Florida Housing Finance Corporation first allocated Denton Cove in 2015, and has extended ever since.

Also addressing the school board Monday evening was Bonnie Davis, who spoke on behalf of the non-profit HAPPI (Historic Apalachicola Plat Preservation, Inc.), a core group of neighbors who led opposition to the project, and entered the case as intervenors.

Back in February, Davis had urged the board to reject the settlement, and to consider a future proposal to grant the land to HAPPI in exchange for the group giving them land and property of equal value in which a teacher could live.

"The torch has been passed to you five to protect our history, to do the right thing and give the streets back to the people of Apalachicola," Davis told the school board in February. "We don't think their counterclaims are valid, and if we did, we don't want for you to gamble with taxpayers' money."

On Monday, Davis thanked the school board for their efforts. "I'm here to express our board's appreciation to you all for your courage and tenacity," she said. "You did everything we asked you and supported you in doing it."

"HAPPI will do everything it can to support the educational mission of Franklin County," Davis said.

Following the board's decision, Kevin Kroll, a development associate with Wendover Housing Partners LLC, the parent company of Denton Cove, rose to address the board. He had flown in to the Apalachicola Regional Airport with Rebecca Rhoden, from the Orlando firm of Lowndes Drosdick, who had led the firm's courtroom battles over the past several years. She did not address the school board.

"We're all aware of the stats regarding families living in poverty and homelessness," Kroll said. "This is 100 percent affordable housing (for those) amongst us already living right here in dilapidated housing and inefficient housing."

He said many of these people are spending as much as 75 percent of their income on housing costs.

Kroll said the proposed housing project will be a "Class A property. We pride ourselves on the quality of our developments."

"This community will serve as a focal point of neighborhoods, a catalyst for further quality redevelopment of the area," he said.

Kroll said those who qualify for the housing will spend closer to 30 percent of their income on housing. "That frees up discretionary income, to properly feed and clothe your children. They can concentrate on what they're there to do," he said.

“That is what we are here to do,” Kroll said. “We really look forward to being your partner, and long continued success.”

Superintendent Traci Moses asked Kroll about what might be available for teacher housing, since “we have had a difficult time to attracting and recruiting teachers.”

Kroll noted that Denton Cove, once completed likely within the next 12 months, will serve those who make no more than 60 percent of the adjusted median income for the county.

Based on April 2015 numbers, this would mean an individual renter could not make more than \$21,240 annually, and that a couple could earn no more than \$24,240 between them. To qualify, a family of three could not earn more than \$27,300 per year, and four no greater than \$30,300 annually.

Since 2015, when the county’s median income was about \$38,200, the median income has increased by about \$2,000, so it is now closer to \$40,200. This indicates the income ceilings have risen somewhat, although they still likely mean that teachers, nurses and police officers likely would not qualify.

In 2015, Denton Cove rents were estimated to range from \$531 to \$757 per month, lower than what the U.S. Census data indicates is the county’s median gross rent of \$803. That census data also indicates that as of 2018, about 23 percent of the county’s population was living in poverty.