

**Summary of Discussion
Broward County Charter Review Commission
Health & Social Services Subcommittee Meeting
Wednesday, June 13, 2007
Governmental Center Room 430
1:15 pm - 2:45 pm**

Members Present:

Mr. Wil Trower, Chair
Ms. Jodi Jeffreys–Tanner, Vice Chair
Mr. David Esack
Mr. Mark Ketcham
Dr. Mark Lieberman
Ms. Bernadette Norris–Weeks, Esq.

Members Absent:

Mr. Joseph Maus, Esq.

Others Attending:

Cindy Arenberg-Seltzer, Executive Director, Children’s Services Council
James Carras, Principal, Carras Community Investment, Inc. and
Visiting Professor, FAU Dept. of Urban and Regional Planning
Chedely Etienne, Administrative Assistant, CRC
Maria Gross, Assistant Director, CRC
Yolanda Grooms, Administrative Specialist, CRC
Phyllis A. King, Transcriber, PKING Consulting, Inc.
Patricia G. West, Executive Director, CRC

(A copy of the sign-in sheets identifying those present is filed with the supplemental papers to the summary of this Subcommittee Meeting.)

A meeting of the Broward County Charter Review Health / Social Services Subcommittee ,“Committee,” “Subcommittee,” or “HSSC,” was held at 1:15 p.m. on Wednesday, June 13, 2007 at the Broward County Governmental Center – Room 430, Fort Lauderdale, FL.

I. Call to Order/Roll Call

The Chair Wil Trower called the meeting to order at 1:03 p.m. and requested the roll call by Phyllis A. King, PKING Consulting, Inc. The Chair recognized the presence of a quorum.

The Chair advised the dais that Cindy Arenberg-Seltzer is expected at 1:15 pm.

II. Approval of Summaries of Discussion of May 9 and May 21 2007 Subcommittee Meetings

Ms. Tanner MOTIONED, Dr. Lieberman SECONDED, and the motion carried unanimously to approve the Health/Social Services Subcommittee May 9th and May 21st Summaries of Discussion. All were in favor with no opposition and the motion passed unanimously.

General Discussion

The Chair opened the floor for discussion of where the Committee is in terms of issues.

Dr. Lieberman requested a status of his request for information on the Miami-Dade Doc Stamp, and its funds that go toward its Housing Council and how it works. Ms. West advised that information will be forthcoming via email. It will also be added as an Agenda item for the next meeting.

The Chair advised that information gathering is still ongoing with the Housing and Children's Services' issues. He advised that some items were brought up regarding recommendations of central coordination County-wide with regard to Grants that the Counties and the Cities were receiving.

Dr. Lieberman reminded the dais that the discussion included a conversation of a council similar to the Fire Rescue Council; they created the last time a sort of Housing Council. The Chair referred the dais to page 11 of the May 21st Summary of Discussion.

Mr. Ketcham stated that it should be coordinated and not managed because a lot of that money comes from State and Federal government. Therefore, he stated that this would not be a decision-making body.

Ms. Tanner apologized for missing the last meeting; she questioned if funds coordination meant coordination of the outreach for funds, or coordinating as the funds come in. The Chair explained that it would be coordinating all of the Not-for-Profits and getting them involved where they are not duplicating services.

Mr. Ketcham explained that he took it that it would coordinate City services. He advised that he remembered Mr. Stone explaining a breakdown of funds across the municipalities and they each do their own little housing thing; whereas, if they handled that as a lump sum they may be able to do something substantial for the whole County or a combination of that. Mr. Ketcham then pointed out that no matter what, 38,000 units are still needed.

Dr. Lieberman stated that it's all funding; he added that this is why he would like to see how the Doc Stamp works and how it helped in Dade County. He explained that the Doc Stamp goes on new home sales and would not affect the voters financially.

Mr. Ketcham suggested "thinking outside of the box" that if the dais wanted to do something for Affordable Housing, maybe the County could apply the Homestead Standards to rental property.

A discussion ensued with comments made by Ms. Norris-Weeks advising that Homestead might go away.

Mr. Ketcham assuming it doesn't go away advised if it were treated the same as a homesteaded property, rental property would not go up more than 3% per year. He advised that this would protect the working class people. A general discussion ensued with comments made by Dr. Lieberman, Ms. Weeks, Ms. West, Ms. Tanner, Mr. Esack and Mr. Ketcham. General consensus of the dais based on this conversation was that you would have to drastically roll cost back in order to come close to affordable. It was suggested to place a cap on the annual tax increase.

The Chair acknowledged the suggestion to cap the County tax like Save Our Homes; he added that there are other agencies that are taxing such as Cities, Special Districts, and the School District. He stated that he thinks that the County could pass an Ordinance to do this.

The Chair advised that the larger question is how to deal with the issue of housing. He requested thoughts on how to boil it down into something that can be looked at as an

amendment to the Charter. Dr. Lieberman suggested a Housing Council for Broward County and suggested the dais try to define what is meant by it, and how to involve municipalities.

Dr. Lieberman asked Ms. West to follow-up with Legal Counsel (Mr. Goren) with regard to the Doc Stamp issue as the dais is unsure if it is a Charter issue. He asked Ms. West if legal could find out if it is something that was presented as a referendum, or if it is something that could be put into the Charter.

A discussion ensued with regard to funding and unfunded mandates. Ms. Norris-Weeks advised that the big issue that Broward has is that there is a void in Housing when it comes to coordination of efforts and the lack of a coordinating unit. She added that a Housing Council would be something that could be neatly placed in and there wouldn't be a major fiscal impact and it could bring the players to the table together. Ms. Tanner agreed that a go-to person is needed.

Mr. Esack advised that he agrees with respect to a Council for oversight and coordination, but his concern is the funding source. If the Council would be self supporting, will it be another taxing entity, etc.

Ms. Norris-Weeks advised that she is not speaking of a taxing district but she is talking about a Council. Mr. Esack advised that the Council will have Administrative overhead. Ms. West advised that this is addressed by the County Commission.

Ms. Tanner advised that it is addressed under Section 2.09 of the Charter. A brief discussion ensued and the dais agreed that the Housing Council should be under its own heading in the Charter because there is nothing there that it falls under. Mr. Trower stated that this would be similar to the way the FRC and Planning Council were added.

The Chair tabled the discussion until post speaker.

The Chair introduced Ms. Arenberg-Seltzer and asked her to share information about Children's Health Services, and the will of the Council and how the Council articulates with other providers in the community.

III. Presentation by Cindy J. Arenberg-Seltzer, Executive Director, Children's Services Council

Ms. Arenberg distributed the following documentation to the dais:

- Children's Services Council Focus on Broward's Children Newsletter, Spring 2007
- CSC of Broward County 2006 Annual Report *Year 5 and Growing*
- Children's Services System of Broward County Slide Presentation
- Funding Matrix of Contracted Children's Services in Broward County

Ms. Arenberg: I don't know how much you know so I guess I will start from the beginning. The Children's Services Council was created by Statute back in – actually by Referendum in September of 2000. It was done as a result of a Special Act which put the issue on the Ballot in September of 2000 and it passed overwhelmingly by the voters, about 70% of the voters voted for it I'm happy to say. In the time since that was done we have done some great things for children.

The Council is comprised now of 11 people. The Statute was amended in 2004 adding an 11th member which is a representative, the Senior Administrator for the Department of Health who was added to the previous 10 which were five people who are there by virtue of their position, 1 County Commissioner selected by the Board of County Commissioners, 1 School Board member selected by the School Board, The District Administrator for the Department of Children and Families, the Superintendent of Schools, a Judge selected by the Chief Judge and then 5 Gubernatorial Appointees who are selected by the Governor based on recommendations from the County Commission. The County Commission is tasked with sending up 3 names for every vacancy on the Council. Then the Governor has 45 days to choose from that group or to ask for other names. Those terms are co-terminus with the Governor, and the 3 members who are selected by their peers, the County Commissioner, the School Board Member, and the Judge have 4 year terms as well, but they are in the alternate year to the Gubernatorial Appointments.

So the Council was created. The first appointments were made in March of 2001. The first Taxing Authority was there to start in October of 2001 and because of the work that had been done here in the County prior to the creation of the Children's Services Council we were able to not lose time doing planning because we built on the planning that had already been done. For

those who don't know – I guess I should back up a little bit. Are you all aware of the Children's Services Advisory Board that's part of the County Commission structure?

The Chair advised that the dais has some background obtained from Mike Elwell who presented during a previous meeting of the HSSC.

Ms. Arenberg: I was Mike Elwell, before Mike Elwell. I was working for the County Commission staffing the Children's Services Board prior to the creation of the Council and we had been going through a 2-year planning process to look at what was going on in the community and create a Children's Strategic Plan. The Statute that created the Council stipulates that we should go through a planning process first, and so we took advantage of the County's work and built on that, and, therefore, were able to tax right away and start putting the money to use. In fact, we were first able to tax in October of 2001 and our first RFP was on the street in October 2001.

We have a phenomenal staff. Everyone who started working – especially in those early days began working before they were really on staff. So my Director of Program Services at that time who's now the Chief Programmatic Officer started – her first official day was September 16th but she had our first RFP on the street at that time, anyway, more detail than you needed to know. But the Council has built their work on goals and objectives. Looking at the County-wide Strategic Plan with a focus on prevention as you've probably heard from Mike, the Children's Services Board does Early Intervention and Treatment; the Council's focus is on Prevention and Early Intervention. Their focus is on Behavioral Health, Substance Abuse, Homeless and Special Needs. Ours are more broad-ranging; we are trying to prevent all bad things from happening to children in all arenas. It's a pretty big knot, but we use as a prevention strategy, *The Communities That Care Model* which looks at the 19 risk factors that you need to address with children in order to ensure that they have better outcomes. Risk factors, resiliency factors and then, what have been proven to be most effective when it comes to addressing those risk factors. We prioritize those things and approaches that cut across most risk factors. So that first RFP that I spoke about was for what we call family strengthening. That parenting was how to strengthen your families – people talk about parenting and you think of going into a classroom and having once a week, and they say this is how you diaper a baby. But that's not what we do, which is why we call them family strengthening. Most of these programs are in-home, they model positive parenting behaviors. They deal many times with the Counselors who work with them who are on call 24/7. It just depends on the intensity of the need of the family.

There are now 11 Service Goals and 3 System Goals. We break it up looking at – it's about reducing the number of children who go into the child welfare system, increasing good health outcomes, and reducing the number of children going into the juvenile delinquency system. I don't know how much detail you want to have on each one of those but – actually before I babble on too much because I could really talk about all of this all day and I know you only have half an hour. Is there an area that I should focus on that you are most interested in, in terms of how we develop what we fund, what we fund, how we do what we do, what our mission is, is there anything specific that you are interested in?

The Chair explained the charge of the HSSC. He added that the dais is trying to gather information on the Children's Services area, and any information specific to any Charter revisions or amendments that the HSSC might need to forward on to the full CRC.

Ms. Arenberg: So in terms of coordination, I think when the Council was created our mission was to provide the Leadership, Resources, and Advocacy for children and families to help them grow into productive adults. We look at an effective coordinated high quality system so we do a lot to pull people together. A lot of our mission is about trying to eliminate any duplication that might exist, fostering collaboration and discussion among agencies both among funding agencies and among the provider agencies. If we are doing the funding, we look for efficient ways to fund. If there are governments or other groups that already exist in order to fulfill a mission, we don't redo it, we work through them. One example that Burnadette is quite familiar with is the Early Learning Coalitions which are established by State Statute to look at the early care and education system. And so while the Council has a large investment and a lot of caring about early care and education which many of you might think of it as subsidized child or Pre K, our funding for that flows through the early learning coalition so that they can effectively manage the system rather than have us separately contract for it, which could result in us bumping heads rather than working together.

Ms. Norris-Weeks asked if there should be some minimal level of support for Human Services in the County. She also asked if Ms. Arenberg believed that her agency will be able to continue with its missions and goals if funding is significantly cut and how will the void be filled.

Ms. Arenberg: There are several concerns at many levels in that comment. No we are not exempt. The Children's Services Council is not exempt at least as it stands right now, and based on conversations I had yesterday, the Legislative or Statutory portion of what can be

changed with respect to property tax is pretty much a done deal. The thing that's really up in the air and causing all the controversy now is the Constitutional Amendment that could happen, but it seems the Statutory is pretty much done. And the way that is being handled; all of the special taxing districts, which there are many; will be handled the same way, will all be thrown into what they are calling Tier 1. They tiered the different governments based on how much increase you've had in your property tax and so on – it's some complicated formula. But all of the Special Taxing Districts are going to be in the best actor category which requires us to freeze where we are this year and then reduce by 3%. So subtract 3% from what our tax revenue was this year. ,That in of itself is not so bad, that we can easily handle and it will not be a problem. The scary part comes from the area that they're still debating, which is what they are going to do to the base against which our millage is multiplied, which is the problem that all of the governments are now facing. What I heard last night, the proposal that's currently on the table would result in Broward in a 20% reduction in the property values. I don't know any one of us governments in Broward County that would be able to withstand that kind of a reduction, especially when it's tied to capping any increases in your millage rate. That being said, we are all struggling with the same things, so now to get to the Quasi-political side, I guess but also a factual question of what I think you were getting at. The County has talked for a while, and I know some of the County Commissioners think they should eliminate the Children's Services Board, and that the Children's Services Council can easily pick up the funding that they cut, and isn't that our mission anyway? The answer to that is no, no, and no. No, it's not our mission to do intervention and treatment; we're about prevention and early intervention.

Mr. Ketcham asked Ms. Arenberg who and if the referendum decided that the CSC would be about intervention.

Ms. Arenberg: The Statute talks mostly about preventive and the Council when setting its goals and this is consistent across the State; all of the CSC's are in the business of prevention.

Mr. Ketcham asked Ms. Arenberg did the voters vote for a Children's Services Council to do prevention or did they vote for a Children's Services Council.

Ms. Arenberg: The words on the Ballot were not clear but the words that were used in the marketing campaign were clear that it was about prevention, and what they were campaigning on – just in case people weren't here at the time, or don't remember because you don't live and breathe it every day. There was a crisis in the Foster Care System and everybody was saying –

and the money kept being sucked into trying to deal with all these children that were flowing into the Foster Care System. So every dollar that should have been spent on keeping kids out of the system was going into paying for them in the system and deeper, and deeper, and deeper, so they said we got to stop the flow. I am happy to tell you that since the Children's Services Council was created, we haven't stopped the flow, but our numbers are going in the right direction. Both in Foster Care and in Juvenile Justice, which also across the State, the numbers of children involved in crime have been climbing and our numbers are going down. We've had a strong involvement both in keeping children safe and in productive activities during out of school time especially after school and summer which is the time that young adults tend to get into trouble. We have been funding Diversion Programs because Broward had the highest number of children on probation and we didn't have enough Probation Officers to handle the numbers. There was a wide racial disparity, so we were asked – even though this kind of bordered a little bit on what we were uncomfortable with, to prove to the State that diversion works and to bring our numbers down, we have been funding something that we call New DAY (New Diversion Alternatives for Youth) which have been incredibly successful programs.

The Hallmarks of our funding have been best practices, research-based (we ask people to do what we want them to do to get the outcomes that we're expecting) so if we want to reduce crime or reduce recidivism then we research nationally what's been documented as being the best practice, the best way to do it, have the best results, then we put out a Request for Proposal that says we want you to do one of these methods. Our goal is to reduce recidivism and these are the methods that are proven, and you have to bid to do one of those or if you have a homegrown model then you have to show evidence that it's successful, that it has worked, that there are outcomes. We are really stringent in the way we monitor them and so on; the accountability is very hot. That's why we were created. That's what all the propaganda was that went out to the voters, and that we have taken very seriously. The Council has not seen it as our mission.

Prior to all of this going on in Tallahassee our cap by Statute and by the referendum is ½ Mil (50 cents / per \$1,000 of value). We were at .4083. Even if we weren't allowed to go – if all of this wasn't happening and the Council said yeah we will take on, we'll go to our full ½ Mil, that other .0917 would generate \$16 million. The County is putting \$16 million in, we could not absorb \$16 million more of those services within the ½ Mil cap if the will of the Council was there to do it. There has been no will expressed on the part of the Council to do it because the services that they're doing don't fall into what they consider to be their mission. Now when you add these

new restrictions, we can't go to the ½ Mil even though statutorily we have the authority to go to ½ Mil they're not going to let us. They're making us roll back 3% from where we are today and then, they're going to cap any growth at whatever the income index shows, in increase plus increases in population. So with those restrictions we really can't get there.

Ms. Tanner asked Ms. Arenberg if she thinks the Council could run all Children's Services of Broward County without the County actually participating in running part of the other part of the services.

Ms. Arenberg: It can't, the issues if you look at what the needs are, and it sounds like so much money. I realize our budget, now we have \$60 million in programs and services and the County has \$16 million so it sounds like a lot of money and it is. But we're still not meeting the need even close. You've got 8,000 children on a waiting list for Childcare and as soon as you take some off they're on. And there's an economic factor to all of that, it's not just about the children, it's also about economics for those of you who run businesses, or I am sure you all work so they have employees or maybe children you know need childcare. So you're asking poor – the money for the waiting list for childcare is not about slots for people who can't afford it, but for the subsidy there's not enough money to pay for the subsidy to help working poor actually work. So if they can't have their children taken care of then they can't work. It's a whole vicious cycle.

The Chair asked from a Charter standpoint if there are any areas from a system-wide Children's Services standpoint that the dais should be looking at or contemplating addressing with Charter language.

Ms. Arenberg: No I am really sorry I feel – I don't know the Charter well enough to be able to comment.

The Chair explained that there is nothing in the Charter about Children's services. He explained to Ms. Arenberg what the Charter is and asked based on her experience both with the County and with the Agency if there are holes in the system that need to be filled or any areas that truly cause a concern.

Ms. Arenberg: There is this constant threat that the County is going to pull out. So yes, that would create a big hole and that is a fear that people have. *So yes, my ideal would be that somewhere in the Charter it said that the County needed to worry about Children and needed to stay involved.* Because it's way too big – well we can provide the coordination and I think that's

our responsibility. We are the leaders in Children's issues. The voters voted us in for that purpose and it's our job to coordinate and make sure that everything happens. But what's clear is two-fold; one, ½ Mil is not sufficient to cover all of the needs of all children, and two, even if we had the ability to keep taxing, the voters don't want to see that kind of growth. So by sharing it and each having our niche and coordinating we should be able to meet the needs better without it being to burdensome in any one place.

Dr. Lieberman asked if the Children's Services Council is 100% funded from the taxpayers millage.

Ms. Arenberg: Yes.

Dr. Lieberman asked Ms. Arenberg if there are grants for the CSC type of preventive services that the CSC could go after, and does the CSC coordinate with not-for-profits to help with their programs.

Ms. Arenberg: The not-for-profits are the people who do the programs. We don't do the services directly. Everything, 99.5% of what is done for children is done through the non-profits. We are the funder, so we look for what the problems are and we use the ad-valorem taxes and some grant dollars and we put out Request for Proposals. We ask non-profits and some for-profits, they are not barred, and even some other governments, in some cases to do the service that we want to see done. I don't have thousands of employees out there providing Childcare.

Dr. Lieberman asked if the CSC funds the non-profits, was it started from scratch employing people and with an Afterschool Program.

Ms. Arenberg: No. I pay programs – like you will see a list on the second to last page at the back of the Annual Report which lists all of the agencies we fund. We fund 115 Agencies through over 200 contracts to provide all of these different services.

Dr. Lieberman asked Ms. Arenberg if the agencies are kicking in additional monies to help fund the programs.

Ms. Arenberg: Every contract we do the agencies have to provide 12.5% match so they are suppose to do fund raising to help offset the cost, and they also have to collect parent fees where that's appropriate. So in an Afterschool Program there's a sliding fees scale depending

on the parent's ability to pay. They pay however, as much as they can towards the cost so we don't pay. If the cost is \$25 and the parent pays \$5 then they would only get \$20 from us.

Now in terms of grants, yes, we look for and have been successful in helping to bring into the community grants. One that I am sure Mike spoke about and that we did jointly was the Substance Abuse and Mental Health Services Administration grant, the SAMHSA Grant for One Community Partnership. We applied for that together and each of us provided the match that helped bring that \$7 million into the community. We often help agencies that are trying to apply for national dollars; give them match money. Let's say you are applying to the NEKC Foundation and you are looking for \$500,000 but it requires \$50,000 of local match. We will provide them with match dollars.

To fund my Administration is not – and by the way, I didn't talk about that before. The administrative cost of running this is under 10%. We're actually at about 9% and if you break it up into who's managing contracts and who's real Administration, it's even less, but we'll go with the bigger 9% money. So I am not – you still look a little confused – So I am not sure I explained it right. I don't look for dollars necessarily to flow to me, but I look for dollars that can flow into the community and provide more services. The other thing that you didn't ask but I will tell you anyway, is other places that we look for money is through the Federal Government in Revenue Maximization, which is a door we kind of pushed open a year or two ago – two years ago and it's taking a while for it to actually happen. But often the Federal Government reimburses for services like Medicaid. You are all probably familiar with Medicaid, the State was blocking. Directly they reimburse the State, but the Local government money that is being spent is also eligible for reimbursement, but the State wasn't allowing it. We had to get Legislation passed to force the agencies to look at local government dollars specifically Children's Services Council dollars and make some of that eligible for reimbursement. So some of the dollars that we are spending on children who are eligible for Title 4E, just stuff that we are doing to promote adoption is actually eligible for 35 cents on the dollar reimbursement, so we are doing that.

There is a new thing under Medicaid (Targeted Case Management) that those Family Strengthen Contracts I spoke to you about before, which now we are about to approve \$7 million in those services. Some of that will be eligible for Medicaid reimbursement and we have to get everybody signed up to be a Medicaid provider and so on and so forth. But that will help replenish the coffers which we can put out into expanding the services.

Mr. Esack referred to page 14 of the Children's Services Council Budget noted that grant income for FY05-06 was dramatically increased.

Ms. Arenberg: Yes that was from the \$28,000 to the \$122,000. There's actually – that doesn't count our Special Revenue Fund which is the SAMHSA Fund. This was subsidized child care for children who are 4E eligible; that is the reimbursement that we can get there.

Ms. Tanner asked how often contracts are renewed.

Ms. Arenberg: They are generally 3 years – basically 1 year with the option of two renewals, but every year they get looked at for the outcome performance, their utilization; we do a lot of as I said, physical administrative and programmatic monitoring. So, if their performance is good and they are utilizing funds appropriately, then they get renewed for two years up to three and then the RFP is done again.

Ms. Norris-Weeks stated that she is curious about as things - change based on whatever the Legislature decides to do with the taxes. She asked if it is possible to have a couple of staff to do technical assistance so that the CSC can apply for grants in a more collaborative effort.

Ms. Arenberg: One of the first – one of our system goals, I told you there are service and system goals. One of our goals from the beginning has been to help the community maximize revenue and look for grant dollars. And one of the early positions that I hired and has been on staff from the beginning – although the person has changed, has been someone to help the community look for grants. That has been very successful, We do look for opportunities that require collaboration. We don't generally look for or help with what would help you, Kids in Distress gets a grant just for you. We look for something that would be more – would require more collaboration. If North Broward was looking to put some nurses in to create a Medical Home model in collaboration with CDTC, ChildNet, and a couple of other people, we would help there. We would help for something that required pulling people together. We've pulled people together for a grant that benefited – well it did benefit, but it's flowing through Broward County. The individual development accounts – because we do a lot of work on the Earned Income Tax Credit, we pulled together those people who were interested in the issue which is where the Feds provide money that will match what people put up – I don't have to explain it all – but anyway. We pulled the people together; we put up the match, but the grant went to Broward County who's administrating it with the Urban League. It's not about us getting the money.;

there are a very few grants that you are going to find that's going to pay for our Administration, nobody wants to fund us but --.

Ms. Norris-Weeks explained that this is why she is suggesting possible coordination where the CSC is legitimately applying for a grant in conjunction with someone else, if you had a couple people on staff, even if for technical assistance.

Ms. Arenberg: I don't need a couple of people; I've done that, we do it, and I've -- there's a lot of money that's been brought into the community as a result of the work that we're doing. I will tell you that we've -- because we don't like to duplicate, the County stepped up its efforts on helping the community apply for grants, so we pulled back. We were the leaders and we were doing all Children's Services, then for a while the County was doing other Human Services and not Children's Services, and then they started doing that too. So when they started doing that I pulled back some because there's no point in duplicating. We share information and if we find things then we figure out whose best to do it, but I don't want to duplicate; there's not enough resources to go around.

The Chair asked Ms. Arenberg if her agency is an Administrative Coordinating Agency that does not do direct services or treatment.

Ms. Arenberg: The only services that we do directly and I can't really -- the Earned Income Tax Credit, we've taken a very hands-on direct role in. The Anti-hunger movement -- in fact it is the same staff person who does both efforts but he really is the coordinator of -- I mean he is really doing hunger stuff in the community, helping people learn how to do food drives and so on; then Special Needs -- well it's really more coordination, but it is still coordination.

The Chair asked if there were any more questions for Ms. Arenberg.

The Chair thanked Ms. Arenberg for coming.

Ms. Arenberg: I hope it was helpful.

Ms. West asked if Ms. Arenberg is working with the County step-by-step through most of the programs that they do so each knows what the other is doing.

Ms. Arenberg: We sit on each other's review committees when we do an RFP; we try to help each other understand. We use the Children's Strategic Plan as a guide and we are in constant communication. There's also something called the Funder's Forum. Just so you know, I didn't bring enough of these, but we collaborate on training the community. There's a training website, The Broward Training Collaborative for improving services.

Ms. Arenberg: Yes, did a \$100,000 worth of them and they went like that.

The Chair asked Ms. Arenberg for clarification on the Tier 1 position and if her Board has the ability to be a super-majority and raise the taxes above that.

Ms. Arenberg: Yes, it's my understanding that there's some scheme by which you can breach the cap by a certain amount with a super-majority and then blow it out of the water with a unanimous vote. I know – you know realistically, I understand that some are saying it would be much easier for the Children's Services to be able to breach their cap than it will be for us, but we are still responsible. We really pride ourselves on being a very responsible and accountable government, and my experience with my Council would be that they would not go blowing it out because other governments decided to shift the burden on to us.

The Chair advised that he was not suggesting that this should be done.

Ms. Arenberg: No, you're not I just wanted that out there.

The Chair thanked Ms. Arenberg again.

Ms. Arenberg: Everybody has brought it up to the State; the County, everybody's talking about it, but really its only ½ Mil, it's not a lot. Thank you very much.

5 minute break [2.03 – 2:08]

The Chair gave Mr. Jim Carras the floor.

IV. Presentation by Jim Carras, Principal, Carras Community Investment, Inc. and Visiting Professor, FAU, Dept. Of Urban and Regional Planning

Mr. Carras: Good afternoon everybody, I am Jim Carras as the Chair indicated. I am a Visiting Professor at FAU for another year, so that will be second year in a row. My son asked me the

other day, he said, “Dad why are they just having you visit, why don’t they ask you to stay for a while?” and I said well that’s the life of being at a University. I spend my time at the University and in my consulting business working on the issues of Community Redevelopment and Economic Development and certainly as a subset of that, Affordable and Workforce Housing. I’ve spent my career in all of those areas. I started in Boston over 30 years ago when I finished graduate school. I did my Thesis on Bank Investment and Low Income Areas Relative to Mortgage Lending, so I’ve spent my career on the issue of housing.

About 3 years ago, I was approached by the then President of the Greater Fort Lauderdale Chamber of Commerce, Christopher Pollack, who asked me to come in to speak to the Chamber about the emerging issue of Affordable Housing . Chris said with all due respect, the issue has been with us for a long time. It’s suddenly hitting a lot of us, the Middle Class and Upper Middle Class and certainly those that are employers in terms of the challenges of retaining and attracting employees, but the issue of Affordable Housing has been here in this community and other communities across the Country for a long time.

As part of that early meeting with the Chamber, the Chamber along with other organizations such as the ***Broward Workshop, the Broward Alliance, the Greater Fort Lauderdale Board of Realtors, the Broward Alliance for Neighborhood Development (BAND)*** and other organizations formed a new corporation called the ***Broward Housing Partnership***, which I served as the first President and am currently on its Board of Directors. I resigned as President last fall to focus on my teaching and consulting business.

What I want to share with you today is – and I know Mr. Stone was here at your last meeting. I want to spend a few minutes and take up a ½ hour to open up the discussion specifically to your task which is certainly a unique and extraordinary task that you have to undertake, which is how do you take the Charter which I’ve not seen nor read, but I understand that it is a fairly broad statement of what the County is about and what it is able to do and not able to do. How do we address housing issues potentially through the Charter? That’s your task and I want to help provide some context to that, so I am going to take about 10 minutes if that’s okay with you to talk about some of my views about Affordable Housing and I don’t want to be in a situation where I am necessarily critical of the County or critical of any player or stakeholder in this issue. So let me point out some values that I think are very important.

First of all I think Mr. Stone did a very job of laying out the need in something that you have read about and heard about for the last three years.

The Broward Housing Partnership contracted with FIU's Metropolitan Center and did a study about a 1½ years ago, which by the way will probably be updated this fall and in terms of recognition that study is almost 2 years old. It was the first study of its kind in the State of Florida that looked at housing needs relative to economic development; in terms of what does this mean to our workforce, in terms of the raising values and shortages of available Affordable Housing. Some of the key things that came out of there just – very interesting statistics; 50% of our occupations in Broward County earn less than \$25,000 a year, 50% of the occupations earn less than \$25,000 a year. Obviously, that's not household income, but our occupations are wage-based. The level in this County is relatively low. We know that intuitively based on our service in tourism and retail orientated economy. We have not made many changes in our economy fundamentally despite our economic development efforts to attract better paying companies and jobs. We are still fundamentally a low wage- low paid County.

This contrasts to other high priced areas such as New England, the Mid-Atlantic, California, and the West Coast where wages are significantly higher and they do not rely on a major industry such as Tourism, but in fact they're more into technology and some of the new emerging economic champions. So we are challenged with that; we are a low waged County.

Second, we are built out as you know. We're bordered by water, the Everglades and the Atlantic Ocean. We are the first County in the State that's effectively built out. There aren't any green fields left to build new housing.

We are increasing population. Our population increase is primarily coming from internal birth rates tied in with, certainly with the Children's Services Council issues. Our Children are having children and our population is increasing, that's the number one source. People think it's immigration; it's not. It's a combination of people still moving in from other parts of the Country and then immigration as well. Not only from Latin America and Islands, but from Europe as well.

So the needs have been well established, and I think Mr. Stone indicated that we need 38,000 new affordable units. The FIU study indicated we need 78,000 new units over the next 8 years, both affordable and workforce range so that the needs for units is there. Let me step aside a

second from my presentation. There are those out there today, and I will use a quote from one of our elected leaders not a County leader, but who indicated there is an Affordable Housing “glut” based on the market changes. I just find that absolutely incredible to – for people to come to that conclusion based on market statistics. If you look at the market statistics, our housing value - prices have dropped, but have not dropped anywhere near where they would have to drop to make housing affordable for the vast majority of the people who live in this County. It’s just not the case. Some leaders say, well everybody shouldn’t have to own a house. Where did we come up with this thing that everybody has a right to live in a single family house? I don’t disagree with that; in fact the study that was done by the Broward Housing Partnership through FIU indicated the greatest need was rental housing in the County. Rental housing, I think, last year – Greater Fort Lauderdale Housing market had the lowest apartment vacancy rate in the Country, that’s excluding those empty condominiums that are not counted in the rental system. But from pure rentals, we had the lowest apartment vacancy rate in the Country.

Rents increased over the last 6 years by close to 55% while incomes rose approximately 3% at the same time. The median rent prices for a two bedroom in Broward County – across the Board from Fort Lauderdale throughout – is around \$1,200 a month, give or take a few dollars, depending on which municipality.

Okay, I can easily spend the afternoon talking about the needs, one other thing the Broward Housing Partnership and others said, let’s focus on solutions, what’s worked around the Country, what we need to do? I and the organization and many others have spent countless hours in meeting and discussions coming up with solutions – and what works. Where we are today in Broward County has been pretty much the lack of implementation, and again this is not County Government that I am speaking about; I am talking about the County as a community. All stakeholders, we have made some progress, but very little relative to the need for solutions.

What are the keys to solutions? What do we have to address? I like to break them down in these categories.

- (1) We have to understand the market; we have to understand our unique conditions and the situation. When I say the market, we have to not only look at what people are earning – what they can afford, what are their current rent levels, current housing value levels, and how the market is changing. Those are obvious; we need to understand that that’s why we ask FIU to come back every 2 years now, every year after this to do that

type of Market Analysis which is critical. Some municipalities are doing this on their own. Coral Springs, Davie, and Plantation are undertaking their own Housing Market Studies which I think is a good thing.

- (2) In looking at the market – and this pertains now to Broward County the governmental entity – is that we have to look at the regulatory aspects of the market. How is the market controlled, steered, encouraged to perform. Those regulatory incentives and regulatory barriers are the roll that the County plays. **Regulatory incentives** are primarily in terms of Land Use, Authorizations, and the ability to do certain things in certain parts of the County. **Barriers** are – not just the County, but local municipal barriers, such as Exclusionary Zoning which some municipalities have the ability to say we don't want you to build anymore than one unit per acre. Those types of Exclusionary Zoning barriers exist relative to Affordable Housing.

Most of us in this workforce world of Affordable Housing will tell you that the number one thing that we need to do from a regulatory point of view is to encourage greater densities, encourage transit oriented development, and encourage development, particularly in redevelopment corridors which often are transit oriented corridors. Those regulatory changes have been slow. There has been some progress made by the County and some by the municipalities but overall we're still working within the suburban mind-frame that this County was formed, and there is great resistance to change. I can understand that; I don't necessarily look down upon those people who feel, well, we should continue to be a suburban County. The reality is we are no longer a suburban County, we look like one, but we are not. We are an urban County; we have a tremendous population and there will be continued population growth even if we decide to stop building today, which some have advocated. If we stop building today there will still be population growth because of the internal birth rate that has taken place. So there is the market key.

The second key that I find critical out of the three is capacity. Capacity to address the issue is critical and that's something that we've had to learn over the last three or four years. Our developers are trying to understand how do I do Affordable and Workforce Housing? I almost decided to stop answering my phone calls for a while from developers. My caller ID said "there's a developer calling don't answer" because they say how does this work, how can I produce Affordable Workforce Housing? Then it takes me an hour or an hour and ½. I've learned to make sure they buy me lunch because I will never see them as a consultant again, because when I explain what they have to do, most of them say thank you very much (and I

make sure they pay the check first before) because I don't see them anymore. I told my associate, you know I spend so much time with developers, but we have very few that are actually clients. We can't close the deals with them because they don't go through the system", so the capacity issue of our developers is that they – I am speaking generically – they don't understand how to do this. How do we reach that affordable and workforce market?

We have 25 non-profit organizations that call themselves Affordable Housing Developers. I want to make sure I emphasize this **"non-profits are not the solution to the Affordable Housing issues"**. Are non-profits a key to part of the solution; in other parts of the Country? Absolutely. They contribute significantly to the mix of solutions and ability to produce.

I recently read an article in Sarasota County that the only Affordable Housing that's being produced after incentives have been created in Sarasota County is by non-profit corporations. The for-profit developers just weren't interested; there wasn't enough profit in it; Non-profit Developers are driven by their mission. If there's appropriate capacity, they understand what they are doing, there's knowledge and experience, then they can be quite useful.

Finally, from a capacity point of view is the issue of government. If we look – do we have 31 or 32 municipalities – 31 and we have 31 municipalities of the County Government – if we look at our relative capacity internally we have Program Managers, people that manage program funds. We do not have capacity in terms of the production of affordable workforce housing. We do not have staff dedicated to champion the Affordable Housing, where if there is a proposal that comes in and says let's get this deal done. What we do is manage S.H.I.P Funds we, manage Home Funds, we manage Section 8. Again, I am speaking generically. There are exceptions to every rule, but these are overall observations. From a capacity point of view we are not oriented to development, and I think that's a critical issue.

Finally, the third key – and I will close with some thoughts about some solutions that might fit. I don't know if they will fit with the Charter or not, but it is certainly food for thought. Finally, the issue is Capital – Financial Capital. We all know it's going to take money to deal with this issue and money comes in three forms for housing, *equity*, the upfront money to put the deal together to get it going, *debt*, and every workforce or Affordable Housing deal is going to need some money to fill those gaps, because when you try to do it strictly from private perspective it's not going to – as they say "pencil out", it's not going to work.

The equity comes from often big developers; they have their own pools of money. The smaller developers do not. We are currently working in Tampa Bay, in the Tampa Bay Partnership and creating a Private Equity Fund for Workforce Housing and Redevelopment. Copying what's been done in California, where in San Francisco, Los Angeles, San Diego, and Sacramento they have raised close to \$2.5 billion in private capital for purposes of equity investment and affordable workforce housing.

Debt-we have 57 Financial Institutions here in Broward County that have at least one office. This goes back to the capacity issue. What is their ability to leverage? What is our ability to work with our resources? 57 Financial Institutions and I applaud many of those banks for what they have done, but if you look at the same banks that are located here that have offices in California , offices in Massachusetts and New York, what they have done there compared to what they have done here is night and day difference. These folk talk to each other and they know what's going on. Why aren't they doing more here? Am I pointing a finger? No, but what it is - it's reflective of our system. Where we don't have capacity, we don't have a coordinated system. We don't have a predictable path of production of affordable workforce housing. So these things have a tremendous impact on each other.

Finally, the gaps how do we fill in the gaps? Well S.H.I.P, CDBG, and HOME, all of these programs help fill gaps in terms of production of Affordable Housing and Workforce Housing, but we have to find more and there are others out there that we haven't tapped into in the County. I don't want to get too far into those.

So what are some of the solutions? I think the number one solution is a systemic solution and I don't know if this is a County role or if it's a County role to find somebody to facilitate. I know that the Broward Housing Partnerships try to think along these lines. But the number one solution in my mind is that there must be a predictable path for Affordable Housing. If someone would walk in this door right now and said I want to do Affordable Housing, somebody out of this room needs to put his arm around him or her and say let me show you the way. We don't have that person; we don't have that department; we don't have capacity.

I get calls often as a consultant asking me where do I go first? Who do I speak to in the County? Well, you can go to Community Development, you can go to Housing Finance – but if you – which city are you in – well I am in Plantation – well you need to go to so and so and so of Plantation. There's no system that's going to guide anybody through; it is not coordinated. The

system needs to be predictable and coordinated. There's an understanding both of public, private and alternatives resources. Is this the role of government? I am not sure, but I know the system – there's a demand for the system and we need it and we needed it yesterday.

Second as I indicated earlier, we have to leverage a lot better than we do right now. One of the barriers to leveraging is that the money we use in the County and municipalities for Affordable Workforce Housing are primarily money that comes from the Federal Government or the State Government. They call the shots and they say this is how you are going to spend it. So there's not much flexibility with what you can do with it. So we need to look at how do we create our own locally controlled pools of money, and how do we use that to leverage our other funds?

Right now the County has retained FIU Metropolitan Center to conduct what's called a Nexus Study for linkage fees. Linkage fees are – a fee that would be accessed on any new commercial development. The notion is that commercial development creates a demand for new workers and those new workers need a place to live. So there is a linkage between commercial development and housing. This has been done in dozens of communities around the Country: Boston, San Francisco, actually even Coconut Creek just passed a linkage fee and they're the first in Broward County to do so. So the County is looking at this. The County Commission authorized expenditure funds to do a study on linkages and the report should be out at the end of the summer. If linkages passes, that money collected then would go into an Affordable Housing fund that the County would operate. Now that's one source of potential new capital. How do we leverage and use that money? I am not counting the dollars until that fee – if that passes or some other fees.

How do we use that money to start a new system in terms of leveraging and coordination, and I think that's the big question? Some have said well Miami-Dade has a Doc Stamp over above the State Doc Stamp that is used for Affordable Housing. There has been Legislation over the last 2 years to try to get Broward to have that authorization to issue its own Doc Stamp for affordable housing and it hasn't moved. It may happen when and if it does. Again if we have a dedicated source, how do we use it to leverage, how do we use it to create a predictable path and coordination and build capacity and address market issues? So I think those are the key things, and finally let me close by saying that – going back to where I opened in terms of our low wage issue.

We have consistently thought about asset building. I heard much of what was said by the Children's Services Council's presentation. Asset building begins with Families and with children; we have to think about income. We have to think about wages. The County I know 2 years ago – excuse me, I don't know when they passed it, when I say 2 years ago my wife always says "no it was 6 years ago", so I want to be careful. The Livable Wage how do we – that ties in with housing. How do we begin to see asset growth? There are other relative solutions such as individual development accounts, things like that. I think we have to get more creative on the demand side of the equation of housing and helping people build incomes and assets for them to be able to be able to afford decent and attainable housing.

Let me stop and again I wanted to share with you some experiences with some values and principles that I think are important, and to see if there are some specific questions – I know you had Mr. Stone here who probably provided you with some great advice.

Mr. Esack asked Mr. Carras how he could help the HSSC develop an Affordable Housing coordinated entity that would help get a Doc Stamp put forth via the Charter.

Mr. Carras: Well the Doc Stamp authorization has to come from the Legislature. They have to give that authority to the County, and I believe there has to be a Referendum. That was the Bill that was presented by – Mayor Eggelletion was strongly supportive that Doc Stamp. There are those that are strongly opposed.

Ms. West asked if it was the Legislation that Chris Smith had filed.

Mr. Carras: Yes it is – it is, so I think that's key. Relative to the Charter – I can't answer your question. I've not read the Charter and I know it's – you said Mr. Chair that it's fairly broad and general. But, I would have to do some thinking relative to how to blend that. If the world was perfect from my selfish end – how do I blend my values and the need and observation and where do you go relative to the Charter? But, I would like to take that opportunity and would be more than happy to provide some written comments. I would need a glass of wine to get creative. (Laughter) In all seriousness, I would like to take a look at it and say there are opportunities out there. What's your timeline in terms of this subcommittee's reporting?

The Chair asked Ms. West to provide Mr. Carras with a copy of the Charter. He then advised Mr. Carras that the HSSC will be working until September 1st at which time they need to have

recommendations to the full Commission; then from there through February, it will be voted on in November of 2008.

Ms. West added that the recommendation has to be before the Commission by June.

Ms. Tanner thanked Mr. Carras; she asked how linkage fees would be different from the already required impact fees on Developers.

Mr. Carras: It would just be more. It would be an additional fee and it would be dedicated specifically for the purpose of housing.

Ms. Tanner asked how much would it generate.

Mr. Carras: It depends – The study is not completed, it will be presented – I believe it will be completed by the end of August and then presented to the Commission sometime this fall. At that point it would – based on the model that will be constructed, they will be able to predict how much money is available. But let's say \$15 million a year comes through this fee – if you had \$15 million for any purpose, what is the first thing you would want to do? You'd want to think about how can I get more than 15? This 15 says I can – if I put it in the bank I can get 3%, I know that much, but gee I want little more than that 3%. What I am thinking is how do we take that \$15 million if it's for the County, whether it's from linkage or from Doc Stamp, and how do we leverage it? How do we go beyond what we have done traditionally? There is resistance to that thinking sometimes because it becomes an issue of control. Control is not necessarily a bad word because elected officials – take a look at what happened in Miami-Dade County over housing. Control over the Doc Stamp money that some of it has been squandered, and some of it has been subject to corruption. Others have said, well take a look at who's in control of the money. It's actually the County. So then they point to the non-profits and say, well the CDC's have taken their share of it and tried it. You know there's no right answer about who should control it. But I do believe there is a right answer to the notion of leveraging. I think it's absolutely critical especially since we have abundance of Financial Institutions that are required by Federal Law to address the needs of the community. They have done so to a degree, but have done so to a much greater and more creative and innovative fashion in markets that they serve outside of Florida.

The Chair asked Mr. Carras if Broward County has asked for enough from the Financial Institutions.

Mr. Carras: We haven't made our case, yes I agree.

Dr. Lieberman advised that the HSSC has had discussions of potentially creating a Housing Commission for coordination of everyone who deals with Housing. He asked Mr. Carras if he thinks an Advisory Committee would be helpful.

Ms. Tanner advised that there is one; she added that there is an Advisory Board for Affordable Housing which is a County Board. Dr. Lieberman advised that this is different.

Ms. West advised that it was stated earlier that there is no coordination between the Boards.

Mr. Carras: When I speak of Commissions, I speak of Commissions as being more than advisory. Advisory, there are a lot of Advisors out there now.

Dr. Lieberman asked Mr. Carras for a wish list of what he feels the CRC can do. He referred to linkage fees and Doc Stamps and asked how much money do they generate in Miami-Dade County and how successful they are.

Mr. Carras: I think they are generating – I may be under estimating – but about \$20-\$25 million a year, could be more. Overall they have produced a tremendous number of units. The problem is of course that they have made some bad deals minimally and those have gained the press and also criminal indictments. But overall they have done a very good job in terms of producing units. So I think that's key.

Just coming back to your Commission notion, I would be happy to and thank you for asking me to do that, but I would be glad to think about it and come back with something in writing or another presentation and also possibly ask some of my colleagues in terms of their thoughts; maybe we can brainstorm something and bring it back. But it does come back to this issue of coordination and leveraging and control. We can learn from Miami-Dade about what they did and didn't do to make sure that it doesn't happen here.

Mr. Esack asked Mr. Carras if there is such a thing as a Public/Private Equity fund.

Mr. Carras: Yes, when you say public/private there are private equity funds with a public mission that work closely with the gap fillers which are primarily Government. So they partner – they have to by definition, partner with Government. But the control of the equity fund – this one

very specific issue is in this scenario that was laid out is private. Here is the interesting thing, that in Los Angeles – Los Angeles pretty much privatized their housing effort and one of the things that the Commission spawned was an Equity Fund. There is a dotted line to the Equity Fund. They seeded that Equity Fund and said we need one of these, we need one these, and we need Community Land Trust.

Again the predictable path is a clear plan of what we are doing, how are we going to get there, they said it, earlier outcomes – what are the outcomes and do we meet our benchmarks? We don't do that here. We have programs that we manage – you know we did 42 S.H.I.P. loans last year and 18 rehab loans. All good work, that's fine but it doesn't speak to a Housing Plan.

The Chair thanked Mr. Carras for coming and invited him to submit ideas to staff.

Ms. West advised Mr. Carras that she will send him a copy of the Charter.

Mr. Carras: It sounds good, thank you and good luck.

V. Discussion of Report on Recommendations for proposed Ballot Topics

Tabled until the next HSSC meeting.

VI. Calendar of Vacation Times

A brief discussion took place regarding future meetings of the HSSC. The dais agreed to meeting on June 25, 2007, time and location to be coordinated by CRC staff.

Discussion of Calendar of Vacation Times was tabled to the next meeting.

VII. Public Comment

None

VIII. Adjournment

There being no further discussion the meeting was adjourned at 2:47 p.m.

The minutes of this meeting are recorded on CRC-HSSC CD # 6.13.07 (BCGV CTR)