

**APPROVED**  
**AFFORDABLE HOUSING ADVISORY COMMITTEE**  
**MIZELL CENTER – 1409 NW 6 STREET**  
**2<sup>ND</sup> FLOOR AUDITORIUM**  
**MONDAY, NOVEMBER 15, 2010 – 8:45 A.M.**

**Cumulative Attendance**

<b>Committee Members</b>	<b>Attendance</b>	<b>7/10 through 8/11</b>	
		<b>Present</b>	<b>Absent</b>
Janet Riley, Chair	P	4	0
Jonathan Jordan, Vice Chair	A	3	1
Margie Alexander	P	4	0
Jason Crush	P	2	1
Bradley Deckelbaum	P	2	2
Peter Henn	P	4	0
Brian Poulin	P	3	1
Amanda Spangler	P	2	1
Rebecca Jo Walter	A	2	2
Roosevelt Walters	P	4	0

**Staff**

Susan Batchelder, Liaison, Community Development  
Angelia Basto, Clerk / Typist II, Housing and Community Development  
Barbara Hartmann, Recording Secretary, Prototype, Inc.

**Communications to City Commission**

**Motion** made by Mr. Henn, seconded by Mr. Walters, that given the addition of new members to the Affordable Housing Advisory Committee, the Committee as a whole believes it is in the best interest of the City to bring our final report to the Commission in mid-2011 as opposed to the end of 2010 as originally suggested at our prior workshop. In a voice vote, the **motion** passed unanimously.

**Roll Call**

Chair Riley called the meeting to order at 8:45 a.m. Roll was called and it was noted a quorum was present.

**Board / Staff Introductions**

None.

**Approval of Minutes – October 18, 2010**

**Motion** made by Mr. Walters, seconded by Mr. Deckelbaum, to approve the minutes of the October 18, 2010 meeting. In a voice vote, the **motion** passed unanimously.

### **Affordable Housing Strategic Implementation Plan**

- **Dedicated Sources of Funding**

Mr. Henn stated there was no new information to add. He asked that Mr. Crush share some information with the Board regarding this topic.

Mr. Crush said several years ago, Fort Lauderdale had conducted a study on the possibility of linkage fees and inclusionary zoning. He recalled that this plan was “shut down” by the development community, but suggested the Committee procure a copy of the report for review. Mr. Deckelbaum identified the plan to which Mr. Crush was referring as a draft version of the Downtown Master Plan. Ms. Batchelder said she would try to find a copy of this report and send it to the Committee members.

Mr. Poulin asked if the members were familiar with a document compiled by the State Affordable Housing Study Commission. While he said he did not agree with all the document’s conclusions, he felt many of its findings could serve as starting points for the Committee. He provided Chair Riley with a copy of the report.

- **Proximity of New Development**

As Mr. Jordan was not present, there was no new information at this time.

- **Infill Strategies**

Ms. Alexander said she had attended the October 19 City Commission meeting to discuss a list of surplus properties. She said it was a “very emotional” meeting for her, but this had led to a good discussion with the Commission. She felt that the northwest section of the City was being “sold off.”

Chair Riley recalled that the list of surplus properties had been discussed at the Committee’s October meeting with regard to the possibility that some properties could be appropriate for affordable housing. She asked Mr. Henn for an update.

Mr. Henn said he had proposed that the City Commission identify the properties on the list in the following manner:

- Property is needed for City purposes;
- Property can be sold;
- Property can be used for affordable housing opportunities, and could be sold to an affordable housing developer at market rate.

He had also advised that a portion of the revenue from sold properties could be used toward affordable housing. Mr. Henn said the City Commission did not respond directly to these proposals.

Mr. Walters said Ms. Alexander and Mr. Henn had made a good impression on the City Commission on behalf of the Committee, and he felt the Commission thought the Committee members provided them with good ideas. Chair Riley thanked the members who had attended the October 19 City Commission meeting.

Mr. Henn asked Ms. Batchelder to follow up on whether or not Staff had been asked to take action following the meeting. Ms. Batchelder said the direction to Staff was to determine what will be done with the properties and provide a timeline for this disposal.

She said the City will receive roughly \$2.3 million in neighborhood stabilization money, which concentrates primarily on purchasing foreclosed properties. There is no further direction regarding the disposal of these funds at present. She recalled, however, that many of the properties were purchased for affordable housing, and Staff would “keep moving in that direction.”

- **Coordination, Building Capacity and Partnerships**

Mr. Walters said there was nothing to add.

- **New Programs**

Mr. Deckelbaum said he is still working on this topic. He said he had researched several state and Federal programs from which funds are received, and asked if this part of the report should contain the names of available programs, noting that Staff would be able to do a better job of this than he would. He said another program ties into the infill strategy and how to use all the land. He also wanted to know if there are additional new programs.

Mr. Walters said he was concerned with the direction the State legislature might take with regard to providing funds for low- to moderate-income affordable housing. Mr. Crush said funds from the Sadowski Act and the State Housing Initiative Partnership (SHIP) have historically been used for affordable housing, but have been drastically cut in recent years in order to balance the budget. He said there will be a lobbying effort from several cities over the next couple of months to try and get SHIP dollars back.

Mr. Henn said when the Committee began discussing a strategic plan, the goal was to keep it very simple. He did not feel they should come up with a

comprehensive study, but should limit the list to four or five ideas that the City can undertake now. He said the greatest challenge was that the City's dollars were cut at the State level, and the Committee should seek tools that are "doable but still [a] political reality."

Chair Riley asked Ms. Spangler to partner with Mr. Deckelbaum regarding new programs.

- **Input from New Committee Members**

She recalled that at the previous month's meeting, the Committee had requested that its new members provide input on all the research report topics. Mr. Poulin distributed a document consisting of his notes on these topics, including what he has seen around the country as successful or unsuccessful.

He said there are several "stable federal programs" being used with regard to dedicated sources of funding; HUD financing is presently the medium of choice within the industry, particularly as Fannie Mae and Freddie Mac were associated with the economic crisis. HUD rates are very low and their terms are attractive. The Federal Tax Credit Program is also "stable and mature," and has developed more affordable units throughout the country than any other program today.

He provided a list of applicants for the Florida Housing Finance Corporation as well, noting that there were very few Broward County applicants. This is also a federal program. Mr. Poulin said the Committee could help the City "tap into" this program, either through developers or with this state allocating agency itself. He said it is "not the smoothest" finance authority available, but is working.

There are also HUD Rent Subsidy programs, which remain open "particularly for existing deals." HUD now allows 20-year and Section 8 contracts to be extended on many of their existing properties, and continues to issue portable vouchers.

Mr. Poulin said a key question is how to bring affordable developers to Fort Lauderdale. There are many organizations throughout the country whose primary business is affordable housing development. He said one possibility would be to include affordable housing as part of a market rate plan, but the City could also attract developers who could use the programs described above in order to either build new properties or preserve existing ones. Other states have used real estate tax pilots, or payment in lieu of taxes, which is of great importance to developers.

Dedicated pre-approved building sites are another possibility, as many developers are "nervous" regarding new affordable housing development due to the often drawn-out approval process. If the City has pre-approved sites for affordable housing, this process is much easier and can help developers avoid

being affected by the “Not In My Back Yard” syndrome. Cities procure pieces of land that are appropriately zoned, set them aside for affordable housing, and go out for RFPs to see what proposals developers submit. Pre-approved sites would help developers avoid trying to get a zoning change or going through “neighborhood issues.”

Mr. Poulin said “fee breaks,” such as removing building permit fees, are another possibility, as is insurance assistance, due to the cost of hurricane insurance in Florida. If the Housing Authority can issue project-based vouchers for a specific property, this also makes a project more financially stable. He explained that the Housing Authority gets portable vouchers from the federal government, which tenants can use to find a unit at more than one development. There are rules that allow some of these vouchers to be project-based “so they stay with the development.” If a tenant leaves and is replaced, the new tenant receives the benefit of the voucher.

Mr. Walters said the Committee has previously considered including items on how to make it easier for developers to create affordable housing. Mr. Henn said many of the recommendations Mr. Poulin included were also part of the SHIP report from two years ago “in a more general sense.” He said the focus for the upcoming report is primarily on what the City can do to, with the understanding that there is little control over state and federal processes.

Mr. Poulin asked how home and CDBG funds are used in Fort Lauderdale. Ms. Batchelder said these primarily go toward rehabilitating property, purchase assistance, and a small lease-to-own program as well.

Mr. Poulin asked if home funds are used to “cover gaps” in tax code modifications. Ms. Batchelder said the Housing Authority had never been approached for this use, but could be considered. Mr. Poulin explained that many developers who would like to build or buy in the City put together packages of resources. If there are gaps in their financing for the development, home funds could be leveraged toward millions of dollars’ worth of work, which would “cover the gap” in funding to get a deal done.

Ms. Spangler added that one reason Broward County has fewer applicants for state funding is “we don’t have a local match for those dollars,” which is a key criterion on tax credit applications. Miami-Dade County, for example, has a local surtax that matches these dollars. She agreed the City would be more competitive if it, or the County, could match these funds as well.

Mr. Poulin said it is often difficult for municipalities to erect new development locations without incentives, as it can be hard for an affordable developer to come into a “hot” area due to expense and competition. He noted that planned development areas could be required to set aside areas for affordable housing to

be a piece of that development. This allows affordable housing to become part of a planned community.

He concluded that attention can also be focused on preserving existing affordable properties, which are usually located in stable communities. He said this is often an opportunity to rehabilitate a development and make it either “fit into the community better” or even act as a catalyst for change for the larger community.

Infill strategies could benefit from being named pre-approved development sites, and the City could offer a list of pre-approved nonprofits who could gain access to this land at no cost. This would prevent land from sitting vacant for long periods of time.

Mr. Crush said Habitat for Humanity has a program similar to this with the County, which issues an RFP to which approved nonprofits may respond. He pointed out, however, that there are often title issues with these properties, which can take a very long time to clear up. He concluded that while this is “a great concept,” it is not as fast as expected. There are also issues with neighbors “no matter what.”

Mr. Poulin said many cities or housing authorities will hold seminars to try to bring developers in to “brainstorm ideas.” He said it is important to let developers know that a City is “open for business” to bring in affordable housing by removing potential roadblocks.

Chair Riley noted two questions on Mr. Poulin’s handout, which suggested the Committee define affordable housing and set goals for the City. She did not feel these questions could be addressed at present, but agreed the Committee needed to discuss them in the future.

Mr. Walters noted that affordable housing is defined already, and percentage goals are set by the City. These issues were discussed at an earlier joint session with the City Commission. Chair Riley said her concern was that when affordable housing is discussed in general terms, it can include people with above-moderate incomes and not assist people at the lowest end of the economic spectrum. She stated this should be addressed by the Committee.

Mr. Crush said perhaps the Committee should define what they are trying to accomplish, such as the end result they would like the City Commission to act upon. He did not feel “the work of affordable housing” would ultimately be done by the City, but by the private sector, and it must be made desirable for them to build in Fort Lauderdale. He pointed out that the approval process in Fort Lauderdale is very expensive and time-consuming, even when a developer is friendly with City Staff.

Mr. Henn said the Committee was established in response to State statutes, which said the City must establish a committee to “pass a SHIP report” and accept certain funds from the State. As the Committee worked toward this requirement, they realized there were many more affordable housing issues that were not being addressed by the SHIP report. They had asked the City Commission to grant them a longer charter and scope, through which the Committee would come back with additional ideas. The Committee felt “a very simple report of recommendations” outside the SHIP report would be best for the Commission, which could ask Staff to act on the recommendations. Mr. Henn said this was “new territory” for the City, which has never reviewed affordable housing needs outside the requirement to pass the SHIP report.

Ms. Alexander said she felt the Commission’s concern was that the City did not have funds for the purpose of affordable housing. She felt if there is “other money” available, the Mayor and the City Commission would listen to the Committee’s recommendations.

Mr. Poulin said this is a common issue for cities around the country, but noted that many cities will leverage available state and federal resources to develop affordable housing. Ms. Alexander agreed the Committee was expected to “find other ways” that would not come at cost to the City.

Mr. Crush said the issue was a need for land in Broward County; the developers would find the money themselves if the City made it easier to access the land. He asked if the report would offer recommendations from the Committee on “how to streamline” the development process.

Mr. Henn said it is important for all members of the Committee to move toward the same goal, even with their varying levels of day-to-day experience with affordable housing. He noted they did not feel they could get the City to raise taxes or give money toward affordable housing, which meant their goal should be to make it easier for the Commission to “bless” an Ordinance that would make it easier for City Staff to work with developers and remove limitations.

Mr. Deckelbaum asked how Fort Lauderdale differs from other cities aside from funding, zoning, and neighborhood issues – for instance, what it is lacking to make affordable housing development easier. Mr. Crush said the process is slower in different cities, although not necessarily lacking: while Fort Lauderdale is “very friendly” and willing to waive building permit fees, there are simply “a lot of things that have to be done to get a project approved.”

Mr. Poulin said his decisions regarding what cities he will or will not go into is dependent on a risk profile. The question is whether or not it is risky for him, as a for-profit developer, to go into a particular city or state. He said there are cities

that are “not friendly enough to take that risk away,” and he would rather go to an area where he felt welcome. He noted that he has looked at projects constructed in the 1970s that do not meet current hurricane Code, which creates an insurance issue that can affect financing.

Mr. Walters stated that his idea was to present a report to the City that would result in the adoption of the Committee’s ideas and an attempt to bring them about. He noted that while the City would not be able to affect community resistance to affordable housing, the presence of developers on the Committee has “shed a lot of light [on] where we should be going.”

He added that the Committee has also discussed workforce housing, which he hoped would be part of the report as well, and asked the new members to continue to bring their expertise to the Committee so they can all be more knowledgeable as they proceed.

Ms. Spangler agreed with Mr. Henn that the recommendations in the Committee’s report should be very specific. She recalled that a similar committee had met in the town of Davie and submitted a report offering goals and ideas on how the goals could be met. The Town Council ultimately approved a number of these recommendations.

Mr. Poulin said if the County will not approve real estate taxes, other cities have offered programs through which he would “put the development together [and] a city entity would own it.” Developers would then lease the property back from the city. This meant the city-owned development was not on the tax rolls, and the developer and the city would agree on a particular tax amount.

Mr. Deckelbaum asked at what point the Committee would consider a recommendation to be “politically risky or unviable,” such as the example of city-owned property Mr. Poulin had described. Ms. Spangler said it might be best to include all the ideas discussed and prioritize them in order of potential effectiveness.

Chair Riley thanked the new members for their feedback, and suggested that the teams working on specific topics might incorporate these proposals into their reports.

### **Communications to City Commission**

Mr. Walters asked what the target date would be for the report. Mr. Henn said he did not feel the City Commission had a specific date in mind, particularly as new members had recently been appointed to the Committee to provide new input. He asked Ms. Batchelder if she felt they should address the Commission to let



them know a report would not be complete in December 2010, or if they should inform the Commission that more time would be necessary.

**Motion** made by Mr. Henn, seconded by Mr. Walters, that given the addition of new members to the Affordable Housing Advisory Committee, the Committee as a whole believes it is in the best interest of the City of Fort Lauderdale to bring our final report to the Commission in mid-2011 as opposed to the end of 2010 as originally suggested at our prior workshop. In a voice vote, the **motion** passed unanimously.

### **Other Business**

Ms. Batchelder pointed out that the regularly scheduled meeting date in January 2011 would fall on a City holiday. Mr. Walters suggested that the January meeting could be moved to January 24.

### **Good of the Order**

None.

### **Adjournment**

There being no further business to come before the Committee at this time, the meeting was adjourned at 10:00 a.m.

[Minutes prepared by K. McGuire, Prototype, Inc.]