



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, DECEMBER 12, 2022 – 9:00 A.M.

Cumulative

Committee Members	Attendance	January-December 2022	
		Present	Absent
Margi Nothard, Chair	P	9	3
Leann Barber, Vice Chair	P	6	1
William Condon	A	10	2
Gary DePew	A	1	2
Susan Spragg	P	3	1
Ryan Wipplinger	P	10	2
Mayor Dean Trantalis / Scott Wyman, Alternate	A	9	3

Staff

Avis Wilkinson, Assistant Housing and Community Development Manager / SHIP Administrator / Staff Liaison
Ella Parker, Urban Design and Planning Manager
Adam Schnell, Planner III, Urban Design and Planning
Alfred Battle, Deputy Director, Department of Developmental Services
Carla Blair, Recording Secretary, Prototype, Inc.

Communication to the City Commission

None.

I. ROLL CALL / DETERMINATION OF A QUORUM

Chair Nothard called the meeting to order at 9:04 a.m. Roll was called and it was noted a quorum was present.

II. APPROVAL OF MINUTES – NOVEMBER 14, 2022

Motion made by Ms. Spragg, seconded by Mr. Wipplinger, that they be adopted. In a voice vote, the **motion** passed unanimously.

Ms. Wilkinson noted that former Committee member Reed Solberg resigned prior to the November 2022 meeting.

III. OLD BUSINESS

- **Affordable Housing Trust Fund Balance – Avis A. Wilkinson**

Ms. Wilkinson reported that there is currently a \$0 balance in the Affordable Housing Trust Fund, as all remaining funds have been encumbered for a project.

- **Update on Habitat Housing Project**

Ms. Wilkinson explained that Habitat for Humanity submitted the project for City Commission review and approval on January 10, 2023. The project has to be approved by the City's Development Review Committee (DRC).

IV. NEW BUSINESS

- **Ordinance amending the City of Fort Lauderdale Unified Land Development Regulations – Urban Planning & Design**

Adam Schnell, representing the City's Urban Design and Planning Division, recalled that in September 2022, the City adopted an Ordinance for the development of affordable housing, specifically focusing on workforce housing. The goal of the Ordinance was to establish City-wide incentives to support the development of this housing. Focus areas included the primary corridors within the City's Regional Activity Centers (RACs), which supports multimodal transportation options as well as high-density development. This helps to offset the cost of developing affordable housing.

The primary income demographic for workforce housing ranges between 60% and 120% of the area's median family income (MFI). The City's Housing and Community Development Department already focuses on providing housing for individuals and families earning 30% to 80% of MFI. Mr. Schnell noted that the households within the 60% to 120% range do not receive funding from state or federal programs.

Mr. Schnell continued that incomes in Broward County increase by an average of 1.56% annually. To help combat this issue, the City modified some of its existing zoning incentives and created new incentives as well. Staff focused on the Northwest RAC and the Uptown Urban Village for these modifications. They also considered Policy 2.16.4, known as the Geller Amendment.

While the Northwest RAC already included a height bonus, Staff's modifications made it easier for developers to obtain this incentive. Developers must set aside 10% of their units as affordable for a 30-year period, using a deed restriction. This is consistent with County policy.

The income levels for workforce housing were determined on a sliding scale prior to the enactment of the new Ordinance, allowing between 50% and 100% of MFI. This has been modified to require 5% of units be provided at 80% of MFI and another 5% for individuals and families earning 100% of MFI.

The Ordinance also establishes expedited review for affordable housing. While this would previously require a Site Plan Level II with City Commission approval, the Ordinance now provides for Site Plan Level II review with City Commission call-up, which can save months of review time for developers. Applications still go through DRC review, but instead of scheduling a project for Commission approval, the City Commissioners have 30 days in which to determine whether or not they want to review the application.

Chair Nothard requested additional information on the remaining 90% of units once the 5% requirements have been met for individuals and families earning 80% and 100% of MFI. Mr. Schnell explained that these would be market-rate units. The 10% of affordable units are subject to a 30-year deed restriction, and the developer must submit an affordable housing plan.

Mr. Schnell continued that in the South RAC, the City has implemented requirements similar to those in the Northwest RAC, with 10% of units set aside as affordable in order to receive an additional height bonus. The 30-year deed restriction and submittal of an affordable housing plan are also required. These projects will also be subject to expedited Site Plan Level II approval with City Commission call-up.

The Ordinance also proposes a second level of incentives through which a developer can receive additional density of up to 200 dwelling units per acre rather than the 50 units permitted under zoning. The first tier of incentives would provide an additional density of 100 units per acre if the original 10% of affordable units are provided. If the developer sets aside an additional 5% of units as affordable, they may receive another 50 dwelling units per acre up to a maximum of 200 units.

Mr. Schnell explained that the South Andrews Avenue Corridor has not seen as much development as other areas within this RAC. The additional incentives will help fulfill the plan for the South RAC by creating a mixed-use corridor and supporting “walkability” as well as including affordable housing. Buildings are subject to Master Plan requirements for the area. While developers may receive the additional 50 ft. of height, they are required to meet setback, stepback, and other requirements within the South RAC.

The modification affecting the Uptown Urban Village would change the affordable unit deed restriction from 15 years to 30 years, making it consistent with the County’s policies as well as best practices.

The adoption of Policy 2.16.4, the Geller Amendment, is a City-wide approach affecting all areas with a future land use of Commerce. This includes properties in primary corridors which have direct access to state roads or County arterials as well as areas such as RACs. The County allows the City to distribute units which are not from the pools if they provide for the distribution of affordable housing.

These affordable units are based upon ratio distribution. This means they include units for individuals/families with very low, low, or moderate incomes. If a developer provides one moderate-income unit at 120% of MFI, they receive six market-rate or bonus units. For low-income units, which earn roughly 80% of MFI, developers receive nine market-rate units for the construction of each unit, and for very low-income units, the ratio is 19 market-rate units for each affordable unit at that income level. Additional incentives apply to studio units of 500 sq. ft. or smaller, which are counted as one-half unit. Studio units are capped at a maximum of 50% of all units within the development.

Another requirement states that 50% of the first floors of buildings on primary corridors must house commercial uses, with the exception of parking garages. This is intended to promote mixed-use development. Affordable units must be no smaller than 10% less than the average gross floor area of similar market-rate units.

Chair Nothard pointed out that the sizes of market-rate units often change and are currently experiencing a reduction in size. Mr. Schnell advised that developers must not build units smaller than what is required by Building Code; however, the City cannot dictate a particular size for either market-rate or affordable units. Mr. Schnell concluded that affordable units developed under the Geller Amendment are also required to document a 30-year deed restriction.

While these incentives for the development of affordable housing are optional, the City has received significant interest from the development community in the Northwest RAC and South RAC in particular. The Ordinance was adopted in September 2022.

Chair Nothard asked if any of the incentives address parking. Mr. Schnell replied that the City has an existing ratio of one parking space per affordable unit. If 10% of the units in a development are affordable, they essentially receive a 10% parking reduction.

Ms. Spragg requested additional information on what this would mean for developments depending upon the number of affordable units constructed. Mr. Schnell stated that this depends upon the type of units that are being developed: for example, a market-rate multi-family development typically requires 1.75 parking spaces for a studio or one-bedroom apartment, while a two-bedroom unit requires 2.1 spaces and larger units require 2.2 spaces. For affordable units, however, one parking space per unit is required, regardless of size. Parking spaces, particularly in garages, are extremely expensive to construct, which means reducing the cost of parking spaces significantly affects the cost of development.

Ms. Spragg noted that the City Commission Agenda Memo that accompanied the Ordinance refers to both affordable housing set-aside requirements and affordable unit requirements, and requested clarification of the difference between these. Mr. Schnell explained that set-aside requirements refer to the need to set aside a percentage of units as affordable.

Ms. Spragg also asked for additional information on payment in lieu, asking if a developer may make a payment in lieu on a project for which they are receiving a density or height bonus. Mr. Schnell confirmed this, stating that the City requires a fee of \$42,000 per unit for these spaces. This is being modified to a payment in lieu of \$10,000 per unit within a development, which is a significant reduction imposed by the County. The City was required to modify its payment in lieu program to reflect this change.

Ms. Spragg requested clarification of the entities to which payments in lieu are made. Mr. Schnell replied that payment in lieu funds are divided between the City's and the County's Affordable Housing Trust Funds, which will later be used toward construction of additional affordable housing. If a developer uses the County's Land Use Plan Amendment, the City receives 50% of payment in lieu funds; however, if the developer uses the City's municipal program, the City receives 100% of the fee.

Ms. Barber expressed concern with the demographic modeling being done in Broward County with respect to current and future affordable housing needs. She asked what the need for affordable housing is projected to look like in the future, and whether or not the Ordinance would address these future needs. She felt the City is approving market-rate housing units, which are primarily being filled by new rather than current residents, and as rents continue to rise, these newcomers may instead seek lower-cost housing. She concluded that the ratio of affordable to market-rate housing may serve only to increase the affordable housing crisis in Fort Lauderdale.

Mr. Schnell advised that affordable housing typically takes an incremental approach, and the Ordinance is a first step toward creating policies to provide more of this necessary housing. The City will need to further engage with the community and developers in the future in order to better understand how policies are being implemented over the next few years, followed by reassessment of these policies. He noted that there is no way to discourage new residents from moving into the City or where they may be housed; however, the City can work toward creating as much affordable housing stock as possible to help address the issue.

Ms. Barber asserted that the approval of market-rate housing has an effect on new residents moving into the City. She felt the 10% affordable housing ratio was concerning in light of the ongoing affordable housing crisis, and suggested that the answer may be to take more radical steps to address this need. Mr. Schnell advised that the City hopes to create a mixed-income housing approach, and invited any suggestions the Committee members might have as alternative measures. He reiterated that affordable housing is an ongoing need that must be regularly reassessed and reexamined.

Chair Nothard requested clarification of references to programs that address specific percentages of MFI, as this could provide some context on what is being done to address affordable housing below the workforce housing income level. Ms. Wilkinson explained that the City's affordable housing programs, including purchase assistance, rehabilitation, rental assistance, and partnerships with Community Housing Development Organizations

(CHDOs), only serve residents from those with extremely low incomes to those earning 80% of MFI.

Chair Nothard suggested that the demographic data to which Ms. Barber had referred could be discussed at a future meeting. Ms. Barber advised that her concern was that demographic changes in Broward County should be considered when determining how many affordable housing units are needed. She asked if Staff had conducted a market analysis to determine how many affordable units would be generated by setting aside 10% of units, as well as where the individuals and families who would live in these units would come from. She concluded that she would like to see this type of economic modeling as part of the City's proposed affordable housing solutions.

V. AGENDA TOPICS FOR NEXT MEETING

Chair Nothard requested that economic modeling be added to the next month's Agenda. Ms. Barber stated that she would like to know what the County and/or City are doing in terms of demographic analysis and forecasting, noting that while Florida International University (FIU) provides modeling, she did not know how this information is used when solutions are being developed. She also requested an update on Fort Lauderdale's demographics, including how many residents fall within each income range, what affordable housing stock is available, and how this stock is expected to change over the next 10 to 20 years.

Alfred Battle, Deputy Director of the Department of Developmental Services, advised that Fort Lauderdale plans to meet with representatives of FIU in the coming weeks, and will ask for the best way to procure this data. Chair Nothard added that the Committee can seek a better understanding of the City's affordable housing plans in 2023 using recent studies, which will hopefully lead to appropriate recommendations.

Mr. Wipplinger suggested it could be useful to see models of Fort Lauderdale's demographic data from five to ten years ago as well, which would show how the City has changed with respect to affordable housing. He also requested an example of what an idea number of affordable units might be for the City, and what comparable cities may be doing to address the need for affordable housing. Mr. Battle estimated that this information could be provided to the Committee at their February 13, 2023 meeting.

Ms. Wilkinson concluded that she had requested a copy of Mr. Schnell's PowerPoint presentation and would forward it to the Committee members once she has received it. She strongly encouraged the members to continue to think of new ideas and strategies in the coming year, emphasizing once more that the City's focus is on providing affordable housing for families and individuals with low or very low incomes.

VI. GOOD OF THE ORDER

Ms. Spragg asked if a synopsis of the Affordable Housing Trust Fund's activity over the last one to two years could be provided. Ms. Wilkinson confirmed that this could be done, noting that only two projects in that time frame have used most of these dollars.

Ms. Spragg also asked if it is possible to forecast anticipated revenues that would go into this fund. Ms. Wilkinson replied that the Trust Fund dollars come from the sale of City-owned residential properties as well as some City-owned commercial properties. The payment in lieu program may bring in significantly more funding in the future. She advised that as more money comes into the Trust Fund, the City may wish to develop specific guidelines for its use.

Ms. Barber also asked if an inventory of existing affordable housing units, whether City-owned or privately owned, can be created. Ms. Wilkinson stated that the Florida Housing Finance Corporation maintains a list of some of these affordable properties, while the City has a list of the properties for which it has some responsibility. She confirmed that a list of private developers and nonprofits can be compiled for the Committee in 2023.

Ms. Spragg also requested a list of the City-owned properties which would generate dollars in the Affordable Housing Trust Fund when sold. Ms. Wilkinson replied that the City compiles a list of surplus properties every three years, which can be provided to the members at a subsequent meeting. She suggested that the Staff member responsible for this list could be invited to present before the Committee in 2023.

VII. NEXT SCHEDULED MEETING DATE – January 9, 2023

VIII. ADJOURNMENT

There being no further business to come before the Committee at this time, the meeting was adjourned at 9:53 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.]