

Chair Orshefsky called the meeting to order at 9:00 a.m. Roll was called and it was noted that a quorum was present.

II. APPROVAL OF MINUTES – November 26, 2018

Motion made by Mr. Cooper, seconded by Ms. Daly, to approve. In a voice vote, the **motion** passed unanimously.

III. OLD BUSINESS

- **Presentation by Consultant Kittelson and Associates on behalf of Urban Planning and Design**

Mr. Hetzel introduced staff and indicated that this is a presentation from Kittelson and Associates on an Affordable Housing topic tied to the Transit-Oriented Development Planning Grant that the City was awarded by the Federal Transit Administration (FTA). The presentation is going to be very focused on a project area. Even though Affordable Housing is being discussed, Kittelson and Associates efforts, data collection, and presentation is going to be about the study area. Part of the Transit-Oriented Development (TOD) scope, patterns, and principles is to have Affordable Housing. The City was very focused when they did their scope of work seeking a consultant to deal with Affordable Housing and that is what Kittelson has done. It was noted that the grant was \$1.2 million. The City lost the WAVE, but the FTA allowed the City to keep the grant to continue the study of transit-oriented development.

Fabien De La Espriella, project manager with TOD Planning Study, introduced their team, Kittelson and Associates, and Sujata Srivastava, with Strategic Economics, who will be giving part of the presentation. Handouts were distributed relevant to information that will be provided throughout the presentation. The purpose of the planning study is to advance the City's vision and utilize as a foundation to move forward. The purpose is also to enhance quality of life by making neighborhoods walkable, connected and accessible for everyone. The City was awarded a planning grant by the FTA and mechanisms are being explored to provide the City with guidance to do and utilize proper regulatory tools to address various issues that are related to making the City a walkable, livable, connected place. Creating a walkable City and providing multimodal transportation options were identified and top rank priorities of the Fort Lauderdale vision plan for 2035. Two items from the vision plan talk about connection and the community and moving easily through a safe transportation system where the pedestrian is first. Planning started in April and their timeline goes through August 2019. Kittelson and Associates are working through the housing analysis, have done a heavy public outreach component to the project, and are also doing a market assessment.

Ms. Srivastava provided a Power Point regarding demographics, housing analysis, population, types of households, median age, race ethnicity, income, industries, median commute, commute patterns, Housing and Transportation Affordability Index, and housing market analysis. It was noted that the average worker in many industries would not be able to afford studio units and could not afford a unit priced above \$675 for a studio or \$817 per month if they were in the retail sector. When looking at market potential by income, 56% of target renter households have incomes less than 80% of the MFI making under \$45,000 and 44% of the target households are above 80%. For buyers, it is a little different; 33% of condo buyer market would be above 120% and it is similar for townhome buyers.

Chair Orshefsky questioned if Ms. Srivastava was talking about housing or the individual.

Ms. Srivastava clarified that these are households, not exactly the workers that are currently here, but rather people who might come in the future looking out ten years.

Chair Orshefsky stated this is potential future residents based upon past performance data income levels of people who might have decided they are going to come here based upon trends.

Ms. Srivastava indicated that a lot of them might already be in South Florida. When looking at migration patterns, most movers are coming into the City from nearby regions, but many are outside of the State and some are International.

Chair Orshefsky commented that there is a sentiment within the planning area that if you build it they are going to come. She questioned if this analysis suggests that population is going to come, and the question is if there will be housing and other supports for that population.

Ms. Srivastava believed that the analysis suggested that the population that would move to this area would have a wide range of incomes. Some of those peoples' needs are getting met by the market, but for many that is not the case. The other piece of the marketing analysis is figuring out how many of the people moving into the planning area are more realistic to capture within the planning area. 20% to 25% of the renters could be captured, so that would be about 600 units per year and 10% to 15% of the for-sale units could be captured within the planning area. This acknowledges that there would not be 100% of the potential within the planning area.

Mr. Jernigan mentioned some of the slides showing an urban housing category and questioned why one did not.

Ms. Srivastava stated that the thought was that there would be less opportunities to do a single-family type of urban house in the planning area, but that number does exist and can be inserted. The question is to what extent does that product type make sense in this planning area.

Chair Orshefsky questioned if there was a reason why less than 50% MFI was not being done.

Ms. Srivastava indicated that the number exists, it just has not been summarized. During previous interviews and work in other regions, sometimes that income segment can be better served through Tax Credit Housing; it is difficult to find subsidies for the 50% to 80% band. Often the 50% and below is not as important for something that is more of a privately led policy because there are certain sources of funding available and those numbers can be presented. Another summary slide showed that new developments are serving 100% and above incomes, which are primarily serving the smaller households such as the 1% to 3% households. There are unmet affordability needs for low and middle wage workers and workers that are commuting longer distances from some of the lower cost neighborhoods.

In conclusion, Fort Lauderdale has high combined housing and transportation costs and the costs, particularly for housing, vary a lot within the planning area. Transportation cost is lower when getting into the planning area than some of the surrounding neighborhoods, so there are opportunities to make investments in multimodal transportation to help increase affordability of the adjacent neighborhoods. There is a strong housing market potential in the planning area, about 6,700 households a year, and those include a range of market rate households, which is anything 120% and above, about a third, and then affordable households, the 80% to 120% band, at 16%. All the other households are low 80% MFI or 54% overall of the market potential. The planning area could capture about 600 to 800 households per year over the next five years; the strongest for rental apartments, followed by condos and townhouses. The new housing and prices in the planning area are affordable to the 100% to 120% range and above and 20% of the workers in the planning area are low wage workers who would not be able to access the housing above 50% MFI.

Mr. Cooper questioned the income of the 1,200 workers living in the planning area.

Ms. Srivastava did not know; data is presented in aggregate for all the workers in the planning area.

Mr. Jernigan thought that the number of people who live outside the area and commute in and those who live in the area and commute should be addressed. Those people are spending a lot of time, energy and money on transportation to get to their jobs.

Opportunities that can reduce transportation costs in and out of the planning area need to be highlighted. Mr. Jernigan expressed concern as to how connectivity looks between the low-cost housing area outside the planning area and the reason people are living in low-cost housing areas and coming into the City. Providing Affordable Housing on some of the most expensive land in the City is probably less effective than appropriately addressing the transportation cost from low cost housing in and out of the City.

Ms. Takesian advised that transportation costs outside of the planning area are being considered because affordability is there. The question of walkability for those communities is one area as well as a network for biking and walking. For transit to work, those areas need to be comfortable for people to walk in terms of physical space, sidewalks, shade, and security. The other part is what the transit service looks like. Each of these areas are being looked at carefully. Ms. Takesian stated that extensive interviews were conducted prior to the process and there was discussion about the opportunity to increase the span of service available for transit, which is not good in places. Information is being presented with the hope to understand the direction people want for developing strategies related to transportation as well as affordability in that location.

Chair Orshefsky commented that it would be helpful to understand the demographic makeup of the work force to understand better why they are living elsewhere and how far they are coming.

Ms. Srivastava advised that it is difficult to get data for workers because the census data is organized by where people live. There is a map that shows where people are commuting from and the origin of the workers is quite scattered.

Ms. Northard mentioned transportation costs are revealing and compound some of the affordability costs dramatically that are not normally discussed. It may shift some of the 50% people into a different category. She agreed with understanding where people are coming from and how it affects transportation considerations in the future.

Ms. Takesian indicated that one of the things transportation can do, and part of the reason people like rail, is because it helps to focus investment. Unfortunately, affordability in places served by rail is difficult nationally. The WAVE has gone away but the opportunity does exist for a circulator type service where it can be made more corridor based. Travel times need to be reviewed and how it will capture much of the market.

Ms. Northard questioned if the costs for people who are at the lower to median income would be considered.

Ms. Takesian indicated that in looking at the levels of car ownership, people are almost required to have a car. The cost of owning a car is about \$9,000 per year and if there is a low-income household with several people working, each of those cars is a cost burden. Areas where affordability exists within the zone will be looked at and how it can be served better by transit.

Chair Orshefsky advised that the County requires the City to do a snapshot of available inventory if over 100 units are being built. She questioned what inventory there is at different levels in the planning area and what the existing housing stock is.

Ms. Srivastava stated that median rents were mapped by zip code.

Mr. Cooper questioned what is happening to the other 30,000 people that are commuting into Fort Lauderdale because that is about 37%. He also questioned where those people are working.

Ms. Takesian indicated that jobs are highly disbursed in the area and the concentration of jobs within the study area are being looked at but does not include the airport or the Port.

Chair Orshefsky stated that the City is looking at uptown again and questioned what percentage of the missing 30,000 disbursed workers throughout the City are going to the uptown area. That might be good to know since there is thought about creating that area as another mixed use walkable community.

Mr. Hetzel advised that the land use plan amendment proposed for the area is currently on hold. In the land use plan amendment, the additional residential units that were tied to the program had a 15% set aside for Affordable Housing. The area was also eligible for flex units similar to the other Regional Activity Centers downtown and so forth.

Chair Orshefsky stated that there is a large concentration of workers in that area and the City is just starting to get focused on a master plan for that area too. That is complimentary and consistent with discussions this Committee has had about looking at other areas within the City to provide Affordable Housing units the workforce needs.

Mr. Steward questioned if jobs being created in certain areas should be looked at as well, so transportation could be incorporated into the overall planning going forward.

Mr. Jernigan mentioned looking at employment by industry for the planning area and noted that healthcare, professional scientific, and public administration make up 45% of the jobs in the area. Healthcare and social assistance are government related jobs and

public administration is the School Board, Fort Lauderdale, or Broward County. It seems like one of the easiest solutions to solving Affordable Housing in the planning area would be for those employers to pay their employees a salary that would allow them to spend less than 30% of their income on housing.

Mr. Steward questioned if there was a profile for the 1,100 people who live and work in the planning area.

Mr. Srivastava advised that the data could not be broken down in that way, probably due to confidentiality reasons.

Ms. Epstein mentioned mass transit in New York and questioned if there are Cities like Fort Lauderdale that have better transit. She questioned if the option was more buses within the communities.

Ms. Takesian agreed that there are a lot of other places struggling with this and options are being considered. This is a housing issue and the Penny Tax money needs to be thought about because there is a lot of disbursed demand throughout the area and how it should be used best. Transit options are also combined with Uber and Lyft and people are looking at how to make that work as well. The reason rail performs better is because it does not go away. If schedules are constantly changed and transit is defunded because it has a high operating cost, that is a problem because people do not make investment decisions based on service that can move. Having a stake in the transit discussion is critical.

Chair Orshefsky requested a copy of the Power Point.

- **2019 AHAC Meeting Dates Revised**

Chair Orshefsky thanked Ms. Wilkinson for moving the meetings to the 8th floor.

Motion made by Mr. Jernigan, seconded by Ms. Northard, to approve the new location for the 2019 meeting dates beginning in February 2019. In a voice vote, the **motion** passed unanimously.

- **Affordable Housing Trust Fund current balance**

Ms. Wilkinson advised that the balance for the Trust Fund is currently \$866,982.63.

- **New Local Housing Assistance Plan for 2019-2020, 2020-2021 & 2021-2022**

Chair Orshefsky advised that staff would bring a draft in January for Committee approval. Comments need to be given to Ms. Wilkinson so they can be incorporated

and circulated. Chair Orshefsky requested that IT send members new passwords or set it up so the passwords can be reset when they expire.

Ms. Wilkinson advised that she would follow up with IT.

Chair Orshefsky referenced Page 3; Priorities for Funding. The focus was on SHIP funds in the northwest area and elderly and special needs persons. Elderly and special needs have a 20% set aside, so that is clearly a priority that needs to be kept consistent. Chair Orshefsky suggested that mechanisms be provided for Affordable Housing to occur in other parts of the City. If that is still a consensus of this Committee, she suggested that the priority be modified to be consistent from the AHAC report. Page 5 of the final version of the AHAC report, the first recommendation to the Commission created the Affordable Housing Overlay Zoning District to permit higher density, etc. for Affordable Housing developments Citywide. To the extent that a broader perspective is being taken that Affordable Housing should be available Citywide, she would suggest that be a priority that would be modified if there is a consensus.

Mr. Jernigan agreed but stated that this LHAC is for the next three years. A lot is coming down the pike on Affordable Housing in the next two to three years; the Kittelson report will be finished, the Trust Fund will grow, and there will be discussion about other housing programs the City might want to embark upon. Mr. Jernigan's view was that the potential for the City to address Affordable Housing should be community-wide and community-based. He believed that for the next three years, the Committee should continue to focus on the northwest sector because that continues the desire to see that SHIP funding goes to where the highest need has been demonstrated.

Chair Orshefsky commented that Vice Chair Walters has consistently said, "Let's put Affordable Housing in other areas" and he is a resident in the northwest section.

Mr. Cooper believed that part of the mission should be stated. Perhaps a special emphasis should be put in the northwest because the need appears to be greater there, but other areas of the City should be looked at overall.

Chair Orshefsky asked Ms. Wilkinson if the rehabilitation money for owner occupied was the greatest need and whether the focus over the years has been consistent in the northwest section. Maybe this could be refined to say, "The focus of SHIP funds for rehabilitation and preservation of Affordable Housing" and add a third priority, which would be, "Funding assistance be provided to developers of rental housing Citywide".

Mr. Jernigan indicated that the issue was not that money received from SHIP and what was being done with it is overburdening the northwest section; it is not overburdening.

He concurred with Vice Chair Walters long-term. The amount of money is about \$200,000 to \$300,000 and the greatest need is there. Concentration should be on where a benefit to the community can be seen.

Ms. Wilkinson advised that the City Manager requested this be targeted, but rehabs are done in all areas. Last year, 17 or 18 rehabs were done; usually ten per year are done and the average cost is about \$30,000 to \$60,000.

Mr. Jernigan was comfortable with the existing language in the document and believed it was sufficient for the next three years.

Chair Orshefsky suggested that priorities should include providing funding assistance for the development of new rental housing. That is not a priority in this document, but the Committee was told that is one of the greatest needs.

Motion made by Mr. Cooper, seconded by Ms. Daley, to add a third criterion related to rental housing. In a voice vote, the **motion** passed unanimously.

Chair Orshefsky referenced Page 14 in the LHAP and noted that there is "Incentive Strategies". She suggested incorporating Items #1 and #3 as "Other Incentive Strategies". Incentives were well received by the City Commission and it would be consistent to incorporate them into the LHAP taking the same language from the AHAC report.

Ms. Wilkinson mentioned that the incentives must be adopted.

Chair Orshefsky commented that at the last meeting it was said that if the City wanted to spend SHIP money it had to be in this report. Chair Orshefsky stated that Items #1 and #3 are currently being implemented by the City; the City Commission has directed staff to work on addressing these.

Ms. Wilkinson indicated that once the incentives are adopted and implemented a review of the LHAP can be done and they can be added.

Chair Orshefsky referenced Page 12, Sub-Paragraph F, Recipient Selection Criteria, and noted that it did not make sense if money was being given to developers.

Ms. Wilkinson stated that Sub-Paragraph F was for people who are going to receive for rental housing and Sub-Paragraph G was for the developers.

Chair Orshefsky commented that the recipients of these funds are the developers, not the individual renters.

Mr. Jernigan questioned if the developer has to say who the user is going to be to qualify to receive funds.

Ms. Wilkinson replied no; this is just a draft and can be changed.

Chair Orshefsky indicated that if the recipient is going to be in rental housing, in order not to bump into Fair Housing issues, etc., the focus would be individuals earning 60% or below the area median income. Chair Orshefsky clarified that this would be housing for individuals earning not more than 60% of area median income.

Motion made by Ms. Northard, seconded by Mr. Jernigan, to change the recipient selection criteria for the strategy for rental development to include individuals earning not more than 60% of area median income. In a voice vote, the **motion** passed unanimously.

Chair Orshefsky mentioned the next line in Item G says, "Developers will apply to the County" and believed it should say, "City".

Motion made by Mr. Jernigan, seconded by Mr. Cooper, to change County to City in Item G. In a voice vote, the **motion** passed unanimously.

Chair Orshefsky referenced Item #6, Second paragraph, and thought it should say "Developer". The recipient is not getting anything other than being able to rent a unit because they earn less than 60% of AMI.

Ms. Wilkinson advised that she would rewrite the paragraph.

Motion made by Mr. Jernigan, seconded by Mr. Cooper, to take out the second paragraph under Item E6.

Mr. Cooper questioned Page 4 regarding the Right of First Refusal. The previous LHAP says, "An amount of \$3,000 or less" and he questioned if it was changed to \$10,000.

Ms. Wilkinson stated that she would investigate.

Chair Orshefsky mentioned Page 12D, Maximum Award.

Ms. Wilkinson stated that she went back to the original and changed it to Maximum Award, \$20,000 per unit, up to four units.

Chair Orshefsky commented that this was briefly discussed at the end of the last meeting about whether maximum numbers were necessarily what the Committee

wanted to do or if percentages would be considered. It is understood that 20% of the SHIP money must go to special needs.

Ms. Wilkinson stated that 75% of the money must go for construction or rehab and 65% must go towards ownership, then, there are income set asides. At least 30% of the money must go for very low income and another 30% for low income, which is 30%, 40% flexible, and 20% for special needs, which can overlap with income requirements. The program can be used for whatever is desired.

Mr. Jernigan suggested staying as is.

Chair Orshefsky commented that Ralph Stone of Broward County does a presentation on how to build financing for a project and basically says that for every unit built on a 4% tax credit deal, it needs \$100,000, and the County has been filling that gap in a variety of different ways. Chair Orshefsky suggested that the gap allow the project to be built and the Maximum Award would not exceed \$50,000 per unit.

Mr. Jernigan agreed and thought the Maximum Award should be a meaningful number. He noted that last week the School Board revised their policy from \$5,000 to \$50,000 per project.

Ms. Northard indicated that she would like to change how the program is executed.

Ms. Wilkinson replied no because the LHAP has strategies and everything done is subject to funding available.

Chair Orshefsky questioned if the City's decision on how to spend SHIP funding received next year would come back to this Committee.

Ms. Wilkinson suggested doing the set asides and stated that the rest would come back to the Committee with the discretionary ability to say it could be used for rentals. As long as the set asides are met there is flexibility.

Mr. Jernigan mentioned that if strategies were being adopted for the next three years, essentially, they were being adopted within the visual framework of \$250,000 or whatever is received this year, but there may be a different amount of money. Mr. Jernigan questioned if strategies being written might lock the Committee into decisions that would not have been made if they were getting \$200 million versus \$250,000.

Chair Orshefsky thought by fixing this section the basics could still be done that have always been done, but if the SHIP money gets to a significant portion, there are tools within the rental development, which were never focused on.

Mr. Jernigan questioned if the amount of SHIP money received was double and there was a project that would be all affordable that needed half, if the Committee would be able to help the way they want with this strategy or if they would have to say up to \$50,000 unless there is a vote of this group to waive that provision.

Chair Orshefsky did not think that could be done. Many Cities use their SHIP money as the match to get the developer to get other public financing. This City has used CRA funds and some General Revenue for the match; SHIP money has not been used for the match. Chair Orshefsky believed \$50,000 might be enough; \$10,000 is not a meaningful number if gap financing is being done.

Discussion ensued regarding increasing the Maximum Award to \$50,000.

Ms. Wilkinson mentioned two new strategies. One strategy is Rapid Rehousing, which the City Manager asked that the Committee pursue. The other is to continue providing funding for the homeless; they are trying to be proactive.

Chair Orshefsky commented that a lot of Rapid Rehousing is being done. If \$5,000 is getting the first, last and what is needed to help these people, then it is enough. Chair Orshefsky requested that Ms. Minott contact Fran Esposito, CEO of Broward Partnership, to determine whether \$5,000 is a meaningful number.

Ms. Minott indicated that the number they use is \$5,000 per family; it is dependent on what can be found. Ms. Minott will reconfirm that number.

Mr. Jernigan questioned if the \$5,000 must fall within some of the percentage categories.

Chair Orshefsky advised that the \$5,000 would meet the very low income and potentially meet special needs because a lot of that population has other special needs. Chair Orshefsky mentioned that this is a critical issue for finding housing for formerly homeless individuals.

Ms. Wilkinson indicated that she would make the changes and resend the information.

Motion by Mr. Jernigan, that the Maximum Award for a rental developer should not exceed \$50,000 per unit. There was no second to the motion.

Chair Orshefsky advised that the revised LHAP would be sent as a red line so it could be easily reviewed. She asked the Committee to be prepared to approve this in final on January 14, 2019.

IV. NEW BUSINESS – None.

V. AGENDA TOPICS FOR NEXT MEETING

Ms. Northard suggested homeless housing and believed it would be good to have an update on the status of Homeless Housing initiatives in the City.

Ms. Wilkinson commented that the lady, Rebecca McGuire, of the Broward County Homeless Initiative Partnership, that was previously scheduled is very busy; however, she would see if she is available.

Chair Orshefsky questioned what is going to happen with the sales tax revenue. She would like an update on what the City is doing regarding transportation planning given the penny tax and given the loss of the WAVE. They may be waiting for the Kittelson report, which is months away. Perhaps there could be a briefing in January or February.

Ms. Wilkinson advised that she would contact Transportation and Mobility.

VI. GOOD OF THE ORDER – None.

VII. NEXT SCHEDULED MEETING DATE – January 14, 2019- City Commission Chambers

VIII. ADJOURNMENT

There being no further business to come before the Committee at this time, the meeting was adjourned at 10:56 a.m.

Any written public comments made 48 hours prior to the meeting regarding items discussed during the proceedings have been attached hereto.

[Minutes prepared by C. Guifarro, Prototype, Inc.]