

BROWARDNEXT

Subject Matter Expert Presentations September 12, 2024



Agenda

Welcome and Opening Remarks

1. Ralph Stone, BC Housing Finance
2. Hugo Pacanins, Pinnacle Housing
3. Mitchell Rosenstein, Green Mills Group
4. Dennis Mele, Esq., Greenspoon

Also visit the BrowardNext website for more information:

<https://www.broward.org/BrowardNext/Pages/default.aspx>

Broward County 10-Year Affordable Housing Master Plan: Sections

Section 1. Key Findings and Market Update: *2022
Broward County Affordable Housing
Needs Assessment*

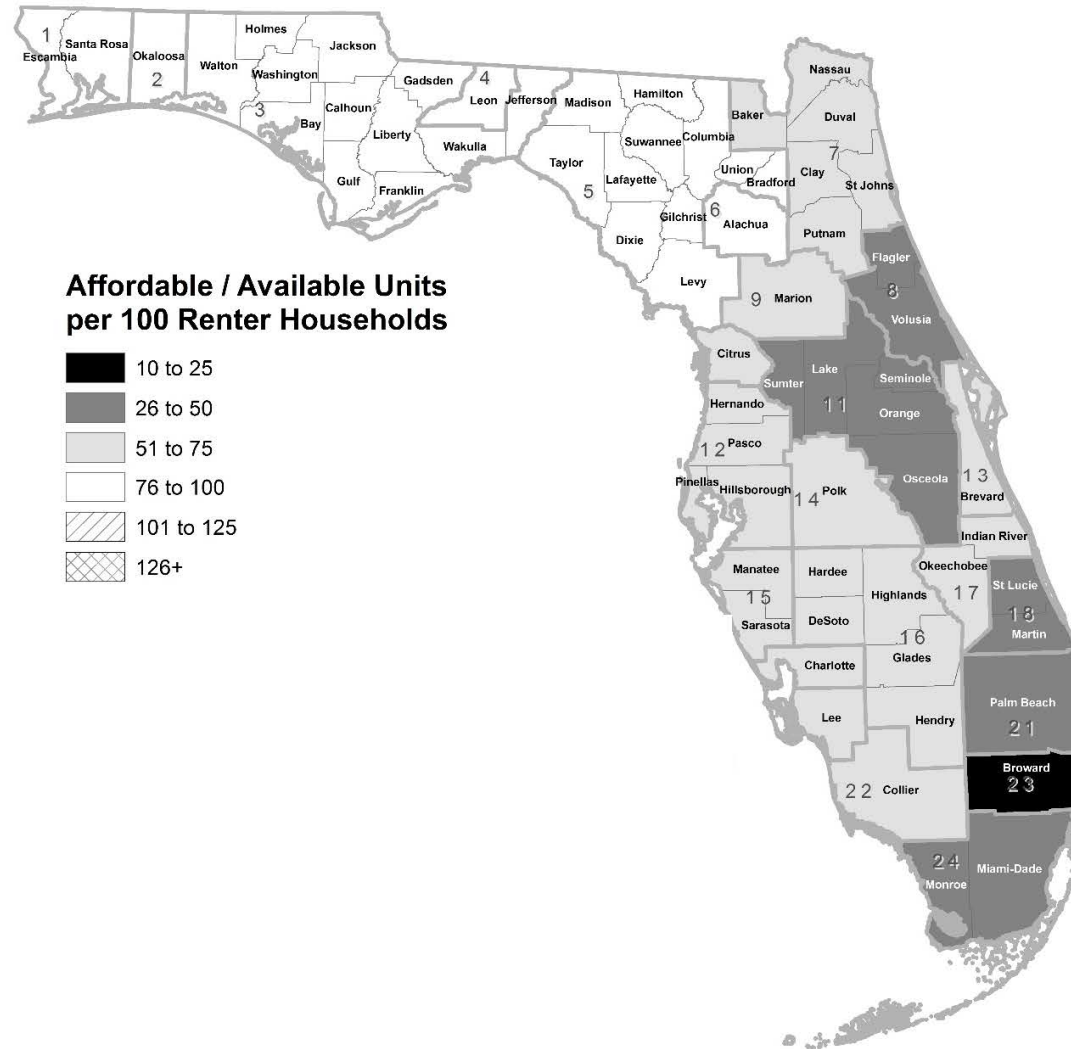
Section 2. Municipal Affordable Housing Gap Analysis

Section 3. Broward County 10-Year Affordable
Housing Master Plan: Planning & Policy
Recommendations

- Densification
- Funding
- Legislation/Programs

Section 4. Performance Metrics

Broward County: Regional Affordable/Available Units per 100 Renters: 0-60% AMI



60% Area Median Income (AMI) represents 50% of the Broward County workforce

Source: Shimberg Center analysis of U.S. Census Bureau, 2013-2017 American Community Survey.

Broward County Industry-Generated Demand

| Top 10 Industries in Broward County by Employee Count | Median earnings 2021 | Employee Count | Housing Unit-Demand |
|--|----------------------|----------------|---------------------|
| Health care and social assistance | \$40,485 | 131,894 | 48,106 |
| Retail trade | \$27,819 | 120,697 | 44,022 |
| Professional, scientific, and technical services | \$62,053 | 80,771 | 29,460 |
| Accommodation and food services | \$22,115 | 74,361 | 27,122 |
| Educational services | \$44,783 | 72,246 | 26,351 |
| Construction | \$37,318 | 71,658 | 26,136 |
| Administrative and support and waste management services | \$29,263 | 63,591 | 23,194 |
| Transportation and warehousing | \$42,158 | 60,116 | 21,926 |
| Other services, except public administration | \$26,096 | 51,680 | 18,849 |
| Manufacturing | \$49,377 | 47,383 | 17,282 |

| Occupational Categories | Median hourly Wage | Annual Income | Very Low Household Income 50% of AMI | Low Household Income 80% of AMI | Moderate Household Income 120% of AMI |
|--|--------------------|---------------|--------------------------------------|---------------------------------|---------------------------------------|
| Office and Administrative Support Occupations | \$18.78 | \$39,062 | X | | |
| Sales and Related Occupations | \$16.97 | \$35,297 | X | | |
| Food Preparation and Services | \$14.45 | \$30,056 | X | | |
| Transportation and Material Moving Occupations | \$17.19 | \$35,755 | X | | |
| Business and Financial Services Occupations | \$34.12 | \$70,969 | | X | |
| Healthcare Practitioners and Technical Occupations | \$36.01 | \$74,900 | | X | |
| Management Occupations | \$49.30 | \$102,544 | | | X |
| Installation, Maintenance, and Repair Occupations | \$22.68 | \$47,174 | X | | |
| Educational Instruction and Library Occupations | \$25.16 | \$52,332 | | X | |
| Buildings and Grounds Cleaning and Maintenance Occupations | \$14.50 | \$30,160 | X | | |
| Healthcare Support Occupations | \$16.17 | \$33,633 | X | | |

Broward County Average Rents by Municipality

| Localities | Average Rent - 2 Bedroom Unit (Q3/21023)* | Median Renter Household Income | Monthly Affordability Gap | Affordable Rental Housing Demand/Supply Gap |
|-----------------------|---|--------------------------------|---------------------------|---|
| Broward County | \$2,802 | \$55,528 | \$1,414 | 74,124 units |
| Fort Lauderdale | \$3,470 | \$47,108 | \$2,292 | 7,297 units |
| Hollywood | \$2,821 | \$43,079 | \$1,744 | 6,800 units |
| Parkland | \$2,756 | \$77,097 | \$799 | 5,426 units |
| Lauderhill | \$2,276 | \$35,422 | \$1,390 | 4,947 units |
| Pompano Beach | \$2,615 | \$45,295 | \$1,483 | 4,464 units |
| Plantation | \$2,745 | \$56,380 | \$1,336 | 4,013 units |
| Deerfield Beach | \$2,369 | \$40,967 | \$1,345 | 3,957 units |
| Pembroke Pines | \$2,720 | \$55,731 | \$1,327 | 3,925 units |
| Davie | \$2,702 | \$45,726 | \$1,559 | 3,696 units |
| Coral Springs | \$2,756 | \$54,611 | \$1,391 | 3,900 units |
| Miramar | \$2,720 | \$51,605 | \$1,430 | 3,417 units |
| Sunrise | \$2,276 | \$50,455 | \$1,015 | 2,942 units |
| Hallandale Beach | \$2,821 | \$36,125 | \$1,918 | 2,913 units |
| North Lauderdale | \$2,367 | \$37,385 | \$1,432 | 2,650 units |
| Tamarac | \$2,367 | \$47,362 | \$1,183 | 2,421 units |

| Localities | Average Rent - 2 Bedroom Unit (Q3/21023)* | Median Renter Household Income | Monthly Affordability Gap | Affordable Rental Housing Demand/Supply Gap |
|-----------------------|---|--------------------------------|---------------------------|---|
| Margate | \$2,756 | \$33,999 | \$1,906 | 2,306 units |
| Dania Beach | \$2,821 | \$41,273 | \$1,789 | 2,181 units |
| Coconut Creek | \$2,756 | \$63,027 | \$1,190 | 2,179 units |
| Oakland Park | \$3,470 | \$44,213 | \$2,365 | 2,163 units |
| Lauderdale Lakes | \$2,276 | \$29,582 | \$1,536 | 2,032 units |
| Weston | \$2,720 | \$71,477 | \$934 | 1,556 units |
| Wilton Manors | \$3,470 | \$48,614 | \$2,255 | 749 units |
| West Park | \$2,720 | \$38,540 | \$1,765 | 586 units |
| Pembroke Park | \$2,821 | \$41,073 | \$1,794 | 505 units |
| Cooper City | \$2,702 | \$64,980 | \$1,077 | 479 units |
| Lauderdale-By-The-Sea | \$2,615 | \$50,917 | \$1,342 | 294 units |
| Lighthouse Point | \$2,369 | \$44,313 | \$1,261 | 284 units |
| Hillsboro Beach | \$2,418 | \$56,667 | \$1,001 | 70 units |
| Southwest Ranches | \$2,720 | n/a | n/a | n/a |
| Lazy Lake | \$3,470 | n/a | n/a | n/a |
| Sea Ranch Lakes | \$2,615 | n/a | n/a | n/a |

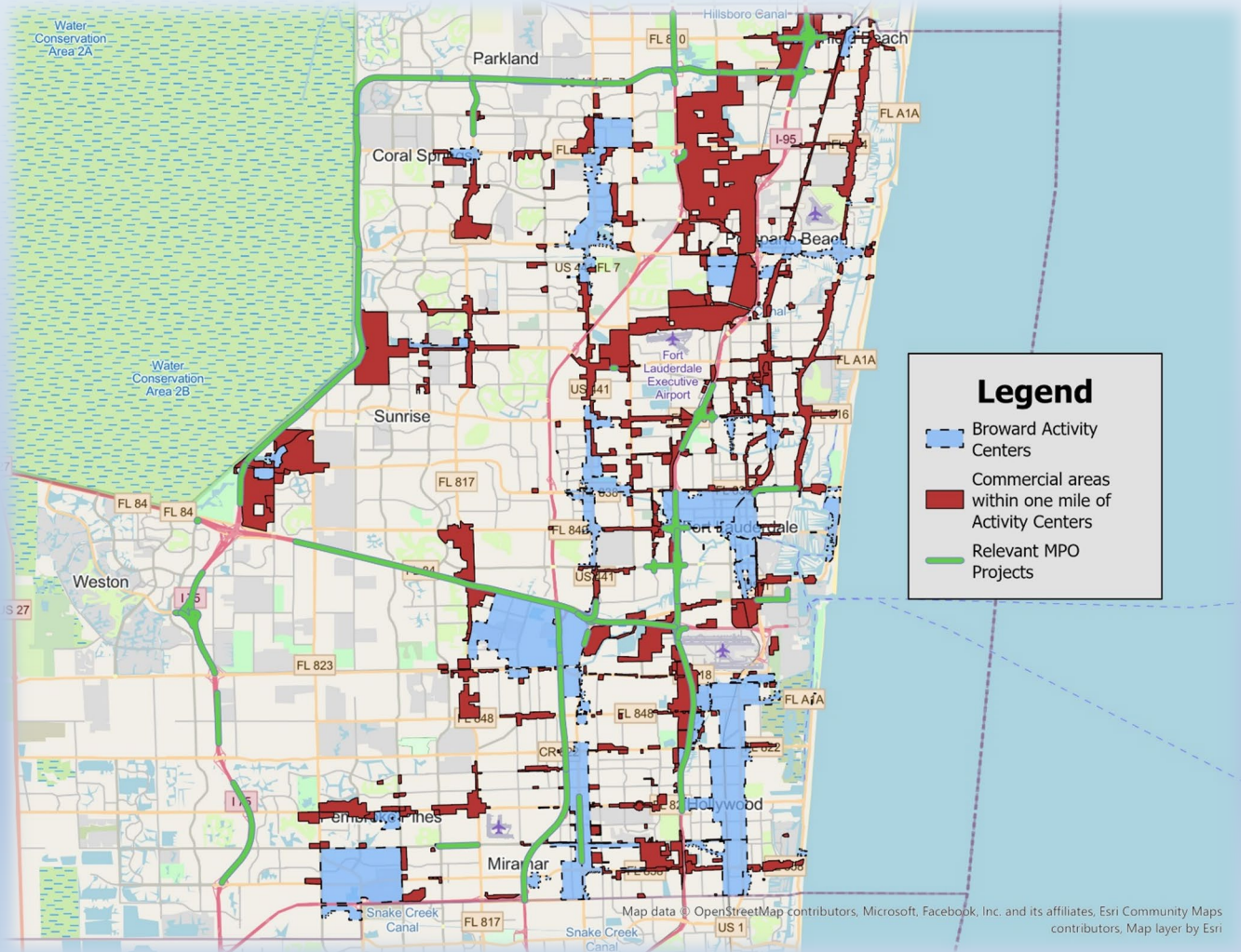
4 Source: Reinhold P. Wolff Research Economic Research Inc., 3Q/2023; 2022 Broward County Affordable Housing Needs Assessment.


*Average rent by Reinhold P. Wolff Economic Research Area submarkets.

Densification

1. Provide density bonuses of up to 100 percent for mixed-income, multi-family developments within ½ mile of existing and planned transit station and newly proposed “Municipal Redevelopment Impact Areas”
2. Proposed Municipal Redevelopment Impact Areas:
 - Commercial zoned corridors within 1 mile of activity centers
 - Corridors and major roadways within ½ mile of existing and planned transit stations
 - Commercial corridors and major roadways targeted for major transportation and infrastructure projects
3. Allow both single and mixed-use (vertical & horizontal) multi-family development types in all Municipal Redevelopment Impact Areas
4. Bonus Height allowance or exemption from height restrictions
5. Flexibility in design standards and site requirements
6. Reduced required number of parking spaces
7. Parking exemptions applied to entire development sites within 1,500 feet of transit stations

Municipal Redevelopment Impact Areas





Broward County Land Use Plan Update: Affordable Housing

BrowardNext

September 12, 2024 | Mitch Rosenstein, Principal of Green Mills Group



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County and Planning Council

Great work thus
far...

Broward County and Planning Council accomplishments:

- Recognizing the need for Affordable Housing and committing to adapt / evolve
- Broward Affordable Housing Master Plan
- Affordable Housing Density Program
- Expedited / standardized land use plan amendment reviews
- Allocated funding, adopting impact fee waivers
- RFP land to develop Affordable Housing
- Residential “by right” in Commerce, Activity Centers, & Community designations



Affordable Housing: A Recognized Crisis in Broward County

We recognize how the affordable housing crisis impacts:

- Education
- Healthcare
- Service
- Etc.

Need spans income levels and demographics (families, seniors, special needs / supportive), but greater need at certain incomes...

Broward County still faces significant challenges, including:

- Limited availability of land
- Regulatory barriers (time, etc.)
- Insufficient funding
- Design guidelines are primarily with market-rate in mind...






Affordable Housing

A Recognized Crisis in Broward County

What does % Area Median Income (AMI) mean?

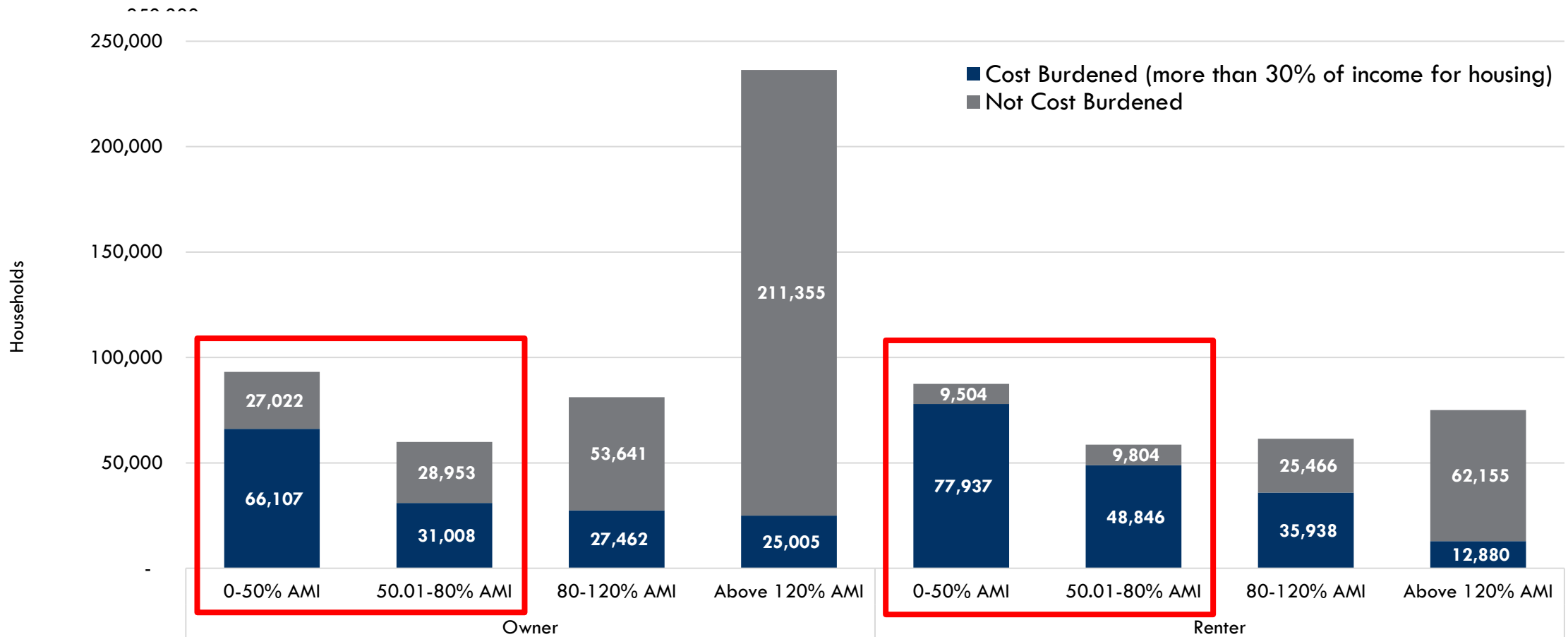
Broward County Workforce

Median wage job: **\$47,946** per year, or **50%** AMI for a household of 3.

| |  |  |  |  |  |
|-----------------|---|---|---|---|--|
| | Annual income limit and hourly wage for household of 3 | Rent limit (2 bedroom) | Renter households | Job examples, 1-worker household | Job examples, 2-worker household |
| 50% AMI | \$47,500/yr \$22.84/hr | \$1,187/mo | 91,570 hh (0-50% AMI) | Secretary Billing Clerk Teller | 1 full-time worker and 1 part-time worker |
| 60% AMI | \$57,000 \$27.40 | \$1,425 | 21,490 (50-60% AMI) | Tech Support Electrician Insurance Sales Agent | 1 full-time worker and 1 part-time worker 2 minimum wage workers |
| 80% AMI | \$76,000 \$36.54 | \$1,900 | 40,615 (60-80% AMI) | Firefighter Purchasing Agent Construction Inspector | 2 Stockers Office Clerk & Hand Packer Reservation Agent & Retail Salesperson |
| 120% AMI | \$114,000 \$54.81 | \$2,850 | 64,077 (80-120% AMI) | Systems Analyst Construction Manager Financial Advisor | 2 Tech Supports Manufacturing Sales Rep & Secretary Construction Supervisor & Food Prep Supervisor |

Sources: Florida Housing Finance Corporation, 2024 Income and Rent Limits; Florida Department of Commerce, 2023 Occupational Employment and Wage Statistics (median wage by occupation in 2024 dollars); Shimberg Center for Housing Studies, Rental Market Study. Renter household counts exclude non-family, student-headed households.

80% AMI and below households make up the largest group of cost-burdened households in Broward County...



Cost Burdened Households by Income as a Percentage of Area Median Income (AMI), Broward County, 2022

Source: Shimberg Center tabulation of U.S. Census Bureau, 2022 American Community Survey

How much can workers afford to pay for housing each month?

\$600-799

- Bartenders
- Cashiers
- Childcare Workers
- Dishwashers
- Farmworkers
- Fast Food and Counter Workers
- Hairdressers
- Home Health and Personal Care Aides
- Hotel, Motel, and Resort Desk Clerks
- Janitors and Cleaners
- Laundry and Dry-Cleaning Workers
- Maids and Housekeeping Cleaners
- Preschool Teachers
- Retail Salespersons
- Security Guards
- Substitute Teachers
- Waitstaff

\$800-999

- Bus Drivers
- Construction Laborers
- Restaurant Cooks
- Customer Service Reps
- Food Preparation Workers
- Landscaping and Groundskeeping Workers
- Medical Assistants
- Nursing Assistants
- Office Clerks
- Pharmacy Techs
- Receptionists
- Tellers
- Veterinary Techs

\$1,000-1,200

- Dental Assistants
- Light Truck Drivers
- Painters
- Secretaries and Administrative Assistants

Source: Shimberg Center tabulation of Florida Department of Economic Security, Occupational Employment Statistics and Wages. Based on median wage for occupations in the Miami-Fort Lauderdale-West Palm Beach MSA. Assumes full-time worker, 30% of income spent on housing costs.

Key Question:

How can the
County help
create more
AH?

- Tools (\$\$, incentives, etc.)
- Predictability
 - Chicken and egg...
- Flexible Land Use
- Local Government Encouragement



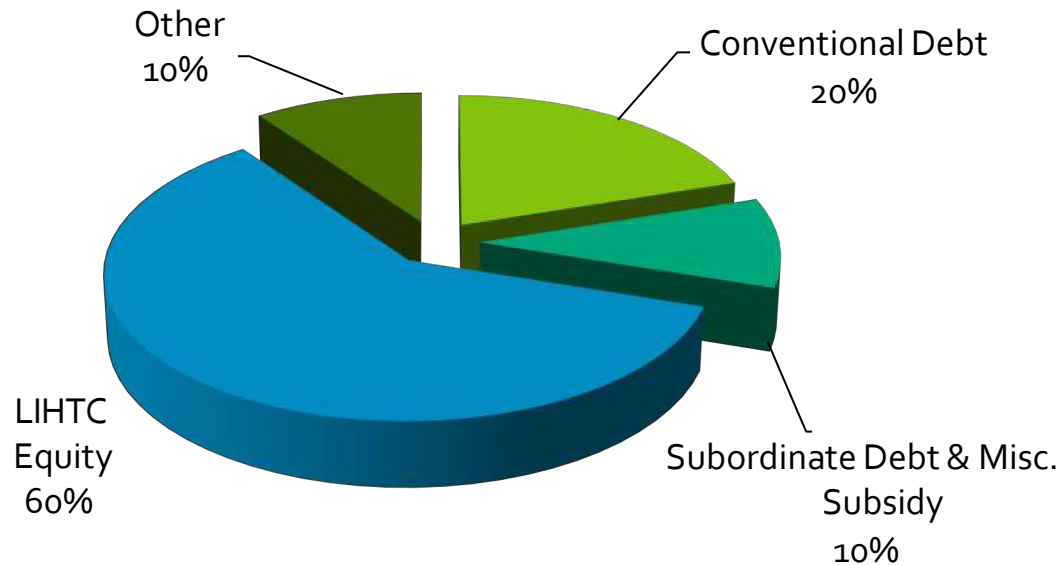
How can the County help create more Affordable Housing?

Financial Incentives

- Does the County have the ability or appetite to allocate more money?
 - Moreover, how do we stretch the County's dollars to build more homes?
 - Best leverage right now is through pairing with LIHTC (80% AMI and below)
 - Financial support to initiators / developers / nonprofits who'll create and/or preserve AH... with predictability
- Can the County financially incentivize local governments to support?
- Eliminating the cap on School Board impact fee waivers for 'A'ffordable Housing (80% AMI and below)
- Continue supporting waiver of Transportation Concurrency and Road/Recreational impact fees...

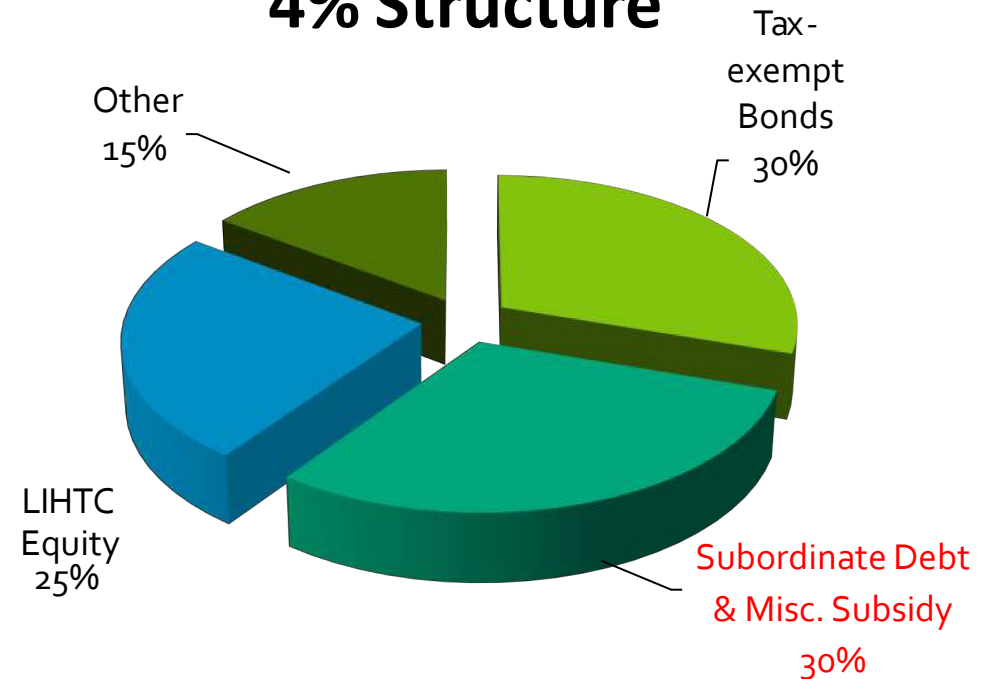
LIHTC – The Predominant Funding Source (but not the only one)

9% Structure



“9%” transactions are more competitive because there’s MUCH more LIHTC equity; more likely to balance the budget with less debt and local subsidy.

4% Structure



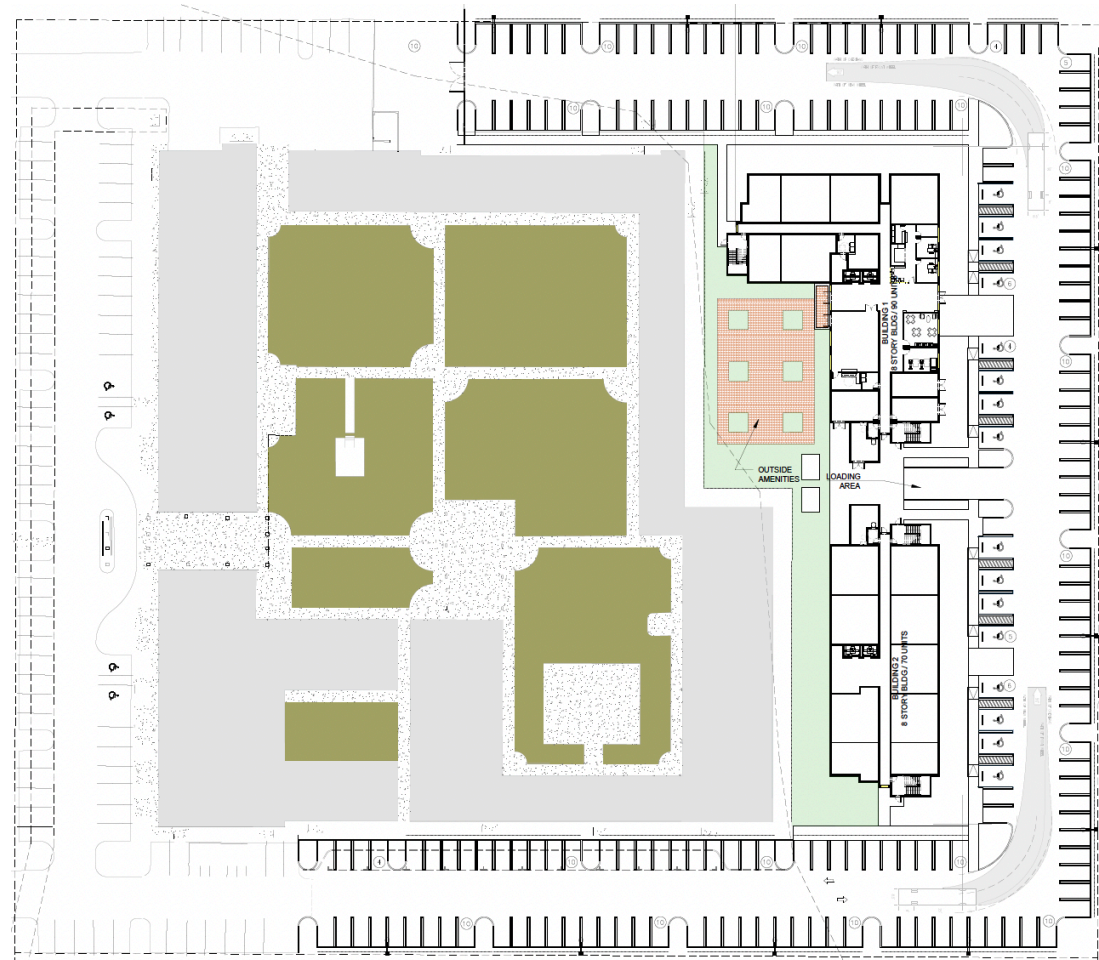
“4% / Bond” financing is less competitive; municipal bonds are somewhat easier to secure (albeit more complicated/expensive to finance) and the 4% credits are non-competitive, but lack of local subsidies (subordinate debt) make it (more) difficult to balance budgets.

*How can the
County help
create more
Affordable
Housing?*

A real example:
Aspire 1650

Aspire 1650:

- Three acres in Pompano Beach, adjacent to Broward Partnership NHAC
- Permits max of 138 units (including seven “flex” units from County)
- Using Live Local, we could develop 270 units (City working through regs)
- Projecting to develop a first phase of (only) 80 units
- With more money and predictability, we could build more, sooner...



*How can the
County help
create more
Affordable
Housing?*

Flexible Land
Use

- Continue updating County Land Use Designations as being open/permissible for 'Local Live Local' AH rezoning:
 - Church / Religious Institution
 - Community (Facility)
 - Activity Center
 - Institutional
 - Certain Industrial Land Uses
 - Rec / Open Space
 - Commerce

- Encouraging 'A'ffordable Housing, regardless of the distance to higher-use transportation hubs (passenger rail)
 - Land may be more affordable (feasible) and supply-side benefits for relaxing proximity to hubs
 - Perhaps more important for 80% AMI and below

How can the County help create more Affordable Housing?

Local Government Incentivization

“Carrot and Stick” approach with LG’s?

- Is the County able (and willing) to be more forceful in how they encourage LG’s to create more AH?
- Are there other types of funds the County is willing to administer *differently* to encourage LG’s?
- Prioritize support to cities that are willing to modify design guidelines and ordinances to better accommodate ‘A’ffordable Housing (remove retail, further reduce parking, relax setback and right-of-way requirements)
- Conversely, what about LG requirements for true third-party retail that is infeasible for ‘A’ffordable Housing (often in mixed-use districts)...

LOFTS ON 6TH

City of Fort Lauderdale

- \$43MM Public / Private Partnership
- Awarded 9% LIHTC
- 90 units for seniors at 80% AMI and below
- Rebuilding nonprofit (landlord) spaces



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Lofts on 6th

*Financial
Challenges*

Broward County awarded \$2MM, but financial viability is affected by:

- City's design guidelines
- Site constraints
- Environmental issues
- Interest rates, insurance premiums, and construction costs...

This creates a need for additional funds from both the County and the City...



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Lofts on 6th

*Navigating City
Guidelines*

The City of Fort Lauderdale has been very helpful despite its design guideline restraints

Challenges include:

- Need for wider sidewalks (varying from eight to ten feet depending on the street)
- Right-of-way, easement, landscaping requirements

Without reasonable flexibility, the building would likely need another deck of parking and go above 75 feet (millions more \$\$).



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*How can the
County help
create more
Affordable
Housing?*

Moving Forward

- Leverage County resources and incentives with a “kitchen sink” mentality
- Continue to deploy County resources into ‘A’ffordable Housing that’s also supported by Local Governments who provide their own \$\$ and flexibility
- Expand allowable County land use designations which could apply for ‘A’ffordable Housing, without needing land use amendments, plats, etc.
- Continue to push for creative solutions while incentivizing Local Governments to reasonably accommodate

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An illustration of several hands of different colors (brown, black, yellow, blue, purple) raised in the air against a light blue background. The hands are of various heights and are positioned as if they are being raised in a meeting or discussion.

Next BrowardNext Meeting

- September 26 at 9:00 a.m.
 - Affordable Housing Subject Matter Expert Presentations – Round 2
- Planning Council staff is available to attend and participate in your events, meetings, etc.
 - Email Barbara at bblakeboy@broward.org or call 954.357.6982



Want to stay in touch?
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