




HALLANDALE BEACH COMMUNITY REDEVELOPMENT AGENCY (HBCRA)

MEMORANDUM

DATE: April 17, 2017

TO: Chair and Board Members of the HBCRA

FROM: Roger M. Carlton, City Manager/Executive Director 

SUBJECT: Affordable Workforce Housing Crisis Informational Brochure

HBCRA Staff attended the Broward Housing Summit on March 29, 2017. The main topic of this meeting was the affordable workforce housing crisis. The goal of the summit was to engage participants from different disciplines and sectors in meaningful and positive conversations to create a set of recommendations to the Broward County Board of Commissioners, Broward's municipalities and private and alternative sectors relating to opportunities for specific action relating to the affordable workforce housing crisis.

As a result, the HBCRA Executive Director requested from Staff a summary of the summit findings in a brochure format to inform and educate the HBCRA Board of Directors and the overall Hallandale Beach community as to how this affordable housing crisis affects and impacts the City's housing market.

Affordable Housing

Shortage of Affordable Housing Options and Possible Solutions



The Situation

In Broward County, the most critical issue faced by the limited income employed population is housing. Housing in Broward County is one of the worst in the country for severe cost burden for working families. Housing affordability is a recognized problem due to the lack of funding at the State and Federal level.

Currently, proposed solutions are to be determined at the local level. This include identifying and creating local funding for housing programs to include multifamily developments, home improvements, and first time homebuyers programs.

Affordable Housing

Affordable housing is housing which is considered affordable to those individuals with a median household income as ranked by the State, county, or municipality guidelines. Affordable housing should be reasonably adequate in standard and location for lower to middle income households and does not cost so much that a household is unlikely to be able to meet other basic needs on a sustainable basis.

Households that spend more than 30% of income on housing are considered to be "cost burdened".



Lack of affordable housing can have many negative effects (Source: The Coordinating Council of Broward):



FOOD & HEALTH CARE

Families in unaffordable housing are likely to cut back on nutritious food and health care.



HEALTH HAZARDS

Dust, mold and cockroaches can cause asthma and allergies, and peeling lead paint can reduce IQs and cause behavioral problems in children. Unsafe structural conditions such as faulty wiring increase the risk of fire and injury.



STRESS AND DEPRESSION

Frequent moves are associated with stress and depression and overcrowding has been linked to poor health in children.



INCREASE IN HOMELESSNESS

Cost burdened individuals and families are at a higher risk of becoming homeless, which can quickly lead into a vicious cycle of poverty.



JOBS & ECONOMIC SECURITY

The inability to provide affordable housing options for the workforce impacts economic development and an employer's ability to keep and retain talented employees.

Hallandale Beach

The City of Hallandale Beach is an older coastal community which is basically built out. Vacant land available for the development of new construction projects is limited. This presents a challenge for the development of new affordable housing opportunities. According to the June 2015 "Recommended Methodology for Supply & Demand Analysis for Broward County's Affordable Housing Market" the City of Hallandale Beach has a deficiency of 2,683 affordable housing units. This includes rental and homeownership.

In addition to the deficiency in affordable housing units, the housing crisis includes several other issues. These include the following facts affecting Broward County overall:

- Broward County is one of the least affordable counties in the United States.
- Housing expenses should not exceed 30% per household. In Broward County moderate-income households expend over 72% of their gross income in transportation and housing.
- Overall, income per household has decreased in the last four to five years and the real estate market continues to rise.
- The amount of renters have increased and amount of homeowner occupied units have decreased.
- Unemployment has decreased but the jobs created are low wage jobs.
- There is a deficiency of available, safe, decent rental units for low-income families.
- Broward County is one of the worst in the nation for severely cost burdened households with 38% of households spending more than 50% of household income on housing.
- The housing crisis is affecting employers' ability to recruit and retain employees
- Senior population is increasing in the area.





City of Hallandale Beach and HBCRA Efforts to Improve Affordable Housing Opportunities

In-Fill Housing Project

The In-Fill Housing project consists of the construction of single family homes on CRA owned land. So far, the project consists of two phases totaling 20 brand new units that have been or will be sold to first time homebuyers as affordable housing opportunities.

First Time Homebuyers Program

This program assists first time homebuyers with the cost of construction of a new single family home or the purchase of an existing house, condominium or townhouse. The assistance of up to \$50,000 per unit is to be used towards down payment and/or closing costs.

Commitment from Development Agreements for Affordable Housing

The City requires that any new development sets aside a certain amount of money that is transferred to the City after construction permits are approved. These funds are to be dedicated to affordable housing efforts.

Upcoming CRA Projects through Unsolicited Proposals

The HBCRA has executed project agreements with private developers to develop an array of construction projects on HBCRA owned land. These upcoming projects include housing, commercial and mixed use developments. The housing component is designated to be affordable housing.

Other Efforts

The HBCRA and the City will continue the acceleration of the single family housing program. For this purpose, the HBCRA will focus on acquiring additional land suitable for the construction of new housing units through purchase and administrative foreclosure. Further, the City will continue to encourage commitments from development agreements to be dedicated to affordable housing initiatives.

Affordable Housing Projects Completed

Heritage Point

Habitat for Humanity of Broward (sub grantee of the NSP Grant for the City of Hallandale Beach) purchased the property located at 133 NW 1 Avenue, which had eight apartment units that were in distressed condition. The properties were demolished and seven townhomes were built on the land and sold to very low income first time homebuyers as affordable housing opportunities. Sale of the units was completed on 2016.

Carver Heights

The City of Hallandale Beach, utilizing NSP funding, acquired the unfinished foreclosed housing project located at 842 NW 9 Street. Consequently, the City completed the construction on all eight townhome units and sold them as affordable housing opportunities to income eligible buyers. Sale of units was completed on 2014.

Highland Park Village

The City of Hallandale Beach executed a development agreement with Shanco Construction for the construction of 53 townhomes located at 111 NW 2 Avenue. The HBCRA provided down payment assistance to all buyers. All units were sold to income eligible buyers as affordable housing opportunities. Sale of the units was completed on 2013.

Proposed Solutions at the Local Level



- Continue to dedicate HBCRA funding towards the First Time Homebuyers Program
 - Continue to allocate HBCRA funding for the development of new housing.
 - Encourage developers to set aside affordable units in market-rate developments (Inclusionary Zoning).
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- Encourage housing development projects near public transportation services.
 - Seek creative partnerships with the private sector.
 - Flexible zoning regulations to allow higher density, reduced parking requirements, expedited review and approval of development and permitting process.

**Please contact the Hallandale Beach Community Redevelopment Agency
for further information at 954-457-2228**