



Broward County Commission

Affordable Housing Workshop

April 17, 2018 – 10:00 A.M.

Presented by:

Ralph Stone, Director, Housing Finance & Community Redevelopment Division (HFCRD)

Sandra Veszi Einhorn, Executive Director, The Coordinating Council of Broward



Franklin Park Estate, BMSD

Presentation Overview

1. **OVERVIEW/BACKGROUND** Ralph Stone, Director, HFCRD
2. **HOUSING BROWARD: AN INCLUSIVE PLAN** Sandra Veszi Einhorn, Executive Director
The Coordinating Council of Broward
3. **BOARD OPTIONS/NEXT STEPS** Ralph Stone, Director, HFCRD
4. **ATTACHMENTS**
 1. Housing Broward: An Inclusive Plan
 2. Rational Nexus for Affordable Housing Regulations
(Memo from the County Attorney)
 3. 2017 Broward County Land Use Plan Affordable Housing Policies/Definitions



Village Place Apartments, City of Fort Lauderdale



Willey Street Redevelopment Project, City of Hollywood



Franklin Park Estates, BMSD



OVERVIEW/BACKGROUND

Ralph Stone



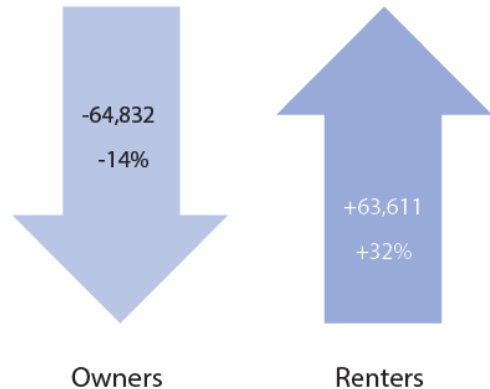
WE ARE STILL NUMBER LAST

Renters – Top 100 Metro Areas

South Florida Is the Most Rent-Burdened Region in the US		
Metro Area	% of Renters Cost Burdened	% of Renters Severely Cost Burdened
Miami-Fort Lauderdale-West Palm Beach, FL	62%	36%
New Orleans-Metairie, LA	55%	35%
New Haven-Milford, CT	57%	33%
Los Angeles-Long Beach-Anaheim, CA	58%	32%
Fresno, CA	55%	32%

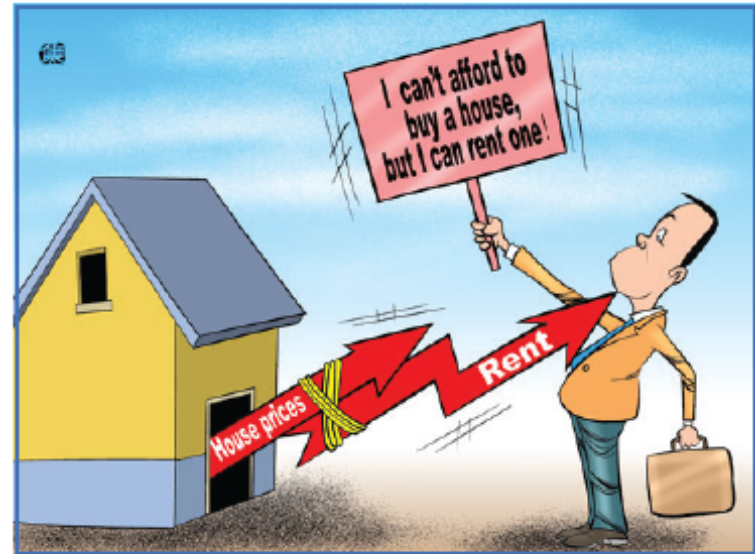
Renting is on the rise.

Change in Owners & Renters, Broward County, 2006-2016



Joint Center for Housing Studies of Harvard University

Increase in RENTERS
Decrease in HOMEOWNERSHIP
Broward County

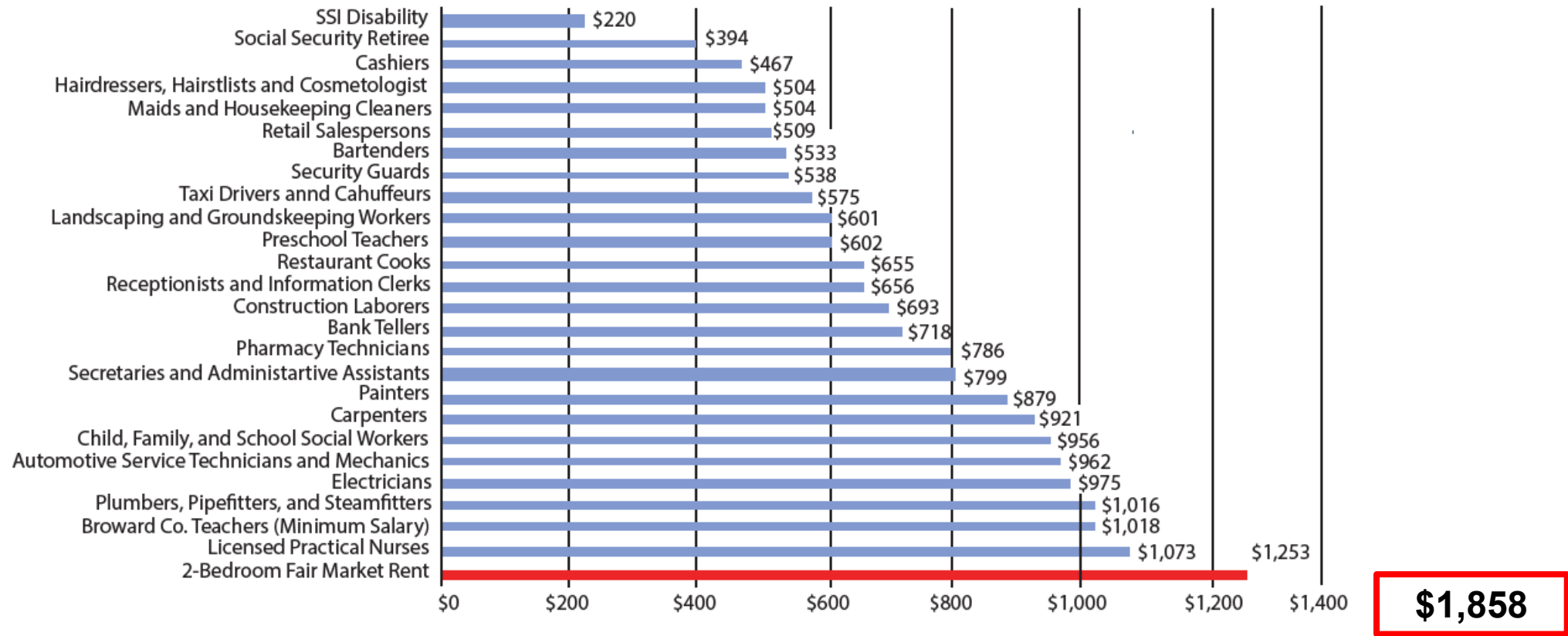


Broward County lost nearly 65,000 homeowners between 2006 and 2016 and gained nearly that many renters over the same period.

Renter growth includes new households and households switching from owning to renting.

Rents outpace wages for many occupations in Broward County

Affordable Rents for Median-Wage Workers vs. 2 Bedroom Fair Market Rent, Broward County, 2016



Based on median wage for occupation. Maximum rent calculated as 30% of monthly salary; compared to HUD Fair Market Rent for 2-Bedroom unit.

Source: Florida Agency for Workforce Innovation, 2016 Occupational Employment Statistics and Wages; U.S Department of Housing and Urban Development, 2016 Fair Market Rents; Broward Country Public Schools; U.S Social Security Administration.

Current Average rent in Broward County is **\$1,858**.

“The majority (**54 percent**) of Broward County’s workers are employed in low-wage service sector occupations with hourly wages that translate to workers earning 40-60 percent of the County’s median household income.”

Source: The 2014 Broward County Affordable Housing Needs Assessment Study

Homeownership Affordability Gap Analysis

2017 Median Single Family Sales Price
\$340,000

2017 Median Income
\$64,100

OWNER AFFORDABILITY GAP
\$145,000

Affordable Housing Programs Administered by HFCRD

Purchase Assistance

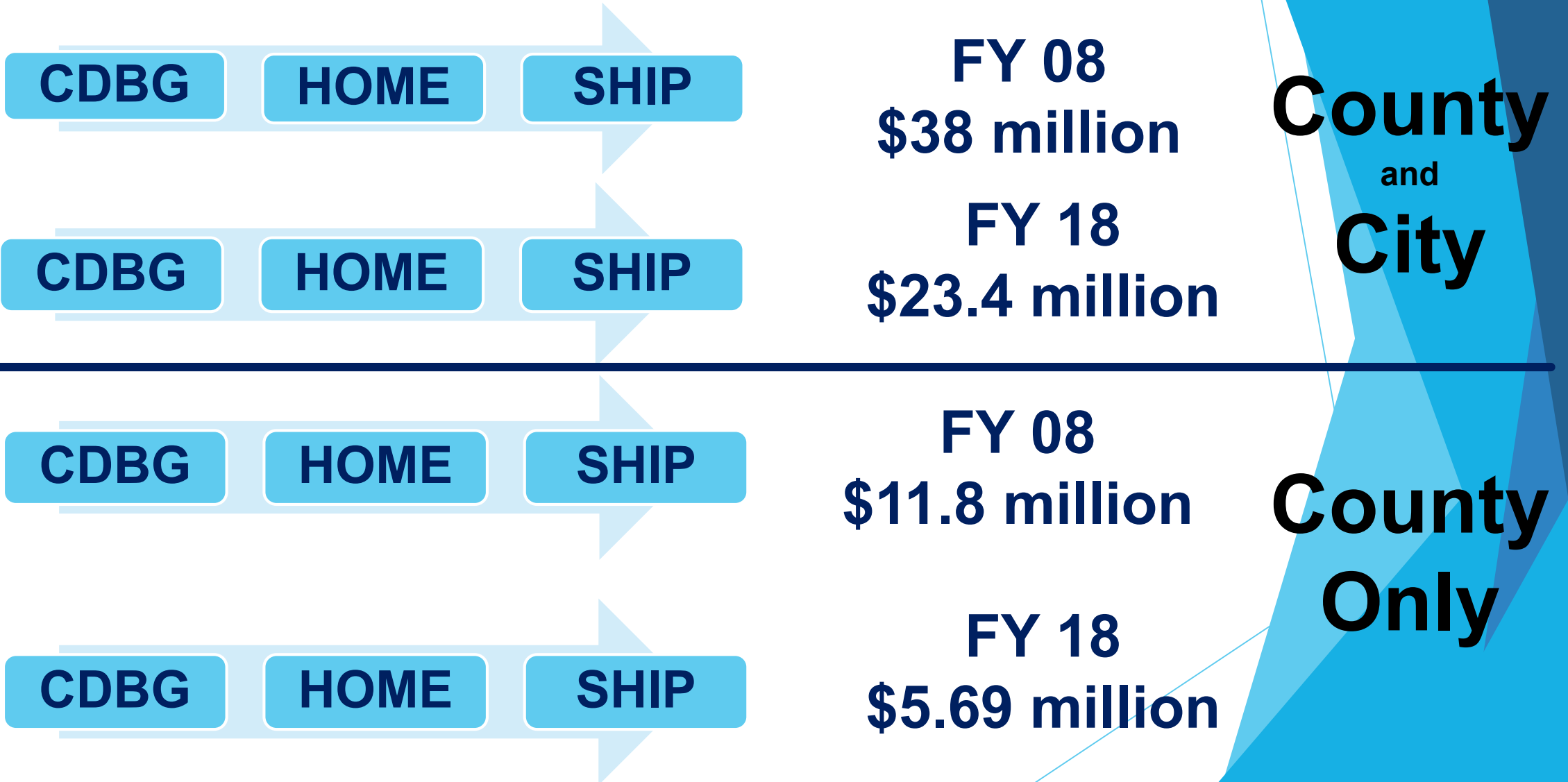
**Homeownership
Rehabilitation/Repair**

**New Single Family
Construction**

**Multi-family New
Construction**

Special Needs Housing

Recurring County/City Federal/State Resources



* Projected 5% increase from FY2017 allocations for CDBG & HOME Programs.

Trends to Watch

“Silver Tsunami”

Baby Boomers Don't Have Enough for Retirement

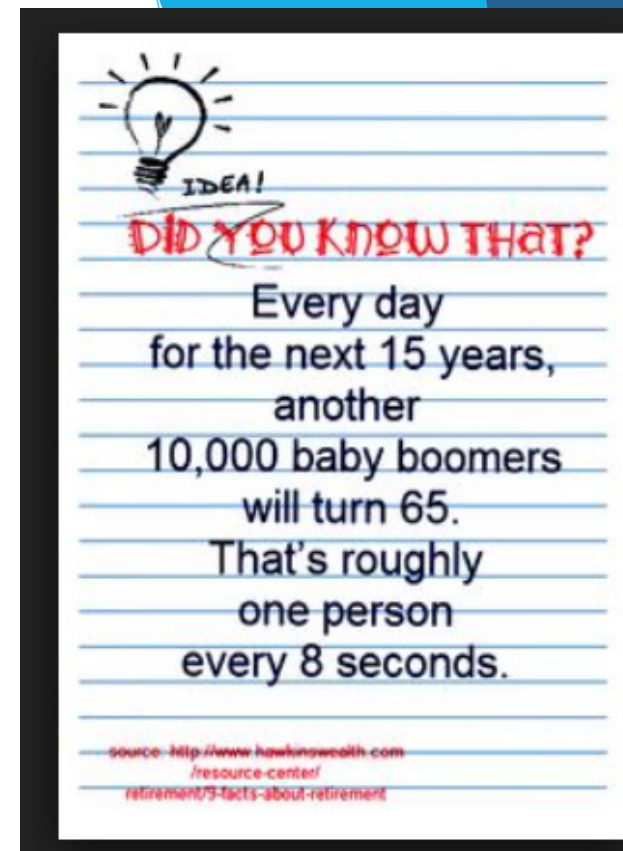
These are sobering numbers:

- 19.7% of retirees get 100% of their income from Social Security.
- A full third (33.4%) depend on it for 90% of their income.
- And 61.1% get at least half their income from Social Security.

<https://www.forbes.com/sites/patrickwwatson/2017/10/12/boomers-are-not-saving-enough-for-retirement-neither-is-the-government/#5a1315351a4d>

According to the Center for Retirement Research at Boston College, the typical account for a worker nearing retirement is only **\$42,000**. And **55 percent** of current workers don't have any employment-based savings at all. AARP says that three-quarters of Americans between 55 and 64 have less than \$30,000 socked away. It all adds up to a \$6.6 trillion gap between what we have and what we need.

<https://www.aarp.org/work/retirement-planning/info-2014/boomer-retirement-little-savings-means-working.html>



Trends to Watch

Interest Rate Increases

Date	Interest Rate	Monthly Principal & Interest (\$175,500* loan, 30-year fixed)
2012 Q4	3.5%	\$ 788
2018 Q1	5%	\$ 942
Projected	6%	\$1,052
Projected	7%	\$1,168
MONTHLY INCREASE		\$ 380

* Assume median affordable sales price of \$195,000 less buyers 10% down payment

Tallahassee fiddles as housing costs burn workers

By Sun Sentinel Editorial Board

April 7, 2018

...When it comes to helping South Florida businesses address the challenge of recruiting and retaining workers who increasingly spend 40 to 50 percent of their paychecks on housing, Tallahassee shrugged it off yet again. ...

...“One thing I hear from a lot of folks in real estate and housing is that they wouldn’t have supported Sadowski when they had the opportunity if they’d known this would have happened,” said Broward County Commissioner Chip LaMarca.” ...

HOUSING BROWARD: AN INCLUSIVE PLAN Sandra Veszi Einhorn

The Coordinating Council of Broward, Inc. Board of Directors

Sandra Veszi Einhorn, Executive Director

Senator Nan Rich, Chair of Coordinating Council of Broward, Broward County of Commissioners

Edith Lederberg, Executive Director, Aging and Disability Resource Center

Charlotte Mather-Taylor, CEO, Ann Storck Center

Shiela Smith, CEO, Broward 211-First Call for Help

Silvia Quintana, CEO, Broward Behavioral Health Coalition

Dr. Avis Proctor, President, North Campus, Broward College

Kimm Campbell, Director, Human Services, Broward County

Mary Lou Tighe, Executive Director, Broward League of Cities

Michael De Lucca, President and CEO, Broward Regional Health Planning Council

Colonel Frank Adderley, Community Affairs, Broward Sheriff's Office

Kareen Boutros, Executive Director, Broward Workshop

Larry Rein, Interim President and CEO, ChildNet

Linda Carter, CEO Community Foundation, of Broward

Silvia Beebe, Community Development Administrator
Department of Children & Families

Dr. Paula Thaqi, Administrator Department of Health

Renee Jaffe, CEO, Early Learning Coalition of Broward

Ron Drew, Executive Director, Greater Fort Lauderdale Alliance/Six Pillars

Dr. Steven Ronik, President and CEO, Henderson Behavioral Health

Bruce Yudewitz, CFO, Jewish Federation of Broward County

Tim Curtin, Administrative Director, Memorial Healthcare System

Dr. Fred Lippman, Chancellor, Health Services, Nova Southeastern University

Mickey Pope, Director, Student Success Initiatives, School Board of Broward County

Kathleen Cannon, President and CEO, United Way of Broward County

Mason Jackson, CEO, CareerSource Broward

Cindy Arenberg Seltzer, President and CEO, Children's Services Council

Community Engagement

Coordinating Council of Broward (CCB)



The CCB Acknowledges:

- The Broward Workshop for their generosity in hosting over 400 stakeholders that participated and provided meaningful recommendations, feedback, and information throughout the past year
- The Greater Fort Lauderdale Alliance
- The Broward Regional Health Planning Council
- Nova Southeastern University
- The Broward Housing Council

Vision

A vibrant housing market with a range of choices for existing and new residents at all income levels throughout Broward County.

Core Goals

- I. Create and preserve dedicated affordable housing units.
- II. Promote affordability by increasing the overall supply of housing and lowering barriers and costs.
- III. Help renters and homeowners maintain housing stability.
- IV. Help renters and homebuyers afford units they locate in the private market.



CCB Plan Recommendations

Goal I. Create and preserve dedicated affordable housing units

Broward County Charter Review Commission passed a recommendation to create a Broward County Affordable Housing Trust Fund which will be presented as a special referendum issue in the November 2018 General Election.

BOCC recently budgeted \$5 million from General Fund for FY 2018 for affordable housing.

BOCC discussed possible commitment of 50% of future savings from expiring CRAs TIF.

Inclusionary Zoning mandates should be enacted by the County and all municipalities.

**Goal II.
Promoting
affordability by
increasing the
overall supply of
housing and
lowering barriers
and costs**

CCB Plan Recommendations

Rezone for higher density residential development.

Reduce parking requirements.

Streamline and expedite permitting and the plan review process.

Redevelop nonfunctioning golf courses for mixed-use, mixed income communities.

Goal III. Help Renters and Homeowners Maintain Housing Stability

CCB Plan Recommendations

Increase homeowner rehabilitation assistance programs.

Increase home education, counseling, and foreclosure prevention programs.

NIMBYism Campaign: Overcoming Community Opposition to Affordable Housing.

Develop a rental registry program to require maintenance inspections of properties.

CCB Plan Recommendations

Goal IV. Help Renters and Home Buyers Afford Units they Locate in the Private Market

Support Minimum Wage Increase and Living Wage Ordinance.

Encourage Financial Institutions to expand lending to income eligible residents.

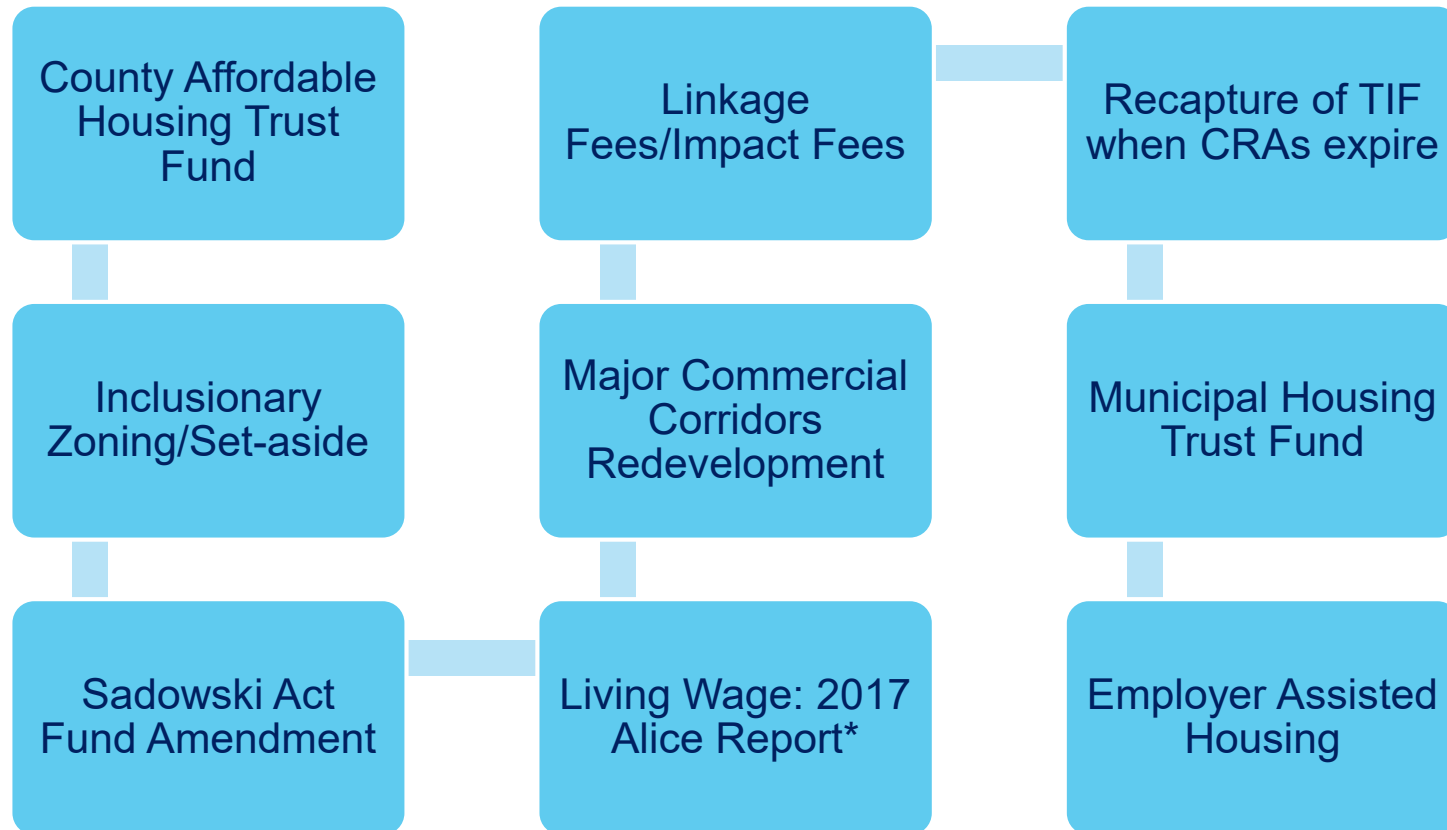
Encourage Preservation of Affordable Housing.

Enforce Housing Codes.

BOCC OPTIONS/NEXT STEPS

Ralph Stone

AFFORDABLE HOUSING PROGRAM OPTIONS



* For a Family of Four is \$61,944

Sadowski Act Amendment

Recommendations

- Propose legislative language to guarantee return of 90% of all Sadowski Trust Funds collected in each county.
- Work with the Sadowski Coalition to propose a Constitutional Amendment with same goal.

Donor County

DOCUMENTARY STAMP TAX COLLECTIONS AND DISTRIBUTION*							
	FY 10-11	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	Totals
Broward County % Contribution	10.186%	9.860%	9.596%	9.694%	10.114%	10.032%	
Broward County \$ Contribution	17,436,985	18,409,413	23,331,714	25,987,472	30,747,319	33,810,403	
Over (under) Funding	15,739,200	16,434,128	20,509,901	9,010,834	19,405,027	6,528,908	87,627,998

* Office of Economic & Demographic Research Revenue Estimating Data Less Tax Collections by County

Seven (7) Largest Donor Counties Sadowski Trust Fund Contributions:

- FY16: 56% Contribution of total fund
- FY16: \$65.3 million donor total

Tax Increment Expiration

- Two CRAs will expire in 2020.
- Half of the returned funding could be dedicated to affordable housing.

Affordable Housing Incentives/Opportunities

- ▶ Density Bonuses
- ▶ Micro units
- ▶ Impact Fee Waivers
- ▶ Promote Local Activity Centers/Regional Activity Centers
- ▶ Redevelopment of major commercial corridors
- ▶ Accessory Dwelling Units
- ▶ Inclusionary Zoning (*Memo from County Attorney*)
 - ▶ Mount Laurel, NJ
 - ▶ Montgomery County, MD
 - ▶ Tallahassee, FL
- ▶ Linkage Fees
 - ▶ San Diego, CA
 - ▶ Monroe County, FL
 - ▶ Boston, MA

Commercial Corridors Shopping Center Redevelopment



New project proposed at site of Fashion Mall “Plantation Walk” in Plantation, FL

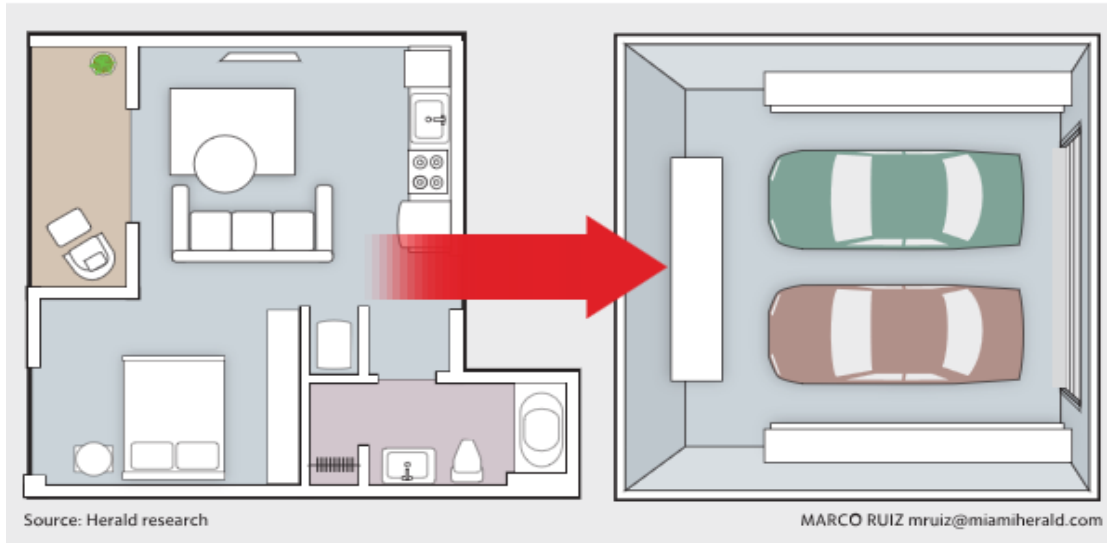


The Waverly at Las Olas, Fort Lauderdale, FL

Micro-Units

Can you 'micro' manage in an apartment this size?

A new trend in South Florida urban apartment living is a "micro" design for units as small as 400 square feet. A more common size, such as the 518 square-foot studio shown at left, would fit nicely in the footprint of a typical two-car garage.



<http://www.miamiherald.com/news/business/real-estate-news/article151409052.html>

Example of a Micro-Unit Floorplan



Source: Curbed NY, What is a Micro Home



Employer-Assisted Housing (EAH) Program

Employer-assisted housing can be described as any employer sponsored housing benefit, which could include down payment assistance or rental assistance, construction, and low-interest mortgages. Specifically, EAH programs can close the homeownership and rental affordability gap and allow employees to live in the communities they serve.

▶ **Examples EAH:**

- ▶ Department of Housing and Community Development, DC
- ▶ City of Baltimore, MD
- ▶ City of Rock Island, IL
- ▶ Hendry County Citrus Growers
- ▶ AFLAC (Georgia)
- ▶ Tyson Foods (Arkansas)
- ▶ University of Chicago
- ▶ University of Pennsylvania
- ▶ Cleveland Clinic, OH

FUTURE DIRECTION from BOCC

Initiate Sadowski Legislation Amendment to retain 90% of Doc Stamps.

Fund \$5 million for FY19 Affordable Housing Fund
(second \$5 million of three years).

Affordable Housing Fund. Request all municipalities to fund proportional share of \$5 million countywide
($\$5 \text{ million} / \text{population} = \2.58 per person).

Direct administration to contract for Rational Nexus Study for residential development and update Non-Residential Linkage Fee Study.

Request the Broward Housing Council to implement an education/advocacy program for amending the Sadowski Act.

Direct Staff to evaluate affordable housing and density bonuses for major commercial corridors/"Big Box" site redevelopment.

Establish a Land Bank Program, and assess government and school board property for affordable housing.

Lets make affordable housing a reality
not just a dream



Thank You

Broward County Board of County Commissioners

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