



CITY OF FORT LAUDERDALE

Approved
MEETING MINUTES
CITY OF FORT LAUDERDALE
AFFORDABLE HOUSING ADVISORY COMMITTEE
100 NORTH ANDREWS AVENUE
CITY COMMISSION CHAMBERS
1ST FLOOR CITY HALL
MONDAY, OCTOBER 10, 2021 – 9:00 A.M.

Cumulative

Board Members	Attendance	June 2021-May 2022	
		Present	Absent
Brandon Stewart, Chair	P	4	0
Uwe Cerron	A	1	3
Nancy Daly	P	4	0
Donnalee Minott	P	2	2
Margi Nothard	P	2	2
Edwin Parke (arr. 9:12)	P	4	0
Reed Solberg	P	2	0
Ryan Wipplinger	P	3	1
Mayor Dean Trantalis/ Scott Wyman, Alternate	A	2	2

Staff / Guests

Avis Wilkinson, Housing Programs Administrator/Staff Liaison
Jamie Opperee, Recording Secretary, Prototype, Inc.

Communication to the City Commission

None.

I. ROLL CALL / DETERMINATION OF A QUORUM

Chair Stewart called the meeting to order at 9:02 a.m. Roll was called and it was noted a quorum was present.

II. APPROVAL OF MINUTES – September 13, 2021

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

III. OLD BUSINESS

• Affordable Housing Trust Fund Balance – Avis A. Wilkinson

Ms. Wilkinson reported that the undesignated Affordable Housing Trust Fund balance is \$304,801.14 in unencumbered funds. In 2019, \$783,250 was allocated to the Fort Lauderdale Housing Authority for a low-income tax credit project in the Sailboat Bend

neighborhood. This amount has just been given to the Housing Authority. Additional funds have also been provided to the Fort Lauderdale Community Development Corporation (CDC) for a separate project.

Ms. Wilkinson reviewed the terms of the funds provided for the Sailboat Bend project, recalling that the City authorized a loan in the amount of \$783,250 in 2019 to assist with the development of this project. The loan was approved with the following terms:

- Non-amortizing 15-year term with an interest rate of 1.73%
- No pre-payment penalty
- Loan secured by the net value and liquidity guaranteed by a single-purpose entity of the \$783,250

The 15-year loan began on October 1, 2021.

Chair Stewart asked if these dollars will eventually come back to the Affordable Housing Trust Fund. Ms. Wilkinson replied that she would review additional information on the funds and email it to the members.

IV. NEW BUSINESS

- **SHIP Updates**

Ms. Wilkinson advised that the state will no longer be able to sweep monies from the Sadowski Fund, which is an affordable housing trust fund. This fund will now be considered recurring revenue, which means the initial budget prepared by legislative staff will automatically include the Sadowski Fund money, based on new percentages established in Senate Bill (SB) 2512. The Sadowski Fund includes money gathered by the sale of documentary stamps (doc stamps), which come from the sale of houses.

In FY 2021-2022, the City will receive \$1,251,351 from the Sadowski Fund, which covers the final year of the current Local Housing Assistance Plan (LHAP). No funds were received in FY 2020-2021. Each year's funding stands alone and must be spent within three years.

Mr. Parke arrived at 9:12 a.m.

- **2022-2025 Local Housing Assistance Plan**

The 2022-2025 LHAP is due no later than May 2022. Ms. Wilkinson noted that once the Committee has reviewed this Plan and made comments, it will be sent to the Florida Housing Finance Corporation for comments as well. Once they have approved it, the LHAP will go to the City Commission for final approval.

Once the LHAP is approved, funds can be used toward any of the strategies included in the document. These strategies are based on community needs. She recommended

including any strategies the Committee feels might be used over a three-year period, as they must be included in the LHAP in order to be used.

The next LHAP fiscal year begins on July 1, 2022 and ends June 30, 2023. The three fiscal years included in the Plan are 2022-2023, 2023-2024, and 2024-2025.

Ms. Wilkinson reviewed a number of LHAP strategies, including:

- Emergency housing repair
- Rental development
- New construction home ownership
- Rental assistance for the elderly and persons with special needs
- Owner-occupied rehabilitation
- Demolition/reconstruction
- Purchase assistance without rehabilitation
- Disaster repair
- Rapid re-housing

Emergency housing repair, rental development, and rental assistance for the elderly/special needs are new categories added in FY 2022.

Ms. Wilkinson continued that the following existing incentive strategies are already included in the LHAP and are currently active:

- Expediting permitting
- Ongoing review process
- Affordable housing inventory list
- Reduced parking requirements
- Affordable housing trust fund

The purpose of the program is to meet the housing needs of the very low-, low-, and moderate income individuals/families. State Housing Initiative Partnership (SHIP) monies may be used for persons earning between 30% and 140% of the area median income (AMI). Fort Lauderdale focuses primarily on low-income households, which earn up to 80% of AMI. The AMI is determined by calculations from the U.S. Department of Housing and Urban Development (HUD), which are based on the total number of persons in the household and total household income.

The City's purchase assistance program uses federal funds from the Home Investment Partnerships Program (HOME), which can only be used to assist persons whose households earn 80% or less of AMI. It is intended to meet the needs of low-, very low-, and moderate income households, expand production of or preserve affordable housing, and further the element of the Local Housing Comprehensive Plan that is specific to affordable housing.

Ms. Wilkinson reviewed the purpose of the SHIP program, which encourages active partnerships between government, lending institutions, builders and developers, not-for-profit and community-based housing providers, and service organization housing providers of professional services. SHIP dollars are very flexible and can be leveraged against HOME funds, Community Development Block Grants (CDBG), or any other funds the City may receive.

When there are eligible applicants for strategies that no longer have funding available, those applicants are added to a waiting list and maintained in an order that is consistent with the time completed applications were submitted. Purchase assistance applications are processed on a first qualified, first served basis. This program is primarily funded using HOME funds, but is included in case SHIP funds become available.

Funding is prioritized for the following applicants:

- Very low-income households
- Elderly and special needs households
- Applicants within the target area east of I-95, west of NW 9 Avenue, south of Sunrise Boulevard, and north of Broward Boulevard
- Development of new construction and rental affordable housing throughout the City

The Plan promotes non-discrimination, and support services are provided through the nonprofit agencies used to provide down payment assistance. They also provide counseling for individuals experiencing credit issues. The maximum purchase price in the program may not exceed 90% of the average area purchase price established by the U.S. Treasury Department. For the HOME program, the maximum purchase price possible is \$282,000. The term “affordable” means that an individual will not use more than 30% of their total monthly income to pay their mortgage, rent, taxes, or insurance.

The administrative budget estimates the amount to be used for administrative services, supplies, or other items expected to be purchased during a period of time. The City administers its program 100%.

First-time home buyers are defined as individuals who have had no ownership in a principal residence during a three-year period. This includes individuals who may have co-owned a principal residence with a spouse while married. Mobile homes are not counted as permanent homes.

In the category of emergency repairs, SHIP funds can be awarded to applicants who need windows, roofing, plumbing, air conditioning units, electrical repairs, septic tank replacement, and installation of ramps or accessible facilities that require immediate attention and may be considered health and safety issues. These funds are given as grants, with no repayment required. It is possible that the maximum award available may be changed to \$15,000, with an explanation provided to the Florida Housing Finance Corporation, which typically does not provide more than \$10,000 in grant funds.

SHIP funds may be awarded to the developers of new or rehabilitated rental units that are awarded construction financing through other state or federal housing programs to construct or rehabilitate affordable rental units. This is intended to be used as a gap financing requirement for a project. Only clients with very low, low, and moderate incomes would be served by this program. \$25,000 per unit or a maximum of \$250,000 per development is proposed. The term of this loan is a minimum of 15 years, after which time the recipient must pay the City back unless the term is renegotiated by the City to extend the affordability period. Default will result in foreclosure.

Rental assistance for the elderly and those with special needs will be awarded to eligible applicants aged 62 years or older and applicants whose households meet the definition of special needs. These households may receive assistance with rent payments for up to 12 months due to emergency, which means the household is unable to pay its rent due to loss of job, sickness, death, or other emergent reasons to be determined on a case-by-case basis. The maximum amount of this grant is \$5000. This assistance is not provided to individuals who are receiving other types of assistance.

Chair Stewart suggested that this grant limit be raised to \$10,000, pointing out that even a one-bedroom unit may cost up to \$1000 per month. Mr. Wipplinger and Ms. Nothard agreed with this suggestion, pointing out that \$5000 is unlikely to cover six months' rent. It was clarified that \$10,000 is the limit for this program, as the Florida Housing Finance Corporation typically does not approve of grants over that amount.

Ms. Wilkinson noted that in cases of demolition and construction, if the cost to repair the house exceeds 50% of the property's current assessed value, a determination would be made regarding the use of funding to reconstruct the property. The program applies only to single-family dwellings. Awards for this program are presently capped at \$205,000, as it is likely other funding will be used in this category. Ms. Wilkinson advised that it is possible the maximum award may be raised due to the cost of new construction. If not, HOME funds could be used toward these projects as well.

The disaster repair strategy provides assistance to households following a disaster as declared by either the President or the Governor of Florida. Other unused funds may be diverted to this strategy if necessary. The state encumbers funds for disaster aid and allocates them to each county or city, where they can be used for (but not limited to) the following:

- purchase of emergency supplies
- repairs to avoid further damage
- removal of trees and other debris
- construction/repair of wells
- payment of insurance deductibles for rehabilitation of homes
- security deposits
- rental assistance for displaced recipients
- other LHAP strategies that benefit applicants directly

Ms. Wilkinson advised that the disaster repair grant is currently capped at \$10,000, but could be raised to \$15,000. She also noted that the maximum award for the rapid rehousing program is currently capped at \$5000, although this can be raised if it is the Committee's desire. The term for this program can be up to six months.

Ms. Nothard requested clarification of the target area identified for program applicants, asking if applicants can come from outside this area. Ms. Wilkinson explained that applicants may live anywhere within City limits; however, priority will be given to residents within the target areas.

Chair Stewart asked if a breakdown of the programs in which funds are spent is available. Ms. Wilkinson replied that the bulk of funds go toward owner-occupied rehabilitation or demolition/reconstruction, as most of the City's housing stock is not in good condition. The number of demolition/reconstruction programs is limited, as there is limited money available for this program.

Ms. Wilkinson requested that members provide any additional comments on the Plan to her office no later than October 27, 2021.

- **2022 AHAC Meeting Dates**

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

V. AGENDA TOPICS FOR NEXT MEETING

Ms. Wilkinson recalled that there has been interest in inviting former Committee member Mitchell Rosenstein to provide a presentation at a future meeting. She encouraged the members to reach out to him and have him contact her office if he will be available for the next meeting.

Chair Stewart also requested further updates on the Fort Lauderdale CDC and Sailboat Bend projects.

VI. GOOD OF THE ORDER

None.

VII. NEXT SCHEDULED MEETING DATE – November 8, 2021

VIII. ADJOURNMENT

There being no further business to come before the Committee at this time, the meeting was adjourned at 10:08 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.]