



HBCRA Workforce Housing, Real Estate & Vacant Property Report

JANUARY 10, 2018

In-Fill Housing Project

Phase I



- Prior to the launching of the In-Fill Housing Project, the HBCRA owned various vacant parcels suitable for the development of single family homes. All parcels were located in the Northwest quadrant of the City.
- In FY12/13 the HBCRA issued an RFP to build 8 affordable single family homes on CRA owned property.
- The RFP was awarded to Stuart & Shelby, Inc.

In-Fill Housing Project

Phase I



- The HBCRA paid \$1,130,873 for the design and construction of the housing units (average cost per unit is \$141,359).
- Construction began in FY12/13 and was completed in FY13/14.
- All 8 units were sold to affordable buyers by FY14/15.
- Sales price ranged between \$140,000 - \$145,000
- 7 out of the 8 units required up to \$50,000 in down payment assistance.

In-Fill Housing Project

Phase II



- On FY14/15 the HBCRA awarded a second RFP to build 11 affordable single family homes.
- The HBCRA assigned the parcels, all in the NW area, to the following developers:
 - Stuart & Shelby, Inc.
 - Band
 - Emerald Construction
 - Total Solutions (Developer unable to provide bond, therefore removed from the project).
- The HBCRA acquired an additional parcel subsequent to the RFP which was then awarded to Stuart & Shelby by Board approval.
- The HBCRA allocated \$1,600,000 for the design and construction of the now 12 housing units (average cost per unit is \$133,000)
- Construction began in FY14/15.

In-Fill Housing Project

Phase II



- 10 of the housing units required up to \$50,000 in down payment assistance.
- 2 units are still under construction:
 - 804 NW 4 Terr. - Expected to be completed by March 2018 (*Unit assigned to Stuart & Shelby from Total Solutions*)
 - 802 NW 5 Terr. – Construction to begin on October 2018 (*Property acquired on 2015*)
- Sales price ranged between \$165,000 - \$185,000

Additional Services

Affordable Housing Services

- Phase I
 - The HBCRA issued an RFP during FY12/13 to engage affordable housing services.
 - South Florida Educational Development Center (SFEDC) was awarded based on the local vendor preference.
 - SFEDC offered counseling and home buyer ready services to potential first time homebuyers.
 - SFEDC services are no longer utilized.
- Phase II
 - Through the Community Partnership Grant Program, Housing Foundation of America was awarded to provide Affordable Housing Services for potential first time homebuyers.

Realtor Services

- Phase II
 - The HBCRA issued an RFP during FY14/15 to engage a professional realtor to assist with the sale of the In-fill units and other real estate transactions.
 - RFP was awarded to PRAG Realty for the term of two years or until the In-Fill Project Phase II is completed.

Workforce / 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 the 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 bases.

Broward County Medium Income Guidelines

The Broward County Income Category Chart is based on the U.S. Department of Housing and Urban Development (HUD) Income Limits Documentation System.

Broward County's Median Income is \$64,100

Household Size	Extremely Low (30%)	Very Low (50%)	Low (80%)	Moderate (120%)
1 person	\$16,000	\$26,700	\$42,700	\$64,080
2 person	\$18,300	\$30,500	\$48,800	\$73,200
3 person	\$20,600	\$34,300	\$54,900	\$82,320
4 person	\$26,600	\$38,100	\$60,950	\$91,440
5 person	\$28,780	\$41,150	\$65,850	\$98,760
6 person	\$32,960	\$44,200	\$70,750	\$106,080
7 person	\$37,140	\$47,250	\$75,600	\$113,400
8 person	\$41,320	\$50,300	\$80,500	\$120,720

Workforce Housing Overview

The City will be soon applying to the County for more Regional Activity Center (RAC) units as our allocation is nearly depleted. The housing policy is one of the many items the City must demonstrate in order to obtain this approval for more units in the RAC.

Submission must quantify:

- housing affordability gap.
- existing policy and its implementation.
- proposed new policy and plan for its implementation.

Identify The Gap

The gap has been identified. This will be updated when needed according to the County's adopted methodology as developed by their consultant.

Hallandale Beach city, Florida							
Demand(D)		Supply(S)	No Gap/(Gap)	Demand(D)		Supply(S)	No Gap/(Gap)
Band	Owner	Owner	S-D	Band	Renter	Renter	S-D
0-50%	4,501	4,181	(320)	0-50%	3,638	1,275	(2,363)
\$0				\$0			
\$30,850	41.8%	38.8%		\$771	50.7%	18.8%	
50.1-80%	2,007	2,747	740	50.1-80%	1,612	2,957	1,345
\$30,912				\$773			
\$49,360	18.6%	25.5%		\$1,234	22.5%	43.5%	
80.1-120%	1,610	1,805	195	80.1-120%	980	1,770	789
\$49,422				\$1,236			
\$74,040	15.0%	16.8%		\$1,851	13.7%	26.1%	

Source: RECOMMENDED METHODOLOGY FOR SUPPLY & DEMAND ANALYSIS FOR BROWARD COUNTY'S AFFORDABLE HOUSING
MARKETMERIDIAN APPRAISAL GROUP, INC. ROBERT VON, PRESIDENT

Existing RAC & Affordable Housing Strategies

Demonstrate Existing Policy

- Density Bonuses in the RAC require 15% of the project be workforce housing* (Form-Based Code adopted in 2014) or pay fee in-lieu
- Comprehensive Plan Policies indicate reliance on the CRA to support partnerships to create the affordable housing
- According to its plan, the CRA shall continue to acquire vacant lots throughout the CRA for the construction of single-family affordable housing properties.
- Development Agreements provide supplemental funds via fees in lieu of inclusionary units to the CRA for this purpose

*no projects have been proposed under these regulations

Proposed Policies & Strategies

Propose New Policy and Implementation Plan

- Impact Fee Study underway
- New Land Development Regulations to be formulated based upon defensible impact fee **for all development, not just big projects with Development Agreements**
- Impact fee and new land development regulations will then support the proposed RAC amendment when submitted to the County.
- Equitable distribution of affordable/workforce unit is an important consideration.

Development Agreements

Affordable Housing Contributions resulting from Development Agreements

Development	Amount	Date paid
Beachwalk	\$ 300,000	06/24/13
Walmart	\$ 20,000	02/11/11
Hallandale Village	\$ 15,000	04/27/06
Ocean Marina	\$ 25,000	03/22/05
<u>Cornerstone</u>	<u>\$ 150,000</u>	2004
Paid Total	\$ 510,000	

Development Agreements

Pending Affordable Housing Contributions from Approved Development Agreements		
Development	Amount	Status
2000 S. Ocean Dr.	\$ 100,000	Permit Application Pending
Diplomat Golf Course	\$ 331,250	Permit Application Pending
Domus Office Building	\$ 50,000	Permit Application Pending
Hallandale Oasis	\$ 662,500	Permit Application Pending
<u>Nine Hundred</u>	<u>\$ 424,000</u>	Permit Application Pending
Potential Forthcoming	\$ 1,567,750	

Using \$1,325 per unit requirement

Development Agreements

Pending Affordable Housing Contributions from Proposed Developments		
Development	Amount	Status
MG 100	\$ 1,766,600	Revised Site Plan Application Pending
<u>Chateau</u>	<u>\$ 6,412,758</u>	Revised Site Plan Application Pending
Potential Total	\$ 8,179,358	

Using \$8,833 per unit requirement

WORKSHOP DIRECTIVES

August 31, 2016 Commission Workshop Regarding Affordable Housing

MOTION: BRING BACK A POLICY FOR CONSIDERATION BY THE COMMISSION REGARDING COMMERCIAL LINKAGE FEES. (Carried 5/0)

Bring back in a form of an Ordinance

Mayor indicated she would like the calculation based on the City's figures.

MOTION: INCREASE THE CITY'S RATE FROM \$1,325 TO \$8,833.33 PER MARKET RATE UNIT (Carried 4-1)

AMENDMENT TO SET RATE AT \$8,833.33 PER MARKET RATE UNIT AS A MINIMUM RATE AND REVIEW SAID RATE ON AN ANNUAL BASIS.

Mayor suggested reviewing the policy to institute fees based on census tracks.

MOTION: STAFF TO EVALUATE IF AFFORDABLE HOUSING POLICY CAN BE ESTABLISHED BY GEOGRAPHIC AREA (OR CENSUS TRACT) AND NUMBER OF UNITS. (Carried 5/0)

WORKSHOP DIRECTIVES

MOTION: COMMISSION TO ESTABLISH AN INCLUSIONARY AFFORDABLE HOUSING POLICY AT 15% OR ALSO INCLUDING A FEE IN LIEU OF FOR BUILDING HOUSING STOCK OFF-SITE AS PART OF NEW LAND DEVELOPMENT REGULATION. (Carried 5/0)

MOTION: DISCUSSION ITEM ON A STRATEGY TO FACILITATE UTILIZING THE AFFORDABLE HOUSING TRUST FUND TO ASSIST RENTERS. (Carried 5/0)

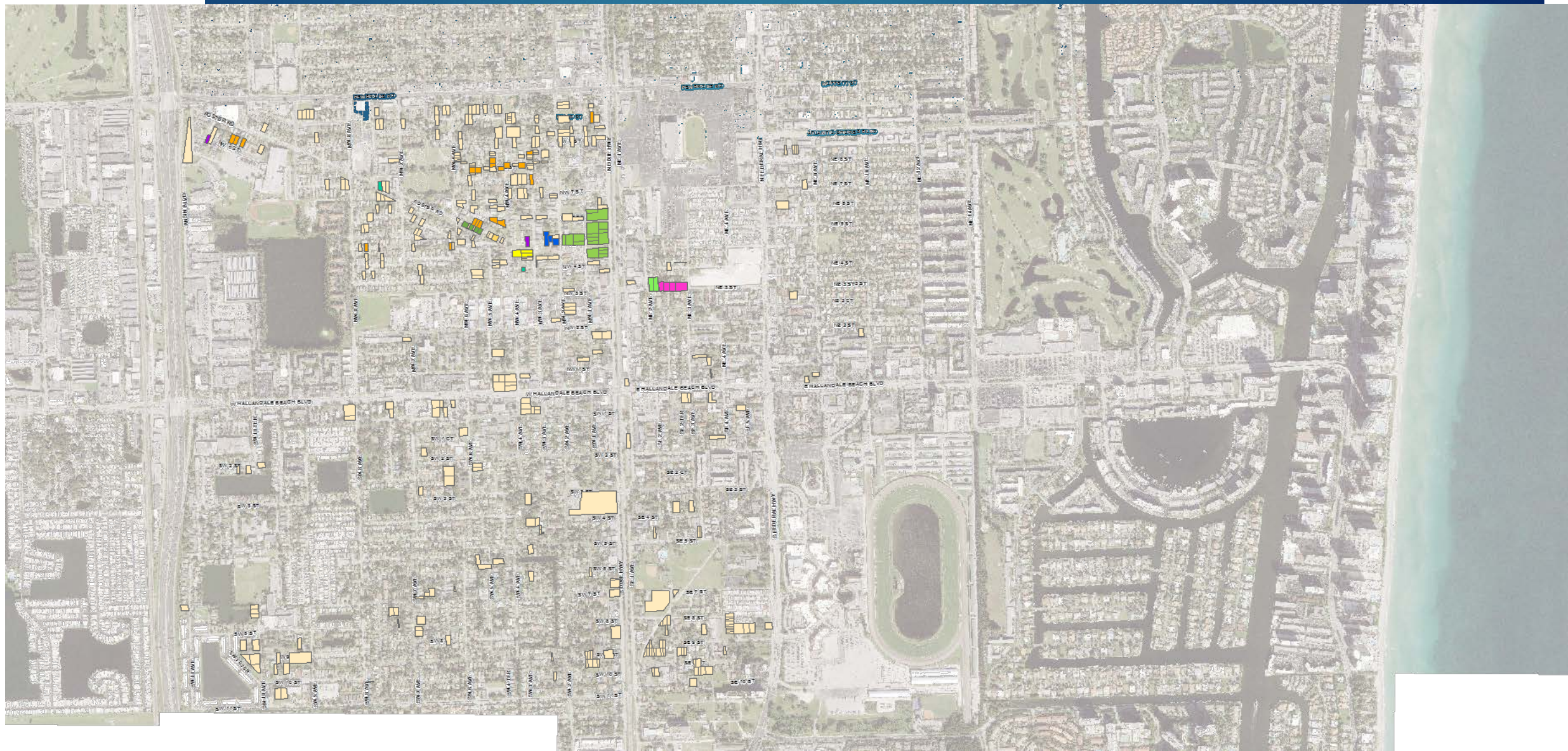
MOTION: A DISCUSSION ITEM ON DEVELOPING A STRATEGY TO ESTABLISH A HALLANDALE BEACH HOUSING AUTHORITY UPON THE SUNSET OF THE HBCRA. (Carried 5/0)

CRA Vacant Property Survey

- CRA & City Staff conducted a detailed windshield survey and property appraisers analysis of vacant properties in the CRA.

Vacant Properties in CRA

19





Vacant Properties in NW CRA-213

20

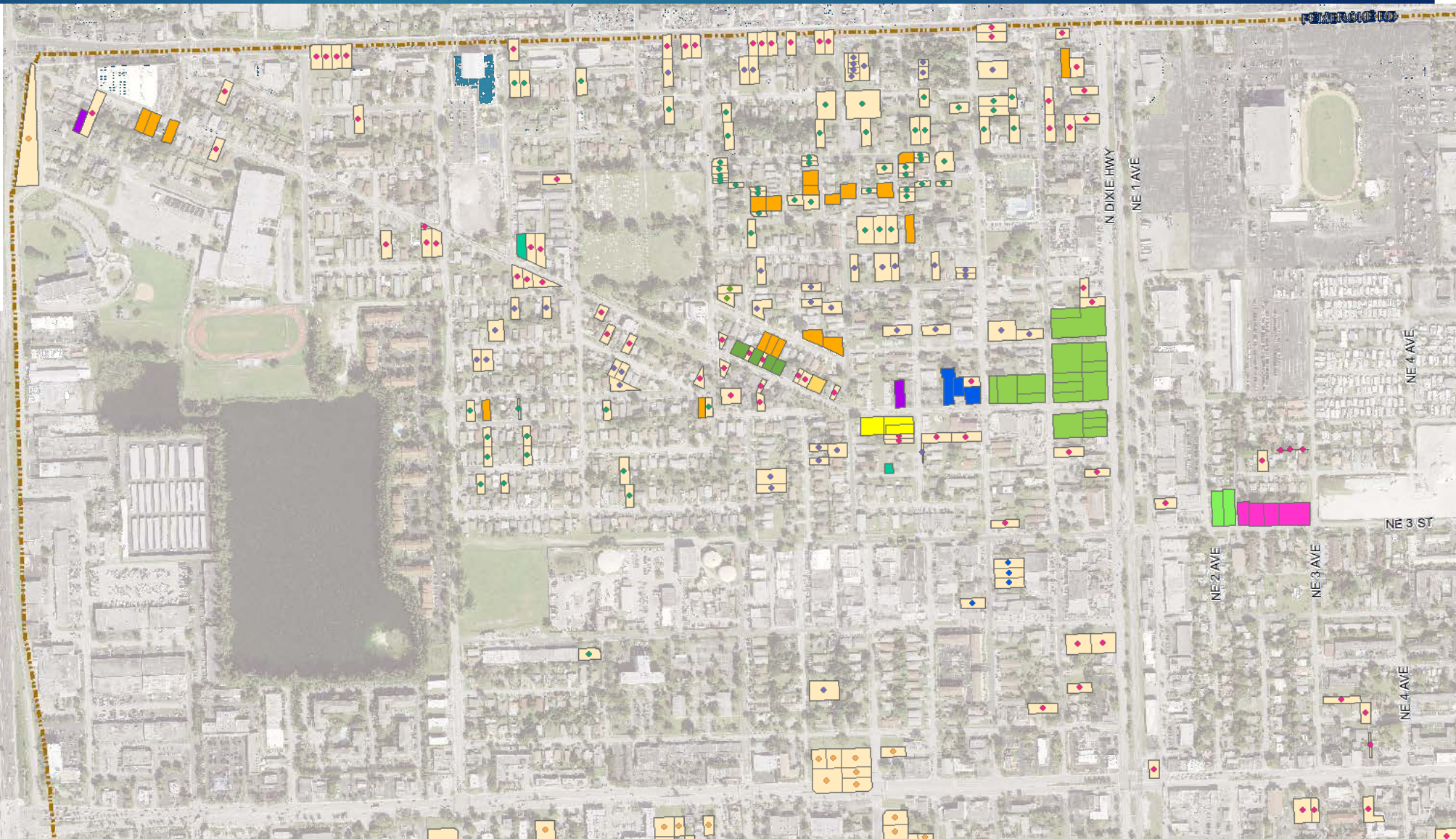
CRA Project Sites

- 208 Foster Condominium
- Arts Condominium
- Donaldson-West Venture
(Construction of townhomes)
- Foster Dixie Mixed Use Development
(Construction of residential and commercial complex)
- Foster Park (Construction of 4 condominiums)
- Foster Square (Construction of seven apartment units)
- IceBox Café (Commissary)
- In-Fill Housing Project
(Construction of single family homes to be sold as affordable housing opportunities)
- Land without Development Plans
- Multi-Proposal Foster Rd

ZONED

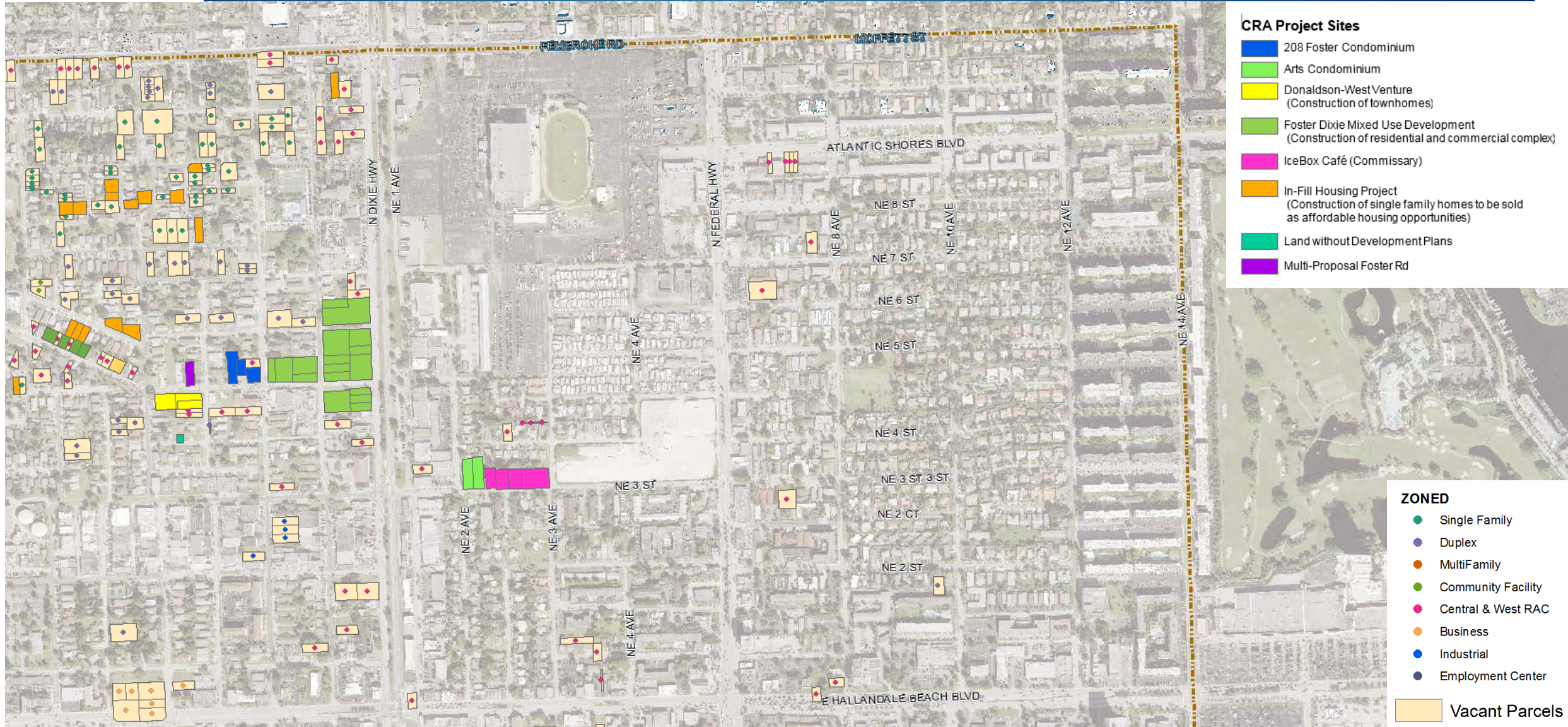
- Single Family
- Duplex
- MultiFamily
- Community Facility
- Central & West RAC
- Business
- Industrial
- Employment Center

Vacant Parcels



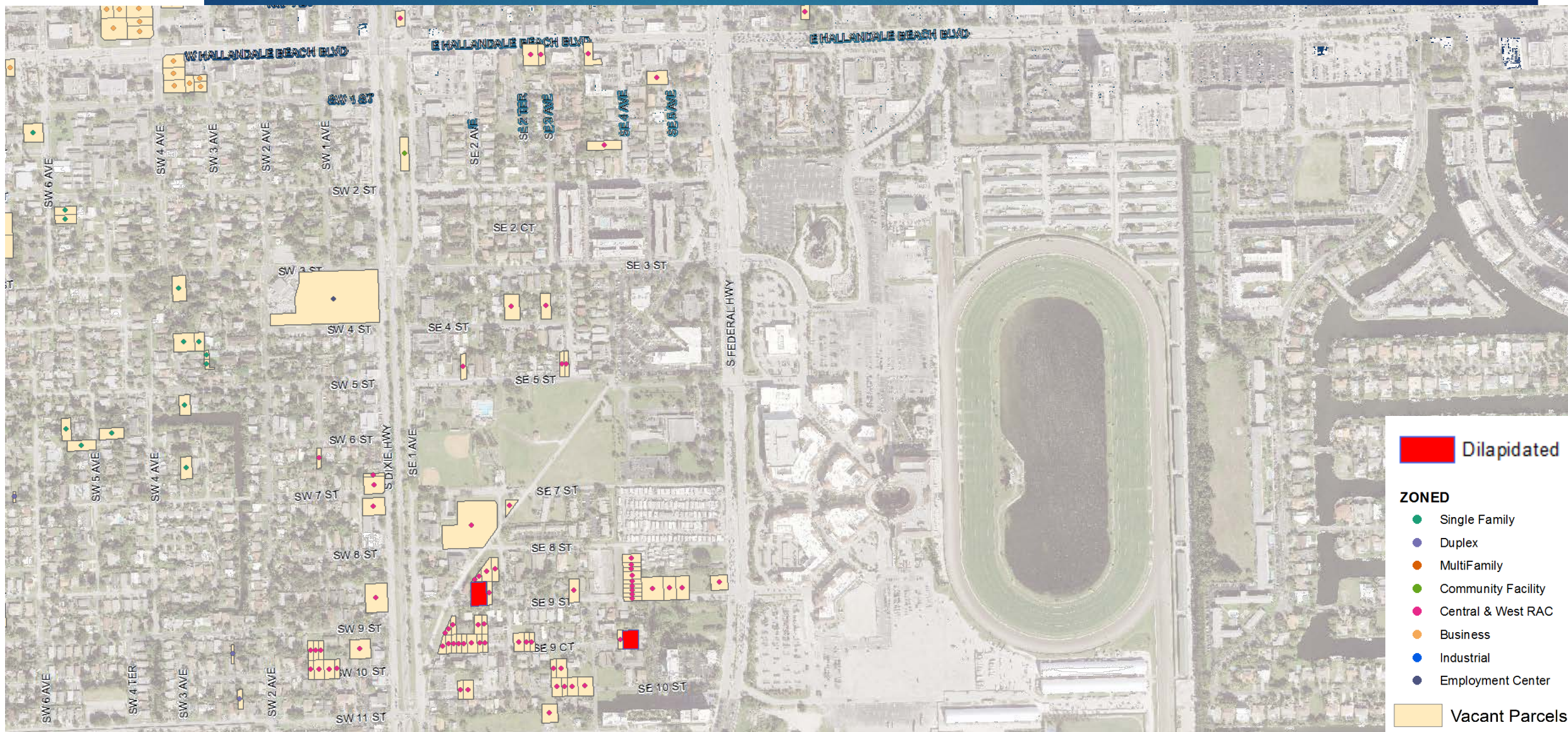
Vacant Properties in NE CRA-22

21



Vacant Properties in SE CRA-59

22



Vacant Properties in SW CRA-79

23





Vacant Properties in CRA

24

Vacant Properties by Quadrant

Quadrant	Property Count
NE	22
NW	213
SE	59
SW	79
Grand Total	373

Vacant Properties by Type

Land Use Type	Property Count
COMMERCIAL	86
GOVERNMENTAL	36
INDUSTRIAL	4
INSTITUTIONAL	6
RESIDENTIAL	241
Grand Total	373

CRA or City Owned Properties within CRA Boundary

City / CRA owned Properties	Property Count
CITY OF HALLANDALE BEACH	10
HALLANDALE BEACH COMMUNITY REDEVELOPMENT AGENCY	29
Grand Total	39



Unsolicited Proposals with Affordable Housing Component

Hallandale City Center (Hallandale City Center, LLC): Redevelopment Agreement is currently under negotiations. Affordable housing component is proposed to be 14 rental units with cost buy down from CRA.

Foster Condominiums (Mega Developers): 4 units – 2 Bedroom each. According to the executed Redevelopment Agreement, the residential units will be sold with the CRA's first time home buyers incentive, however if there are no or not enough buyers who qualify for the CRA's first time home buyers incentive, the Developer may then offer the units for sale to the general public.

The following redevelopment agreements do not contain any formal language to require affordable housing units:

- Hallandale Commons (Donaldson- West Venture, LLC)
- Foster Square Park (CBV, LLC)

Next Steps

- Finish the Impact Fee Study by Tindale Oliver
- Develop affordable housing/workforce housing overall City Policy.
- Staff will prepare applicable Ordinance once directed by City Commission.
- Tie City's Affordable Housing Ordinance to the HBCRA Redevelopment Plan.
- Further refine the list of 373 properties to identify willing sellers.
- Apply for additional RAC units.
- Work with Chamber of Commerce and local banks to encourage participation
- Investigate other innovative forms of financing eg. Tax credit