



Affordable Housing Policy Recommendations

APRIL 06, 2021

4-6-2021
BUS - 2
REVISED
EXHIBIT 1

AFFORDABLE HOUSING MEETINGS

City Commission Joint Affordable Housing Workshop

July 10, 2018

AHAC, UD&P and HCD Meeting

November 26, 2018

AHAC, UD&P and HCD Meeting

January 14, 2019

AHAC, UD&P and HCD Meeting

February 20, 2019

City Commission Joint Affordable Housing Workshop

June 04, 2019

UD&P Monthly Meetings to Revise Policy Recommendations

July – January, 2019-2020

City Commission Affordable Housing Update

March 03, 2020



AFFORDABLE HOUSING POLICY OUTREACH

Outreach

- Downtown Development Authority
- County Housing Finance and Community Development Division
- Fort Lauderdale Housing Authority
- AHAC
- Broward Workshop-Urban Core Committee
- Downtown Coalition
- Greater Fort Lauderdale Downtown Chamber of Commerce
- Council of Fort Lauderdale Civic Associations
- Rio Vista Civic Association



TOPICS OF DISCUSSION

1. City Affordable Housing Policy Initiatives
2. County Affordable Housing Policy Measures (PCT 20-4)
3. Next Steps



FLORIDA STATUTE; AMENDMENT TO SEC. 166.04151 (HOUSE BILL 7103)

Mandate :

“Requires county or municipal inclusionary housing ordinances, if adopted, to include incentives that fully offset costs to the developer of its affordable housing contribution”

- *Floor Area Increases*
- *Density Bonus*
- *Fee Waivers*
- *Other*

Optional:

Provide optional incentives

- *No offsets required*

INCREASED COST OF LIVING

2020 Average Rental Price

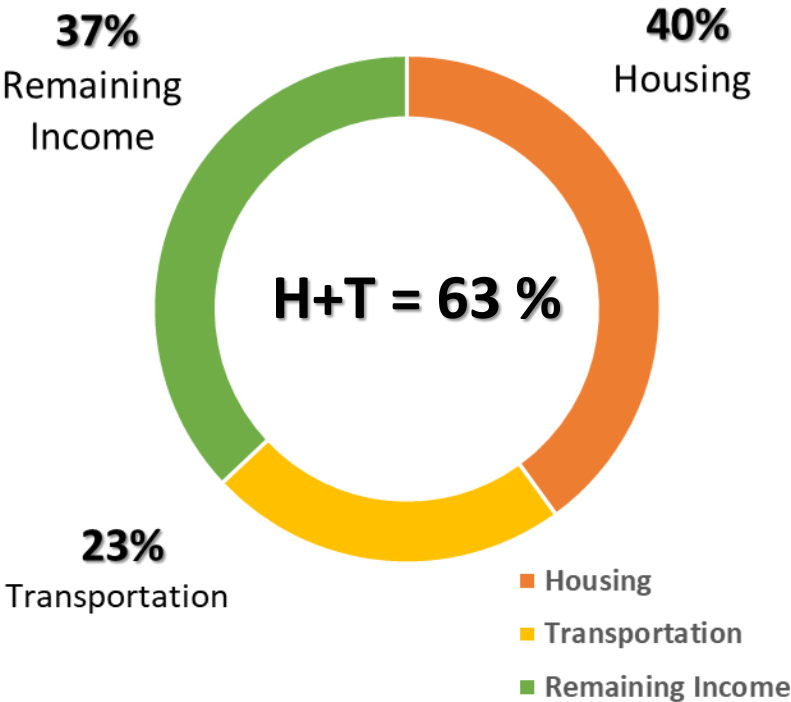
Studio	\$1,629
1 Bedroom	\$1,953
2 Bedroom	\$2,730
3 Bedroom	\$3,826

Approximately
60.6% of rental households spend more than 30% of their income on housing



\$11,036

Annual Transportation Costs



2020 Average Sale Price

Single-Family	\$489,500
Townhouse	\$460,000
Condo	\$320,000

All Housing Prices

<u>Quarter Over</u> <u>Quarter</u>	<u>Year over</u> <u>Year</u>	<u>Five year</u>
↑ 4.3%	↑ 11%	↑ 37.93%

Median Family Income

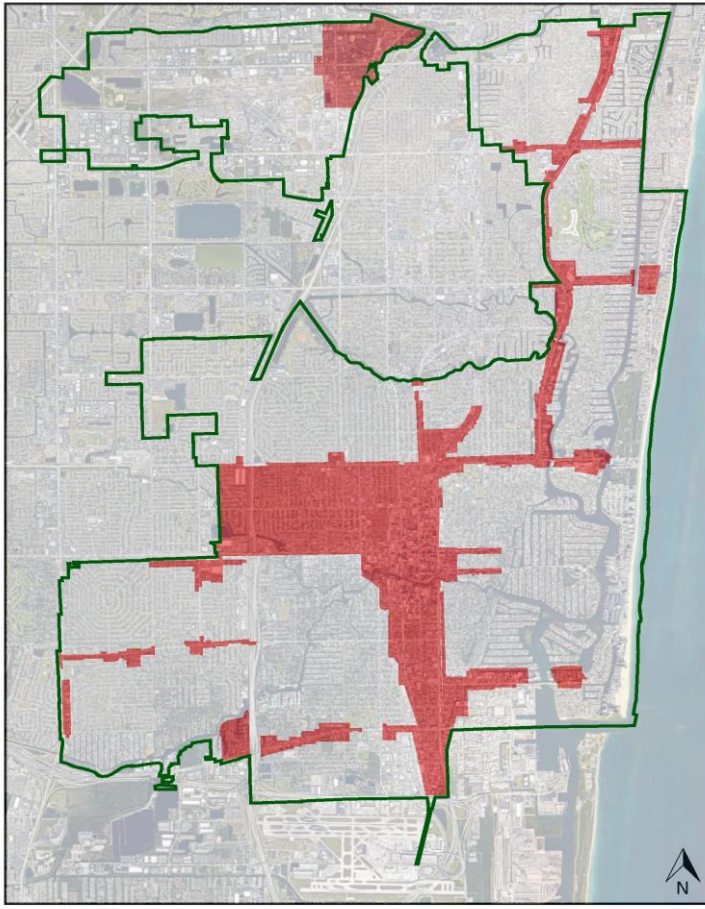
↑ **Average 1.59% Each Year**

Sources: Center for Neighborhood Technology; U.S. Census, 2017 ACS; Costar, Colliers International; The Metropolitan Center Florida International University; Realtor.com- Oct 2020 Reinhold P. Wolff Economic Research, Inc.; Federal Housing Administration-HPI, Q42020; Housing and Urban Development (20 Year MFI Data)
* County Data

OPTIONAL INCENTIVE – ALLOCATION OF RESIDENTIAL FLEX UNITS

- Incentivize Affordable Housing opportunities throughout Unified Flex Zone;
- Provide Affordable Housing through Allocation of Residential Flex Units;
- RACs and primary TOD corridors provide opportunity to adopt a city-wide Policy;
- Affordable housing located within access to transportation options;

- ➡ City-wide Policy
- ➡ Units are not “By Right”
- ➡ Economies of Scale
- ➡ Reduce Cost of Living
(H&T Index)



Residential Unified Flex Map



SET-ASIDE REQUIREMENTS/ DEED RESTRICTION

Rental

10 % Set-Aside



5% of units at or below **80%** of MFI

30 Year Deed Restriction



5% of units at or below **100%** of MFI

Sale

10 % Set-Aside



5% of units at or below **100%** of MFI

30 Year Deed Restriction



5% of units at or below **120%** of MFI

PAYMENT
IN-LIEU OF

**Broward County Payment In
Lieu of Fee**

(Florida Housing Finance Corporation
Average Cost of Construction)



Deposited Into Affordable
Housing Trust Fund

BROWARD COUNTY PAYMENT IN LIEU OF FEE PCT 20-4

100 Unit Development

Average Cost of Garden,
Mid-rise and High Rise =
\$300,133



$\$300,133 / 7 = \$42,876$



$\$42,876 \times 100 \text{ Units} = \text{\$4.2 Million}$

MODIFIED PAYMENT IN LIEU OF FEE

100 Unit Development

Average Cost of Garden,
Mid-rise and High Rise =
\$300,133



$10 \text{ Units} \times \$300,133 = \text{\$3.001 Million}$

INCOME AND RENT LIMITS



Income Limit by Persons in Household

	1	2	3	4	5	6
60%	\$37,440	\$42,780	\$48,120	\$53,460	\$57,780	\$62,040
80%	\$49,920	\$57,040	\$64,160	\$71,280	\$77,040	\$82,720
100%	\$62,400	\$71,300	\$80,200	\$89,100	\$96,300	\$103,400

FY 2020 Broward County – Median Family Income
\$74,800

Rent Limit by Number of Bedrooms in Unit

	0	1	2	3	4	5
60%	\$936	\$1,003	\$1,203	\$1,391	\$1,551	\$1,712
80%	\$1,248	\$1,337	\$1,604	\$1,854	\$2,068	\$2,282
100%	\$1,560	\$1,671	\$2,005	\$2,318	\$2,585	\$2,853

Broward County Rent Limits,
2020 (Fort Lauderdale MSA)
Source: Florida Housing
Finance Corporation

INCOME FOR SALE LIMITS

Income Limit by Persons in Household

	1	2	3	4	5	6
80%	\$49,920	\$57,040	\$64,160	\$71,280	\$77,040	\$82,720
100%	\$62,400	\$71,300	\$80,200	\$89,100	\$96,300	\$103,400
120%	\$74,880	\$85,560	\$96,240	\$106,920	\$115,560	\$124,080

**FY 2020 Broward County –
Median Family Income**

\$74,800

Maximum Affordable Sales Price by Bedroom Count

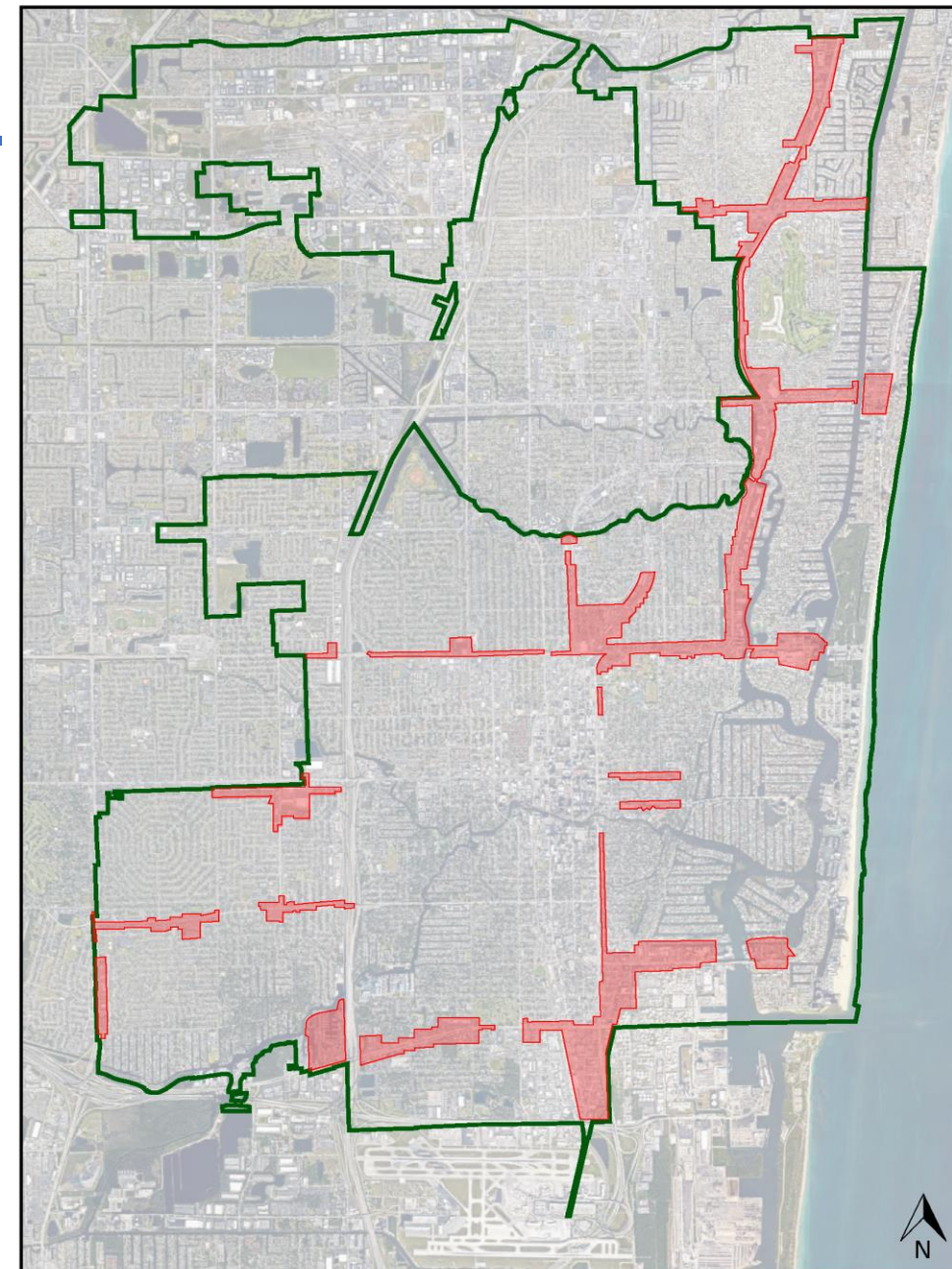
	0	1	2	3	4	5
80%	\$143,245	\$170,141	\$197,038	\$223,934	\$245,693	\$267,149
100%	\$190,389	\$224,010	\$257,630	\$291,250	\$318,449	\$345,269
120%	\$237,533	\$277,878	\$318,222	\$358,566	\$391,205	\$423,389

Broward County Rent Limits,
2020 (Fort Lauderdale MSA)
Source: **Florida Housing
Finance Corporation**

ZONING INCENTIVE

Flex Allocation Density Bonus

Developments with a Future Land Use of Commercial opting to add affordable housing units over the required set-aside percentage receive a density bonus of 2 market rate units per additional affordable housing unit, not to exceed 30% over the underlying permitted density



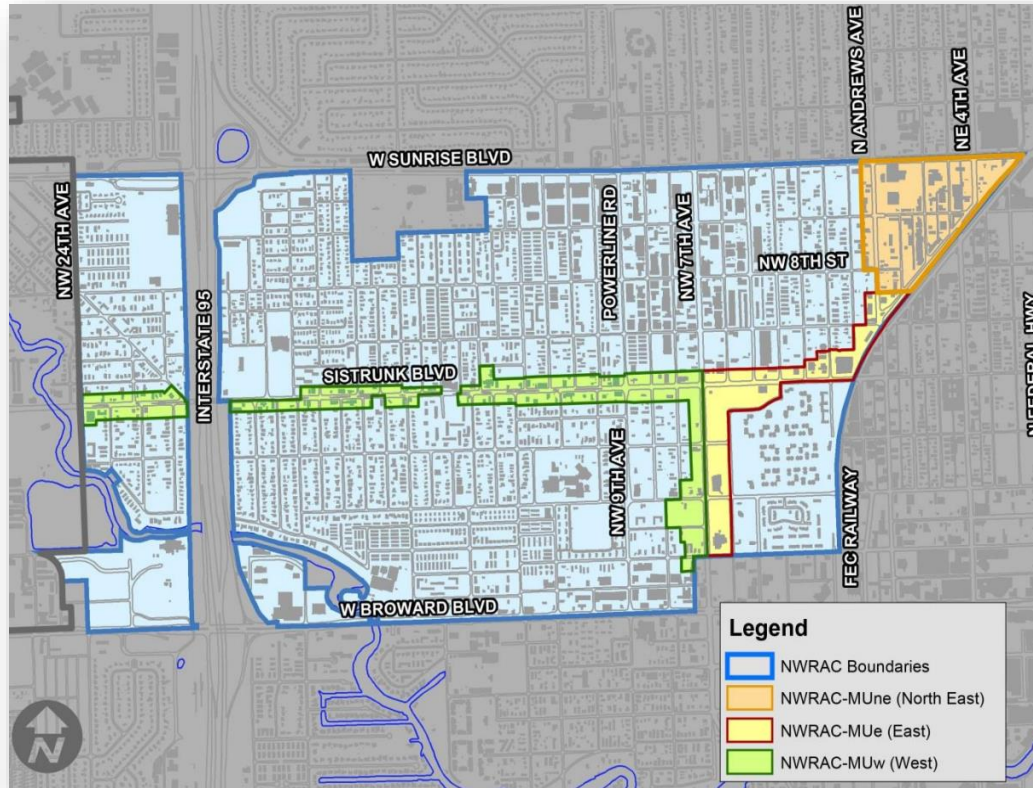
ZONING INCENTIVES

NWRAC Height Bonus



NWRAC-MUe 110' to 150'
NWRAC-MUw 45' to 65'

- 10% Set-aside Requirement In Perpetuity to **30 Year Deed Restriction**
- Income Levels
 - 5% at 60% of MFI
 - 5% at 80% of MFI
- Affordable Housing Plan, Housing Development Agreement, Deed Restriction/ Covenant



Current

Site Plan Level II Application
and City Commission Approval

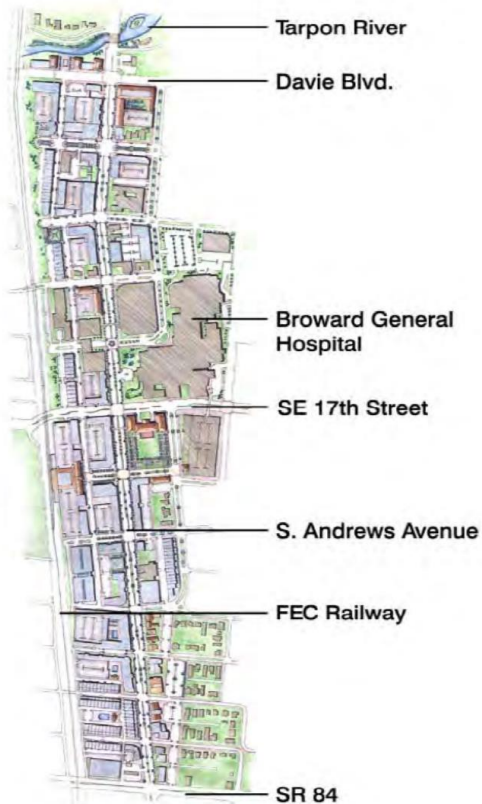
Proposed

Site Plan Level II Application
and City Commission Call-up
(Saves **2 to 3 Months**)



ZONING INCENTIVES

SRAC Height Bonus 110' to 150'



Current
Site Plan level II and City
Commission Approval

Proposed
Site Plan Level II and
City Commission Call-Up
(Saves 2 to 3 Months)



- 10% Set-aside
 - 5% at 60% of MFI**
 - 5% at 80% of MFI**
- 30 Year Deed Restriction
- Affordable Housing Plan and Affordable Housing Development Agreement



ZONING INCENTIVES

Density Bonus Incentive

- Base density of 50 dwelling units per acre
 - Increase in density based on formula and affordable income category:
 - i. One (1) affordable housing unit at eighty percent (80%) of MFI equals four (4) market rate units
 - ii. One (1) affordable housing unit at one hundred percent (100%) of MFI equals two (2) market rate units.
 - iii. No case shall density exceed 100 dwelling units per acre
- (Modify from a 15-year deed restriction to a 30-year deed restriction)**



BROWARD COUNTY- LAND USE PLAN AMENDMENT PCT 20-4

PERMITTED RESIDENTIAL DENSITY = AFFORDABLE HOUSING

Applicable Areas

- **Commerce Future Land Use** (Commercial, Employment Center, Industrial and Office Park) fronting with direct access to a State road or County arterials, per the Broward Highway Functional Classification Map west of US 1
- **Regional Activity Centers**

Allocation of Units

- Units are pulled from a separate pool of units outside the Residential Flex Unit Pool and RAC Unit Pools
- Density is determined as followed:
 - Moderate Income:** (6) bonus for every (1) moderate income unit (14%)
 - Low-income:** (9) bonus units for every (1) one low-income units (10%)
 - Very-Low Income:** (19) bonus units for every (1) very-low-income unit (5%)
- Studio units under 500 square feet are counted as ½ unit

Requirements

- 10% of floor area must be commercial
- 30-year deed restriction

Payment in Lieu of Option

- Based on the Florida Housing Finance Corporation (FHFC) most recent total development cost averages

Last Action: Broward County Commission adopted Ordinance on March 9, 2021

SURPLUS MUNICIPAL PROPERTY

Staff has Identified list of surplus properties owned by the City that are appropriate for affordable housing:

Criteria

1. Parcel is zoned for residential or mixed use residential
2. Parcel is located within the Unified Flex Zone District
3. Parcel meets the ULDR's minimum parcel size requirements or meets plat requirements
4. Minimum of 5000 square feet

Next Steps

1. Present identified properties to City Commission to review the inventory list at a public hearing and may revise accordingly
2. The City shall adopt a resolution that includes an inventory list of the identified properties

Options:

1. Sell the land with proceeds earmarked for affordable housing development or purchasing land for affordable housing development
2. Sell the land with restrictions requiring units stay affordable in perpetuity

NEXT STEPS

Presentations

**Planning and Zoning Board
(Good for the City Meeting)**

April 21st

Public Hearings

Planning and Zoning Board

May 19th

City Commission

July 6th (Tentative Date)

Questions ?

FUNCTIONALITY OF RAC AND FLEX ALLOCATION

RAC Future Land Use:

RAC Units are applied prior to Residential Flex Units. If there are no RAC Units available Residential Flex Units must be applied for in order to construct residential units.

Commercial Future Land Use:

Areas and corridors containing a Commercial Future Land Use designation outside the RAC's, must apply for Residential Flex Units.

FLEX UNIT ALLOCATION

Remaining Unified Flex Units Available	
Residential Flex Units	6,469*
Affordable Units	1,788

1989 to 2021 Flex Units	
Total Flex Units Allocated	12,491
Total Affordable	218

* Flex Units are Distributed in Installments of 5,000 Units

RAC UNIT ALLOCATION

RAC's	Remaining Units	
NWRAC	3,904	
DRAC	87	540 AH
SRAC	263	

Percentage Affordable	
Total RAC Allocated	25,418
Total Affordable	817*

*Additional affordable housing units have been constructed prior to the establishment of RAC's and not all RAC's track units that have been distributed for affordable housing development. The majority of the 5,000 +/- affordable units in City are located within the NWRAC.

POLICIES EXCLUDING SET-ASIDE FLEX POLICY MODIFICATIONS

1) NWRAC Height Bonus

2) SRAC Height Bonus

3) Flex Allocation Density Bonus (With Modifications)

4) Broward County- Land Use Plan Amendment Pct 20-4