



CITY OF FORT LAUDERDALE

**Approved**  
**AFFORDABLE HOUSING ADVISORY COMMITTEE**  
**MEETING MINUTES**  
**CITY OF FORT LAUDERDALE**  
**100 NORTH ANDREWS AVENUE**  
**CITY COMMISSION CHAMBERS**  
**1<sup>ST</sup> FLOOR CONFERENCE ROOM**  
**MONDAY, MARCH 12, 2018 – 9:00 A.M.**

<u>Committee Members</u>		<u>Attendance – July 2017 through June 2018</u>	
		<u>Present</u>	<u>Absent</u>
Debbie Orshefsky, Chair	P	7	1
Roosevelt Walters, Vice Chair	P	8	0
Wilson Atkinson	A	5	3
Peter Cooper	A	7	1
Fran Epstein	P	7	1
Skeet Jernigan	P	4	4
Donnalee Minot	P	6	2
Edwin Parke	P	7	1
Mitchell Rosenstein	A	7	1
Brandon Stewart	P	7	1

At this time, there are 10 appointed members to the Committee, which means 6 would constitute a quorum.

**Staff**

Avis Wilkinson, Housing Programs Administrator / Staff Liaison  
Lian Chan, Recording Secretary, Prototype, Inc.

**Communication to the City Commission**

None.

**I. ROLL CALL / DETERMINATION OF QUORUM**

Chair Orshefsky called the meeting to order at 9:09 a.m. Roll was called and it was noted a quorum was present.

**II. APPROVAL OF MINUTES – February 12, 2018**

**Motion** made by Mr. Jernigan, seconded by Vice Chair Walters, to approve. In a voice vote, the **motion** passed unanimously.

**III. OLD BUSINESS**

**1. Discussion of 2018 AHAC Affordable Housing Incentive Report**

Chair Orshefsky recalled that the Committee is asked to draft the Affordable Housing Incentive Report by June 2018. She reviewed the previous report's priorities and incentives, which include the following:

- Creation of an Affordable Housing Trust Fund
- Use of City-owned property for affordable housing
- Donating or discounting of property
- Use 100% of the proceeds from residential property sales from the City and 15% of net profits
- Expedite affordable housing through the permitting process
- Impact fee waivers
- Flexibility of densities in affordable housing
- Reservation of infrastructure capacity for housing for very low-income individuals
- Allowance of accessory residential units in residential zoning districts
- Reduction of parking and setback requirements
- Allowance of flexible lot configuration, including zero lot lines
- Modification of street requirements for affordable housing
- Preparation of a printed inventory of locally owned public land suitable for affordable housing
- Establish a process for the discussion of inclusionary zoning
- Supportive development near transit hubs

Vice Chair Walters advised that when the Committee meets with the new City Commission, use of proceeds from the sale of commercial properties for affordable housing should be a topic for discussion. Mr. Jernigan requested information on how many commercial properties were sold over the last one to two years in advance of the next workshop or meeting with the Commission.

Mr. Jernigan continued that the Committee may wish to invite a representative familiar with the permitting process to advise the members on how this process might be expedited. Ms. Wilkinson stated that at present, a note is added to affordable housing paperwork to expedite its processing, but follow-through is inconsistent. She felt this instruction would need to come from a higher City authority for it to be effective.

Chair Orshefsky noted that there is a County process for the waiver of impact fees; however, this typically does not provide significant assistance. It was clarified that projects within a Community Redevelopment Agency (CRA) are not required to pay impact fees. The Chair suggested looking into caps placed on impact fees to determine if these are a meaningful incentive or should be improved upon.

Chair Orshefsky continued that most of the City's areas where affordable housing development occurs, such as Downtown and the Northwest Regional Activity Center (RAC), have either high density caps or none at all. She suggested that the Committee

seek to determine whether the density of these neighborhoods is sufficient to allow for affordable housing development, pointing out that there are areas within the Northwest RAC where permitted height is no more than three or six stories due to neighborhood concerns.

Chair Orshefsky continued that she was unsure whether or not the reservation of infrastructure capacity is a relevant incentive. Ms. Wilkinson confirmed that this is a valid concern, as the City receives multiple calls regarding water and sewer issues. Vice Chair Walters explained that stormwater capacity is also a concern, as pipes in some areas are insufficient to handle flow. The lack of capacity could cause building permits within those areas to be denied. Chair Orshefsky suggested that the Committee determine if a City infrastructure program will reach areas where affordable housing is developed.

Vice Chair Walters asked how mandatory land use requirements in the Downtown RAC might be addressed. Chair Orshefsky commented that there may be systems already in place to address these issues, but the Committee may not be aware of them. She cited street and sidewalk dedication requirements in the City's neighborhood master plans, noting that the previous Committee determined this incentive was beyond its scope. She suggested including this concern in a discussion of urban design and planning requirements. Mr. Jernigan pointed out, however, that sidewalk and street design should be dictated by safety requirements for Police and Fire services.

With regard to the inventory of locally owned land suitable for affordable housing, Chair Orshefsky noted that the Broward County School Board owns several sites throughout the County, some of which would be suitable for workforce and affordable housing. Mr. Jernigan offered to report back to the Committee on the School Board's progress in addressing affordable housing issues.

Vice Chair Walters advised that at the previous month's meeting, he had requested that the inventory of residential properties provided to the Committee be amended so it does not include land that cannot be sold or developed. This would eliminate discussion or consideration of properties that are too small for development. Mr. Jernigan observed that another option could be discussion of whether or not there is a reason to allow the development of affordable housing on lots of substandard size.

Chair Orshefsky continued that debate regarding inclusionary zoning is likely to occur at multiple levels, including the County as well as the City. Mr. Jernigan asserted that the County is already built out, which would make inclusionary zoning very difficult in some areas. Chair Orshefsky advised that this and other elements, such as "set-asides" and linkage fees, should be discussed in more depth to hear different perspectives.

It was determined that priorities for further discussion would include land use, permitting, an updated inventory of public land, an inventory of City-owned residential and commercial parcels, impact fee waivers, and infrastructure.

Chair Orshefsky concluded that the previous Incentive Report refers to mandatory items such as linkage fees, inclusionary zoning, and payment in lieu programs, which can be ways to raise funds at the local level. Mr. Jernigan proposed that another way to generate tax revenue for affordable housing may be through the municipal special taxing unit (MSTU) process, which can be established in a given community with a minor fee. The Chair suggested the Committee may wish to meet with representatives of other jurisdictions and determine the steps they are taking to raise these funds.

Ms. Wilkinson advised that the two most important goals for the report as required by Florida Statute are expedited bidding and establishment of a process by which local government may adopt policies and procedures related to affordable housing.

Mr. Parke asked how much access the City might have to properties owned by the School Board. Chair Orshefsky replied that a local group hopes to explore the possibility of making the School Board's surplus properties available to private development that could implement affordable or workforce housing development.

Chair Orshefsky also addressed the issue of rehabilitation, noting that Staff has worked to ensure that single-family homes are adequately maintained. She asked if the Committee was interested in expanding this program, pointing out that there are a number of affordable housing projects that have a 15-year affordability requirement. She asked if any of these properties are set to expire in the near term, as the City may wish to give an incentive for these properties to remain affordable.

Vice Chair Walters asked how rehabilitation projects are counted toward affordable housing goals for the City or County. Ms. Wilkinson explained that this program preserves existing housing. State Housing Initiatives Partnership (SHIP) funds are used for this program and must be approved by the City Commission.

Chair Orshefsky recommended that the Committee consider shifting priorities toward affordable and workforce housing and how to best use funds toward these priorities. This may include a greater focus on rental properties and multi-family housing. She asked that the Committee consider further discussing ranking its priorities at the next meeting, noting that SHIP dollars are not returned to the affordable housing process because there is no payback mechanism in the current forgivable loan system.

#### **IV. NEW BUSINESS**

##### **1. Strategies used by other Cities to provide and Service SHIP Loans**

Ms. Wilkinson advised that she had focused on three nearby counties to collect this information. All these counties request payback of their loans except those that provide disaster assistance. Some counties consider the front and back end ratios to determine the amount to be paid back. This is a similar process to that used by a bank or other

lending institution, and determines the total payment amount as compared to the property owner's income.

Ms. Wilkinson continued that there are some owners who are evaluated and found to be unable to make loan payment. These individuals are reevaluated in three to five years to determine if their ability to make payments has changed.

Vice Chair Walters pointed out that this may be another loan that some homeowners are unable to pay. He stated that there should be exceptions to the requirement that owners must pay back their loans. Ms. Wilkinson agreed that this is an option, noting that most participants in the program are low- to very low-income residents. Any changes to the program must be incorporated into the Local Housing Assistance Program (LHAP) before the end of the year.

Mr. Jernigan asked if the other local communities have set-aside requirements. Ms. Wilkinson responded that these requirements are established by SHIP. She added that the City is required by mandate to use 20% of all SHIP funds received for property owners with special needs.

The Committee agreed that they would look into restructuring the SHIP loan program in a way that would implement some kind of repayment structure. Chair Orshefsky asked Ms. Wilkinson to provide a list of the elements that would need to be built into this structure, including periodic income certification to ensure the borrower is able to repay the loan. Mr. Jernigan recommended that the members instead review the documentation they have already been provided and return to the next meeting prepared to discuss prospective changes further.

Ms. Wilkinson returned to the documentation on other Florida counties, pointing out that one program evaluates all borrowers based on their ability to pay and begins the repayment process immediately after improvements are made to the home. If the owner cannot pay, the loan is deferred for three years and the owner is asked to fill out a second application to determine whether or not they can afford payment. If they cannot repay, the loan will be deferred for another three years. Other options include allowing the owner to repay a percentage of the loan. All loans within the program have an interest rate of zero, as the program serves individuals with low to very low incomes.

Chair Orshefsky suggested that the owner of a multi-family development seeking a SHIP loan might be subject to different terms than a single-family homeowner: for example, a zero interest rate might not be appropriate for these owners. It was also noted that once a property has reached the end of its obligation to remain affordable, rents may increase, which may cause tenants to have to seek new affordable housing. Chair Orshefsky advised that this is less of an issue in Broward County than in other parts of the country, in part because there have been relatively few of these tax credit agreements.

Vice Chair Walters suggested eliminating the portion of the program that offers forgivable loans to homeowners. Chair Orshefsky agreed that this would be a key element of the restructured loan program.

## **2. Monthly report on amount in City Affordable Housing Trust Fund**

A report showing the balance of \$702,704.64 was given to each member present. Ms. Wilkinson reported that the Affordable Housing Trust Fund is currently being vetted by various City entities. No changes have been made thus far to the document. It is expected to come before the City Commission at their regular April 3, 2018 meeting.

## **V. AGENDA TOPICS FOR NEXT MEETING**

Chair Orshefsky reiterated that next month's discussion would address the areas of the Incentive Report on which the members had requested more information. She also asked that Staff seek to schedule a speaker from the Urban Design and Planning Department, and provide reports on available public lands and impact fees.

## **VI. GOOD OF THE ORDER**

Mr. Parke suggested that the Committee consider amending its Charter to include the term "workforce housing" as well as affordable housing. Ms. Wilkinson explained that a change of this nature would have to be made at the state level. Chair Orshefsky added that while affordable housing includes the category of workforce housing, workforce housing is not necessarily affordable. Ms. Wilkinson further clarified that workforce housing includes households that make up to 140% of the area's median income.

## **VII. NEXT SCHEDULED MEETING DATE – April 9, 2018 – City Commission Chambers**

## **VIII. ADJOURNMENT**

There being no further business to come before the Committee at this time, the meeting was adjourned at 10:30 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 K. McGuire, Prototype, Inc.]