City of Fort Lauderdale

City Hall 100 North Andrews Avenue Fort Lauderdale, FL 33301 www.fortlauderdale.gov



Meeting Minutes – DRAFT

Monday, January 11, 2016

12:00 PM

Joint Workshop with Affordable Housing Advisory Committee -Affordable Housing Study

Monday, January 11, 2016 - 12:00 PM

City Commission Conference Room

CITY COMMISSION WORKSHOP

FORT LAUDERDALE CITY COMMISSION

JOHN P. "JACK" SEILER Mayor - Commissioner ROBERT L. McKINZIE Vice Mayor-Commissioner - District III BRUCE G. ROBERTS Commissioner - District I DEAN J. TRANTALIS Commissioner - District II ROMNEY ROGERS Commissioner - District IV

> LEE R. FELDMAN, City Manager JOHN HERBST, City Auditor JEFFREY A. MODARELLI, City Clerk

EX – 1 January 11, 2016 Joint Workshop with Affordable Housing Advisory Committee – Affordable Housing Study

CYNTHIA A. EVERETT, City Attorney

The Affordable Housing Advisory Committee - Affordable Housing Study - Workshop Meeting was called to order at 12:07 p.m. by Vice-Mayor McKinzie.

ATTENDANCE ROLL CALL

Present: 4 - Vice-Mayor Robert L. McKinzie, Commissioner Bruce G. Roberts, Commissioner Dean J. Trantalis and Commissioner Romney Rogers

Excused: Mayor John P. "Jack" Seiler

QUORUM ESTABLISHED

Also Present: Affordable Housing Committee Chair Roosevelt Walters, Vice Chair Peter Cooper, Katherine Barry, Bradley Deckelbaum, Skeet Jernigan, Edwin Parke, Brian Poulin, City Manager Lee R. Feldman, City Auditor John Herbst, City Clerk Jeffrey A. Modarelli, City Attorney Cynthia A. Everett

Not Present: Kenneth Walton

Dr. Rosalind Osgood, a member of the Affordable Housing Committee, arrived at 1:16 p.m.

Vice-Mayor McKinzie thanked the Affordable Housing Advisory Committee (AHAC) for all it is doing and welcomed the newest member, Katherine Barry, to the Committee.

Mr. Jonathan Brown, Department of Sustainable Development working with Housing and Community Development and the Northwest CRA, was introduced and stated this is a joint workshop between the City Commission and the City's AHAC to present the Affordable Housing and Economic Analysis prepared by Florida International University's Metropolitan Center (FIU) and the Metropolitan Center with Dr. Murray and his team. This was brought before the City Commission on October 6, 2015, when the City Commission adopted a resolution for the City's Affordable Housing Policy and accepted the Affordable Housing and Economic Analysis prepared by FIU. At that meeting, staff was asked to workshop this item to provide more information regarding the analysis for further discussion.

Mr. Brown noted that in addition to discussing the Affordable Housing Trust Fund and Ordinance, the AHAC will address the Commission on affordable housing from the concept of the definition of affordable housing on various levels. Mr. Brown noted in the Commission's packet; there is a thorough definition of affordable housing on all levels. *A copy of these definitions is attached to these minutes*.

Dr. Ned Murray, Associate Director of Florida International University Metropolitan Center, introduced himself and Dr. Maria Ilchava, the Project Manager for this Affordable Housing and Economic Analysis, also in attendance and available for comments and questions.

Dr. Murray gave a brief overview of the Analysis noting that it drilled down into specific neighborhoods throughout the City. The first phase looked at City-wide housing and economic analysis and the core neighborhoods of the downtown area, identifying 13 neighborhoods. They were able to come up with block group data for every block group in the City including housing data, population data, and EX - 1 January 11, 2016 Joint Workshop with Affordable

Housing Advisory Committee – Affordable Housing Study

economic data. From an analysis standpoint, it makes more sense to put them into planning areas of analysis. In the first round, they took those 13 neighborhoods and put them into 3 planning analysis areas. In the second round, after the City-wide analysis and the Phase One Neighborhood Analysis, they then looked at the balance of all the neighborhoods and the City totally approximately 72 neighborhood associations and put them into the same type of structure which developed into ten planning areas. Dr. Murray noted the data is at the district level and the block group level.

Commissioner Trantalis noted in the Dr. Murray's Analysis Presentation that the number of households in the City has decreased by 7.3 percent as a result of the decrease in family households. He asked Dr. Murray how the analysis is differing households and family. Dr. Murray stated that information is taken from Census data. City Manager Feldman further clarified this answer for Commissioner Trantalis. Dr. Murray noted the loss of the number of households in the City and the County began in 2006 and 2007. Further discussion ensued on the numerous sources of the data that was used to compile key findings of the presentation.

Dr. Murray noted that when the City begins to look at the issue of housing, it is a three-prong approach, connecting the economy, housing, and transportation. When these are all considered in one discussion, policy direction becomes clearer for the City.

A copy of the Dr. Murray's presentation is attached to these minutes.

Mr. Roosevelt Walters, Affordable Housing Advisory Committee, asked about the decrease in households and the decrease in the number of people in the 20-44 age range even though the total population of the City increased. Dr. Murray clarified this for Mr. Walters noting the fastest growing population in the City is 55 and older.

Vice-Mayor McKinzie requested this data be broken out into the Districts within the City for clarification. It was noted that Millennials do not make up individual households. This is due to the trend in recent years that Millennials are moving back into their parents' households and are not establishing households of their own. This is primarily due to the high cost of housing. Additionally, many homes are taken off the market and become seasonal households.

Commissioner Rogers raised the issue of how to fund Affordable Housing and different ways to do this, i.e., an Affordable Housing Trust Fund. He noted the encouragement of good affordable housing, specifically, some of the developments that have recently been built that fit a sustainable City, i.e., the Pinnacle Project on Third Avenue. The Pinnacle Project enables City, courthouse, and hospital workers to walk to work. He stated the City needs to come up with a clear policy that makes an impact on affordable housing and duplicating what has taken place in other county communities. Commissioner Rogers also stated that timing is important because a Transportation Sales Tax or an Infrastructure Sales Tax is currently being considered by the City. Unless there is a dedicated source of funds, the need for Affordable Housing cannot be seriously addressed.

Commissioner Trantalis questioned the amount of Affordable Housing inventory currently in the City, where it's located and how much more is needed. Commissioner Trantalis also asked if the City has already met its appropriate threshold of affordable housing and if the analysis deals with this question. Dr. Murray stated the analysis identifies by neighborhood where the demand for affordable housing is excessive and where that demand is being met. Further questions and discussions ensued on this topic.

EX – 1 January 11, 2016 Joint Workshop with Affordable Housing Advisory Committee – Affordable Housing Study Commissioner Roberts commented that Affordable Housing needs to be addressed as part of the City's overall economic development and being adjustable moving towards the future. He also felt that homeownership is a factor that is also a key to crime reduction and quality of life. Vice-Mayor McKinzie concurred with Commissioner Roberts.

Mr. Bradley Deckelbaum, Affordable Housing Advisory Committee, stated the need for housing in the City is not infinite but is much greater and will depend on how the City wants to grow, what it allows stating there is not a lack of demand. Additionally, he cited the greater income gaps in the City and the need to find a way to serve the lower income levels on both the subsidized and nonsubsidized levels.

Ms. Katherine Barry, Affordable Housing Advisory Committee, asked how the City's population is matched against the housing that currently exists citing the aged stock of housing that exists in certain areas. Low-income families who cannot afford to live anywhere else must live in this aged stock of housing often in overcrowded and poor conditions. Ms. Barry stated there is also a need to restock or preserve and renovate current affordable housing in older neighborhoods.

Mr. Skeet Jernigan, Affordable Housing Advisory Committee, asked that at the end of this meeting the Commission appoint someone from City Staff to assist the Affordable Housing Advisory Committee in the drafting of an Affordable Housing Trust Fund Ordinance. He noted this was in the housing policy the Affordable Housing Advisory Committee sent to the Commission, which was approved noting the City needs to move on this. Part of the Affordable Housing Trust Fund and Ordinance needs to have a monitoring component to ensure the residents are qualified for affordable units, and they are being rented to those who need affordable units.

Regarding funding, Mr. Jernigan said the AHAC recommended the Affordable Housing Trust Fund should be 100 percent funded by the net proceeds from the sale of all residential surplus lots as a policy. Additionally, 15 percent of the net proceeds of the sale of commercial and industrial lots should go to the Trust Fund. One additional item in need of discussion is the issue of rentals and noting it is the most affordable entry into housing that exists. While homeownership is important from a crime perspective, it is not the first step in the process, it is the second step. Commissioner Roberts stated that he was in agreement with this and the perfect second next step is homeownership.

Mr. Jernigan asked where the City currently is in reaching the affordable housing demand in the City. He has repeatedly seen a schizophrenic approach to economic development and community needs up and down the east coast of Florida regarding affordable housing. He recommended economic growth needs to accommodate the average median income necessary for affordable housing in the City without being subsidized. Salaries are often below the necessary median income causing the City to fund the difference affordable housing provides.

Mr. Brian Poulin, Affordable Housing Advisory Committee, spoke regarding the struggles of bringing affordable housing into the City, addressing appropriate levels and the appropriate quality. Additionally, it needs to prioritized on a larger scale to make a meaningful impact. One of the ways trust fund dollars could work effectively is to leverage them with the many federal and State programs available stating there is no model out there where Cities are tacking this problem using their funds and resources. Further discussions ensued on this topic noting ways to make affordable housing developments easy and financially attractive to developers with specific incentives.

City Manager Feldman stated the Affordable Housing Trust Fund would be funded from the sale of the residential property as the Commission as requested. The funding with 15 percent of the net

proceeds of the sale of commercial and industrial will be addressed by the City's Legal Department to possibly include it in the Ordinance.

Commissioner Rogers raised the idea of using sea containers to address the affordable housing needs as is done around the world. Commissioner Rogers asked the AHAC to meet with Mr. Craig Vanderlaan, Executive Director and Co-Founder of Crisis Housing Solutions, to look into the practicality of this option as it is affordable and does not create a model that requires subsidies.

Vice-Mayor McKinzie stated for the record that he does not want any container affordable housing in his District due to the lack of land that exists for affordable housing along with the fact that it would most likely not pass wind-code requirements.

The Affordable Housing Advisory Committee requested that the Affordable Housing Trust Fund Ordinance be in place by July of 2016. Mr. Walters stated the Commission was sent a sheet that had discussion points on it and this has not been addressed at this meeting. He asked for a framework on the Ordinance moving forward. Commissioner Roberts addressed these questions.

Commissioner Roberts addressed the need to look at other facets such as zoning changes and ordinance changes to make things happen in the correct manner and as quickly as possible. He asked Brian Poulin and the AHAC to develop a litany of items that the Commission needs to do to make it happen. Vice-Mayor McKinzie agreed and also suggested Katherine Barry as a good resource to address the issue of additional facets due to her experience and capabilities.

Vice-Mayor McKinzie stressed that we are looking at affordable housing from a perspective of "adequate, affordable housing for the City's workforce" rather than misconstruing it as has been by various groups' talks and negative perspective of "blight, crime, and poor."

Commissioner Trantalis left the meeting at 2:00 p.m.

Mr. Roosevelt Walters stated that of all the meetings he has attended on these issues over the years, this is the most positive he has heard from the Commission. Dr. Rosalind Osgood, Affordable Housing Advisory Committee, spoke noting certain terms sometimes mean different things to different people in different groups and noting the importance of taking extra time to communicate the exact meaning of what is being communicated such as Vice-Mayor's statement. She stressed her concern regarding addressing the working poor that is on the fence regarding becoming homeless. Additionally, the working poor are sometimes not in a place to participate in studies such as the one presented today, and their needs should also be addressed in this conversation as there is not an adequate supply of housing in their income range to rent or purchase.

Vice-Mayor McKinzie invited Mr. Craig Vanderlaan, Executive Director and Co-Founder of Crisis Housing Solutions, in Davie, Florida, to the podium to address container housing. Mr. Vanderlaan stated are involved in a feasibility study being funded by J.P. Morgan Chase concerning the unique, affordable housing around the world being done with shipping containers. They are being used as "Lego blocks" stacking them in many configurations. He noted the exterior structure is very solid steel and they provide significant savings. Container housing is being done in many places such as Amsterdam using them for 1,000 units of student housing. They are also working with an architect from the University of Florida who teaches about container housing as has been developed in Gainesville, Jacksonville, and one currently being built in Sarasota. Further discussions ensued on this subject.

EX – 1 January 11, 2016 Joint Workshop with Affordable Housing Advisory Committee – Affordable Housing Study Commissioner Rogers asked Mr. Vanderlaan for a quick summary of the cost of container housing versus normal brick and mortar housing. He noted a 15 percent reduction in cost. Mr. Vanderlaan said their focus is on workforce housing and millennials. Vice-Mayor McKinzie said Mr. Vanderlaan had met with Mayor Seiler, who suggested Mr. Vanderlaan give a briefing to the AHAC to decide if they would like to move forward on. Further comments and questions ensued.

Additional items were raised regarding the Trust Fund and how it will be funded. Commissioner Rogers stated the Affordable Housing Trust Fund Ordinance is in the process of being drafted. Additional discussion ensued as to this process moving forward and including as much as is necessary into the Ordinance such as developer incentives and partnerships for different areas of the community.

Dr. Rosalind Osgood suggested coming up with a model and working with the League of Cities to coordinate a conversation with all taxing authorities/entities at the table as Affordable Housing is very critical to economic development and the workforce. Commissioner Rogers agreed noting the best way to proceed is for everyone to work together.

The AHAC felt things were headed in a good direction by discussing numerous strategies. It was also noted that Affordable Housing is a monolithic thing encompassing for-profit tax credit projects such as large multi-rise buildings resembling market rate housing, the rehabilitation of existing neighborhoods in the City including single family housing and small apartment complexes, and new innovate ideas such as container housing.

It was noted by an AHAC member there are a large amount of storage facilities in the area that many of the poor are living in and these storage areas are much nicer than the proposed container homes.

Vice-Mayor McKinzie thanked the AHAC stating he felt they had turned a corner today regarding getting more ideas and options on the table, and he looks forward to the next workshop. He asked the AHAC to be sure to give their input to City Staff and get a copy of Mr. Vanderlaan's book.

Vice-Mayor McKinzie adjourned the workshop at 2:30 p.m.