

APPROVED
AFFORDABLE HOUSING ADVISORY COMMITTEE
MIZELL CENTER – 1409 NW 6 STREET
2ND FLOOR AUDITORIUM
MONDAY, DECEMBER 19, 2011 – 8:00 A.M.

Cumulative Attendance

Committee Members	Attendance	7/11 through 6/12	
		Present	Absent
Jason Crush, Chair	P	3	1
Bradley Deckelbaum, Vice Chair	A	3	1
Margie Alexander	P	2	2
Peter Henn	P	4	0
Jonathan Jordan	P	4	0
Michelle Klymko	A	3	1
Edwin Parke	P	4	0
Brian Poulin	P	3	1
Janet Riley (8:14)	P	4	0
Amanda Spangler-Bartle (8:06)	P	3	1
Rebecca Jo Walter	P	2	2
Roosevelt Walters	P	3	1

It was noted that a quorum was present at the meeting.

Staff

Lee Feldman, City Manager
Diana McDowell, Liaison, Housing and Community Development Division
Jonathan Brown, Housing and Community Development Manager
Angelia Basto, Administrative Aide, Housing and Community Development
Barbara Hartmann, Recording Secretary, Prototype, Inc.

Communications to City Commission

None.

Roll Call / Determination of Quorum

The meeting was called to order at 8:04 a.m. Roll was called and it was noted a quorum was present.

The following Item was taken out of order on the Agenda.

Approval of Minutes – November 21, 2011

Motion made by Mr. Walters, seconded by Mr. Jordan, that the minutes be accepted as written. In a voice vote, the **motion** passed unanimously.

Discussion on Goals and Work Plan

- **Inclusionary Zoning Policy**

Ms. Spangler-Bartle arrived at 8:06 a.m.

Mr. Henn distributed a handout on inclusionary zoning to the Committee members. He explained that it included a brief history of what the City Commission has already done, and recalled that they had shown consensus support for inclusionary zoning rather than for any commercial fees. Mr. Henn stated that he felt this was instruction to the Committee to proceed with the development of an inclusionary zoning recommendation.

The handout also included a quick overview of what was presented to the City Commission by the Committee: a recommendation that all development applications proposing 10 or more residential units should provide 10% of the units at a price that is affordable to low- or moderate income residents, or make a payment of \$100,000 per unit in lieu of this inclusion.

Mr. Henn advised that based upon his research, he felt the Committee and Staff should establish an analytical basis to support the 10% inclusionary zoning proposal or the payment in lieu. He noted that should the proposal be adopted as it stands, with no basis for support, a developer could file suit.

He observed that the Committee must establish they did not arbitrarily arrive at the 10% recommendation for inclusionary zoning, possibly by noting that other municipalities have set out a higher percentage, such as 15%, as a goal. He pointed out that when an expensive new home, condominium, or other residential unit is constructed, the individuals who help build and service that residence do not live in it, but instead require more affordable housing. Mr. Henn clarified that his use of "affordable" in this case referred to low- to moderate income or workforce housing.

Ms. Riley arrived at 8:14 a.m.

Mr. Henn stated that the proposed inclusionary zoning policy must be able to pass muster with both the City Attorney's Office and the City Commission. He advised that the final analysis should be brought before an Assistant City Attorney for approval, after which the Committee members could work with Staff to finalize the proposal. He concluded that he would also like the City Manager to see the Committee's proposal, as the City Commission could have a different makeup after the 2012 elections and therefore a different reaction to the Committee's work.

Ms. Walter advised that the available raw data can be analyzed in different ways, and offered to bring some of the calculations to the next Committee meeting. Mr. Henn noted that while this information would not be part of the suggested Ordinance and might not be seen by the City Commission, it would be prudent to provide the methodology for the proposal as backup material.

Ms. Spangler-Bartle stated that while Broward County's linkage fee study did not look into indirect costs and services related to a commercial building, she felt it could provide a template for the methodology.

Mr. Walters said he was concerned that requiring 10 affordable housing units in a 100-unit complex, for example, could be cited by developers as a hindrance to his ability to sell units; the developer might then suggest that he construct the affordable units elsewhere. He explained that he wanted to ensure the policy did not inadvertently result in the creation of a ghetto consisting primarily of low-income housing units. Mr. Henn said if the proposed Ordinance passes, very little affordable housing would be built by developers, as most of them would prefer to make payments in lieu. This would particularly be the case as the real estate market recovers.

Ms. Alexander asserted that development of low-income housing did not necessarily mean a ghetto, pointing out that a mixture of people with different incomes and backgrounds were likely to be the result. Mr. Walters explained that if low-income housing is concentrated in a single area, there is a greater chance that it will create a ghetto; if the units are scattered throughout the City, this is less likely to happen.

Chair Crush asked Ms. Spangler-Bartle if she felt the methodology used by Broward County would help provide sufficient background material for the Committee's proposal regarding inclusionary zoning. Ms. Spangler-Bartle noted that this methodology shows that a person working on a building, for example, would need a house he or she could afford, although it does not consider some of the indirect services noted by Mr. Henn. She advised that this information should, however, be available from other sources.

Mr. Henn explained that his intent was to provide background information that would make it difficult for an attorney to sue against the proposed policy. He commented that the courts have been very supportive of governmental efforts toward affordable housing.

Ms. Spangler-Bartle asked if the Committee should undertake the technical analysis to support a proposed Ordinance, or if they should simply make a recommendation. Ms. Walter said she felt they should at least start by developing an analysis and then having someone else review their data.

Mr. Henn remarked that the Committee could work together in groups at the next few meetings rather than doing the work at home. He suggested that they ask an Assistant City Attorney to advise the Committee of whether or not they were using the correct methodology.

Mr. Poulin agreed that most developers were likely to make payments in lieu rather than including affordable housing units, and observed that this could result in the most options for the City.

Chair Crush asked if Mr. Brown or his Staff performed analyses of the kind they had discussed, or had any similar data on hand. Mr. Brown replied that Staff does not typically conduct these analyses, but could provide the Committee members with information. They could also ask Staff from other City Departments to work with the Committee.

Chair Crush asked for a volunteer to gather the data. Ms. Walter said she could do this. Ms. Spangler-Bartle offered to bring some information as well, and Mr. Henn said he could provide a copy of the Chapel Hill study he had used to help him prepare the handout for the members.

City Manager Introduction

Mr. Feldman joined the meeting at 8:31 a.m. and the Staff and Committee members introduced themselves at this time.

Mr. Feldman recalled that affordable housing has been a topic of discussion by the City Commission over the past few months. He advised that he prefers the term "workforce housing," as this refers to residents who are actively employed; however, since 2002, the housing market in south Florida has been priced out of the reach of most working people.

He stated that an RFP that will take an inventory of existing affordable housing throughout the City will be sent out in 2012. This inventory will note where affordable housing is located, how it is being used and maintained, whether it is owned privately or publicly, and other factors. The next step is to determine whether or not there is enough affordable housing in the City, and if parts of the City are oversaturated or deficient in affordable housing. Mr. Feldman estimated that this would be a six- to eight-month process.

He noted that if there is not enough affordable housing in Fort Lauderdale, there will also need to be discussions on what form it should take: for example, whether there should be more rental opportunities or encouragement for private ownership, or if single- or multi-family residential units should be encouraged. He said the goal is to strike the right balance of affordable housing for the City. Mr.

Feldman estimated that responses to the RFP would be received in February 2012 and the contract would be awarded by the end of March.

Mr. Walters suggested that in addition to determining where and how much affordable housing should be in the City, there should also be consideration of how much affordable housing is already in existence, including units that should be torn down and replaced. With regard to ownership and rental, he added that the City should consider individuals who cannot afford to buy homes.

Mr. Feldman suggested that the City should prioritize how it uses its limited budget to assist in the development of affordable housing, noting that recently, three separate companies had requested \$175,000 each from the City Commission for the development of affordable housing, which would have been problematic if all three requests came to fruition. He concluded that the City does not have a great deal of money at present, and there should be a better process in determining which projects receive City funding.

Chair Crush asked how Mr. Feldman thought the RFP study of affordable housing should be used. Mr. Feldman explained that part of the study would develop an affordable housing master plan, and forthcoming projects requesting City assistance would have to be consistent with this plan.

Chair Crush stated that the Committee is working on inclusionary zoning, with the goal of creating more dollars that the City could use to support affordable housing. He observed that the study could also set out a way to regulate these funds.

Ms. Spangler-Bartle agreed that the City should have an overall plan for affordable housing and should ask individual programs or developments to meet that plan. She added that the Committee has made recommendations in the past, but these have not been acted upon. Mr. Feldman said the City's administrative organization is changing in order to be more responsive to plans and studies rather than creating them but not acting on them.

Ms. Walter advised that typically, consultants will focus on economic factors and provide feedback similar to the needs assessments that have already been done; however, she pointed out that a social component should be included as well, such as determining the appropriate level of mixed incomes for a development. She cautioned that if the methodology included in the RFP is not sufficiently specific, the study would be too similar to what has already been done and will not help the City arrive at answers.

Mr. Feldman asked to see some of Ms. Walter's thoughts on the methodology to use in the study. He explained that it would use a triple bottom line: proposed

projects must be economically and environmentally viable as well as socially equitable.

Ms. Alexander said she has been a member of the Committee for four years, but has not seen any concrete action taken on their recommendations thus far. She advised that there is a perception of prejudice in Fort Lauderdale that makes it difficult to take some actions. She felt the Committee could provide a great deal of insight to the City Commission.

Chair Crush offered any assistance that the Committee could provide, noting that most of the members have worked on this issue for a long time and can bring their different perspectives to bear on it. Mr. Feldman suggested that a member of the Committee could sit on the selection committee for the RFP. Mr. Poulin offered to provide him with examples of municipalities that have addressed affordable housing effectively.

Mr. Feldman left the meeting at 8:57 a.m.

- **Tax Credit Programs**

Mr. Poulin explained that tax credit programs are directed to qualified allocation plans (QAP) that are set forth by the State. These plans provide direction on how tax credits will be allocated, and are the primary funding program for affordable housing today. The funding municipality must pledge a certain amount of support, such as \$125,000 or \$175,000, to a project. He added that should three projects, for example, request this type of funding from the City, it is unlikely that all three projects would ultimately receive tax credits and therefore receive the requested allocation. If the City does not pledge these funds toward a project, they have effectively removed themselves from competition for the project.

Mr. Poulin continued that the City should establish a program that maximizes Broward County's chances of hosting these projects. He noted that it is possible City officials are not aware of what they can do to maximize the points for these projects.

Mr. Brown commented that the Committee may ultimately need to recommend criteria for the types of projects for which funding from inclusionary zoning can be used; if they do not help clarify these types, it is possible that they will be left open to interpretation and could be misunderstood.

Mr. Henn recalled that Mr. Feldman had used the term "workforce housing" rather than affordable housing. Mr. Brown said he had heard the City Commission discuss definitions for these two terms, and noted that the Department of Housing and Urban Development (HUD), the state, and other

entities define them differently. He recommended that the Committee arrive at a definition that the City could use, potentially for purposes of inclusionary zoning.

Ms. Walter pointed out that tax credit housing is currently the primary program used for funding affordable housing, as there are more tax credit units available in some places than there are Section 8 vouchers. Mr. Poulin noted that this does not, however, protect the individuals with the lowest incomes.

Mr. Henn suggested that the Committee begin using the term “workforce” as a way to deal with the “not in my back yard” problem, and to follow the City Manager’s lead. The term could be broadly defined for use within the City. Ms. Riley cautioned, however, that this must be done carefully, as the term could be used to refer to individuals earning a higher income than those the Committee hoped to help.

Communications to City Commission

None.

Agenda Topics for Next Meeting

It was determined that the Committee would meet on Tuesday, January 10, 2012 at 8 a.m., as the regular Monday falls on a holiday.

Other Business

None.

Good of the Order

Mr. Henn suggested that they defer appointing a member of the Committee to sit on the City’s RFP selection committee until they have had the opportunity to see a draft of the RFP. He explained that the nature of the RFP would determine the best person to participate in the selection process.

Motion made by Mr. Henn, seconded by Ms. Riley, to defer the Committee’s decision on who sits on the selection committee. In a voice vote, the **motion** passed unanimously.

Adjournment

There being no further business to come before the Committee at this time, the meeting was adjourned at 9:24 a.m.