

AFFORDABLE HOUSING

Introduction

A wide range of housing, including affordable housing, is necessary in each community. Affordable housing is needed not only by service workers earning less than optimal wages, but also by employees of new businesses that are relocating to Southwest Florida. Affordable housing is also needed by new graduates and newly formed households in which the individuals are just starting in the job market. Retirees and persons with special needs who live on fixed incomes are additional groups that need affordable housing. To accommodate the income restrictions of these and other groups, a mixture of affordable for-sale and for-rent units is important.

➤ PROBLEMS, NEEDS, AND OPPORTUNITIES

Problems

There are several problems that constrain efforts to increase the supply of affordable housing. One problem concerns the high cost of land. In many communities, land with adequate infrastructure and elevation is extremely costly, making it difficult to develop affordable housing without large subsidies. Unfortunately, more affordable land is often found in platted communities that lack water, sewer, lighting and sidewalks, or in rural areas where nearby stores and schools are unavailable. Construction on these sites leads to dispersed development patterns that increase the demand for infrastructure in outlying areas. Another cost issue involves rising impact fees. Though needed to cover a portion of the cost of new growth, rising impact fees make some homes unaffordable to low- and moderate-income households.

The prevalence of low-paying jobs in the Region is yet another problem. Many of these jobs are found in the tourism and agriculture sectors. Economic development organizations are addressing this problem through efforts to attract businesses offering higher-paying jobs. Workforce development professionals are also striving to increase the skills of the workforce to help residents qualify for higher-paying jobs. Although progress is being made in both areas, the Region's reliance on tourism and service-type jobs will continue the prevalence of low-paying jobs that make finding affordable housing difficult for many.

Another problem is frequent public opposition to affordable housing efforts. Such opposition occurs in many communities and is especially troublesome in several of the coastal counties. Public opposition can stop a project or add considerable time and money to its costs. As a result, affordable housing is often built in communities where opposition is low or does not occur. This can result in concentrations of low-income households, which may be harmful to the neighborhood's stability.

Public opposition to affordable housing is extremely hard to overcome. Fear of crime and decreasing property values cause many people to oppose it. An education program can help in some circumstances. More likely, however, it will be necessary for the local government and housing providers to demonstrate strong leadership and ensure that new housing will be an asset to the neighborhood.

Finally, profit margins of for-profit affordable housing developers are low or unstable. As a result, developers in the private sector find it difficult to operate in the affordable housing market without some form of state or federal program that offers a subsidy to cover a portion of the housing costs, thereby guaranteeing a certain rate of return.

Needs

As described under the problems section, the Region needs a larger supply of affordable housing and higher-paying jobs. Additionally, local governments need to continue, and in some cases expand, their involvement in the area of affordable housing. Jurisdictions should provide staff to work on housing programs. They should also support housing providers in the community through both staff cooperation and funding.

Another need is for additional support services. For very low-, low-, and moderate-income households, affordable housing is not the only need. Day care, health care, job training, and transportation, among other things, are also necessary. Coordination among providers should be enhanced to ensure cost effectiveness and to eliminate gaps that individuals might otherwise experience.

Another need is to protect and/or restore older neighborhoods. A comprehensive approach is needed to accomplish this effort. To be successful, it must involve improving the housing and neighborhood, updating and improving infrastructure, attracting new businesses, and reducing crime.

Opportunities

A number of opportunities for affordable housing exists. First, the state took a proactive step in the area of affordable housing when it created and implemented the SHIP program. By creating this program, the state produced another source of funds that allows each community to target its particular needs.

While listed above as a need, the rehabilitation of older neighborhoods also provides an opportunity to recover housing units that are affordable. These older neighborhoods typically have infrastructure already, and are in need of restoration in order to protect and preserve the larger community.

Third, a number of innovative housing programs exist within the state and country. It is possible to learn from others and adapt their programs to local conditions. This process occurs locally with a number of groups sharing information among one another, both independently and through the Housing Providers Coalition that is coordinated by the RPC. The Coalition provides participants with an opportunity to exchange ideas and information.

Fourth, mixed-use and compact land-use plans should be encouraged, especially in the rapidly developing areas of the coastal counties. Doing so can reduce commute times and the cost of infrastructure.

Lastly, a number of people and organizations already participate in or are interested in participating in the provision of affordable housing. Thus, the interest and support are available, as well as

funding through certain state and federal programs. The opportunity exists to make significant strides in the area of affordable housing.

➤ **ISSUES**

❖ **THE SUPPLY OF AFFORDABLE HOUSING**

Goal 1: Supply a variety of housing types in various price ranges to ensure that all residents have access to decent and affordable housing.

Generally, the private sector provides sufficient housing for moderate- and high-income residents in the Region. For low and even some moderate-income households, however, a shortage of desirable affordable units exists. The definition of affordable housing is based on standards used by the Department of Housing and Urban Development (HUD). Accordingly, "affordable" means a situation where monthly rents plus utilities or monthly mortgage payments plus taxes and insurance do not exceed 30% of the median gross annual income for a household.

The 1990 Census showed that over 44% of the homeowners in the Region with household incomes under \$20,000, paid 30% or more of their income for housing. For renters, the figures were much higher. More than 70% of the renters with household incomes under \$20,000 paid 30% or more of their income for housing. The high number of low-income households (both homeowners and renters) paying beyond what is termed "affordable" illustrates the problem created by unemployment, low-wage jobs, and a shortage of inexpensive housing. For households of these income ranges, assistance from the public sector is necessary to construct units that are affordable. Public sector involvement can help ensure that units of all price ranges and all styles are constructed for the Region's residents. Yet, private sector involvement is needed to stretch public resources. Incentives such as density bonuses, impact fee reductions, and one-stop permitting for affordable units are necessary to promote private sector participation.

Strategy: Increase the supply of affordable housing through public and private efforts.

Actions:

1. Assist local governments in identifying the housing needs of very low-, low-, and moderate-income households in the Region.
2. Review housing elements of local comprehensive plans to ensure those needs are identified and considered when funding choices are made.
3. Assist local governments and non-profit organizations in identifying and adopting innovative funding sources and programs for the development of affordable housing.
4. Work with local governments to promote structures and developments that combine commercial and residential uses as a means of providing housing that is affordable and near employment opportunities.
5. Encourage local governments to adopt strategies that promote the development of affordable housing by the private and nonprofit sectors including incentives such as one-stop

permitting/review process for developers and contractors and the donation of publicly owned lands for development by non-profit organizations.

6. Work with state programs to change current criteria that make it difficult to compete for projects in some portions of the region.

Indicators:

- Number of housing elements in local governments' comprehensive plans that identify current and future housing needs of their residents and recommend actions to address those needs.
- Innovative funding or incentive programs in use in the region.
- Number of affordable housing units built in the region through local, state, and federal programs.

Reduction of Public Opposition to Affordable Housing

Builders of affordable housing often face tremendous opposition from residents in the area who fear loss of property value and increased crime. The opposition, if successful, can stop the builder or organization from building at that site. Even if the project is not stopped, it may still be delayed, thereby adding considerable time and money to the project's total cost. In response to this, organizations sometimes choose sites where no opposition exists. If this occurs extensively, concentrations of low-income housing will occur which could have negative effects on the surrounding area. Rather, a mix of housing styles and prices is preferable. To overcome opposition, local governments should strive to educate residents regarding the need for affordable housing and to ensure that new housing developments are assets to the communities in which they are located. Also, in areas deemed appropriate, local governments should permit the use of density bonus programs to build affordable units. This would eliminate the need for developers to request a zoning change or comprehensive plan amendment for such parcels.

Strategy: Reduce opposition to affordable housing.

Actions:

1. Promote the development of "quality" affordable housing projects.
2. Encourage organizations to provide homebuyer counseling both before and after a family purchases a home to ensure the house is well maintained and does not become an eyesore in the community.
3. Continue to educate elected officials and citizens on the need for and benefits of affordable housing.
4. Promote the mix of affordable and non-affordable housing to create integrated communities.

Indicators:

- Number of affordable housing developments constructed that did not face significant public opposition.
- Number of developments containing affordable and non-affordable housing.

- Programs initiated by non-profit and government housing providers to educate new homeowners and promote their involvement in the community.

❖ **LIVABLE COMMUNITIES**

Goal 2: Southwest Florida will develop (or redevelop) communities that are livable and offer residents a wide range of housing and employment opportunities.

By locating new housing in areas where services already exist, local governments can reduce the strain on their resources and promote the cost effective use of their services. Doing so can also promote livable communities that offer residents a variety of amenities and opportunities. Encouragement of infill development, mixed land uses, and neighborhood revitalization are among the steps local governments can take to promote new affordable housing without sacrificing other planning goals.

Strategy: Develop livable, integrated communities that offer residents a high quality of life.

Actions:

1. Encourage programs that promote infill development in urban areas to maximize the efficient use of existing infrastructure.
2. Work with local governments to promote structures and developments that combine commercial and residential uses as a means of providing housing that is affordable and near employment opportunities.
3. Encourage communities that are pedestrian friendly or offer alternative modes of transportation to overcome transportation problems many low-income families face.
4. Encourage new housing to be built in higher areas to reduce the need for costly flood insurance.
5. Promote the mix of affordable and non-affordable housing to create integrated communities.

Indicators:

- Communities that have incentive or other programs to promote infill development.
- Communities that promote combined commercial and residential uses in developments and structures.
- Communities that are pedestrian friendly and offer alternatives to auto transportation.
- Number of developments containing affordable and non-affordable housing.

Stability and Protection of Neighborhoods

The housing stock in the Southwest Florida Region is relatively new and is generally in good condition. In 1990, less than 1% of the Region’s housing supply was considered substandard, yet pockets of substandard housing exist in every community. Public and private efforts are needed to rehabilitate homes in these areas.

Also, as the housing units within the Region age, the need for rehabilitation programs will grow. For low-income households, especially among the elderly who are on fixed incomes, paying for needed maintenance can become impossible. To maintain and improve the condition of the Region's housing stock, it is important to have programs that provide repair services to low-income homeowners.

Strategy: Protect existing, well-established neighborhoods and communities and revitalize those experiencing deterioration.

Actions:

1. Encourage communities to fill existing infrastructure gaps (such as sidewalks, parks, lighting, etc.) in neighborhoods that offer affordable housing.
2. Assist communities in identifying neighborhoods that are, or are in danger of, deteriorating.
3. Assist communities in their efforts to develop methods for removing or rehabilitating substandard units, abandoned or unsafe property, and blighting influences in residential areas and the surrounding neighborhoods.
4. Assist communities in establishing effective housing codes that include ongoing monitoring and enforcement programs.
5. Review comprehensive plans and land development regulations to encourage the inclusion of incentives to develop and redevelop land downtown.
6. Work with local agencies to apply for state or federal programs that assist in community revitalization.
7. Encourage communities to focus on troubled areas in a comprehensive method that coordinates programs and services, rather than using a shotgun approach.
8. Promote resident involvement in neighborhood planning efforts, so residents are active in making decisions that will affect their areas.

Indicators:

- Communities with rehabilitation and demolition programs.
- Communities with active code enforcement programs.
- Communities with incentive programs.
- Number of applications submitted for state or federal community revitalization programs.

❖ PERSONS WITH SPECIAL NEEDS

Goal 3: The housing needs of persons with special needs will be met.

Certain sub-groups of the population have special housing needs. These groups include the disabled, elderly, homeless, and large-family households. Each group needs affordable housing options that offer facilities or services required for their situation. Female-headed households are an

additional at-risk population due to their reduced earning power. Unfortunately, detailed data on the size of each special needs population are difficult to find.

Strategy: Develop housing and services to assist persons with special needs live as independently as possible.

Actions:

1. Review local government comprehensive plans to ensure that housing for persons with special needs is considered and provided.
2. Assist communities in identifying the size and needs of special populations.
3. Help communities fill the gaps in services to special needs populations by applying for funding from various state and federal sources.
4. Encourage communities and organizations to utilize appropriate housing methods to serve developmentally disabled and physically handicapped individuals.
5. Assist service providers in working together to fill gaps in services to special needs populations.

Indicators:

- Housing elements that identify the housing demands of special needs populations and recommend actions to address those needs.
- Number of applications submitted to address the housing and service needs of special needs populations.
- Number of cooperative agreements or arrangements between housing and service providers.

As with other special needs groups, reliable data on farmworkers are difficult to find. The U.S. Department of Health and Human Services estimated the farmworker population in 1990 to be 26,097 in the Region. This figure includes both farmworkers and their families. A 1998 study prepared by the Institute of Food and Agricultural Sciences at the University of Florida estimated the population to be 30,802.

Housing this group is difficult due to their travel patterns and sometimes separated family-living arrangements. For instance, some farmworkers travel with their families. Others leave their families in one location and travel alone with other males. Another problem involves the lack of documentation to show farmworkers are in the U.S. legally. Without the documentation, they cannot be housed in most state or federally funded housing.

A regional approach is especially important for farmworker housing. Farmworkers tend to live wherever housing and services can be found and then commute to the fields to work. As a result, urban communities must be prepared to address the needs of farmworkers if rural agricultural areas are nearby.

Strategy: Farmworkers will be recognized as an essential part of our economy and their housing needs will be included in community programs.

Actions:

1. Assist communities in identifying the need for farmworker housing and incorporating steps to address those needs in local, regional, and state housing programs.
2. Continue to educate citizens and local officials on the need for additional farmworker housing.
3. Work with public and private partners to provide and maintain safe, sanitary housing for farmworkers.

Indicators:

- Number of workshops and public meetings to discuss the issue of farmworker housing and alert citizens to the need for housing.
- Number of newly constructed farmworker housing units.

❖ **HUMAN SERVICE NEEDS**

Goal 4: Communities and non-profit organizations will work together to identify and address the population’s human service needs.

Affordable housing is just one component under the large category of human services issues. Other components include affordable and decent health care, dental care, child care, transportation, and job training services. Very low- and low-income households often have difficulty accessing or receiving these services, yet without them, they may be unable to work and/or keep their homes. For this reason, service and housing providers need to assist their clients in dealing with all of these challenges, rather than focusing on just one or two.

Strategy: Coordinate local housing programs with related programs to enhance services to clients.

Actions:

1. Coordinate with housing and service providers to promote the formation of comprehensive programs that offer job training and support services, such as daycare and transportation, for individuals with affordable housing needs.
2. Assist local governments and housing providers in working together to apply for state and federal funds as applicable to fill identified gaps.
3. Work with service providers and local governments to identify critical needs that cannot be resolved through current funding sources. Where possible, assist communities in developing local or regional networks to address those needs.

Indicators:

- Number of cooperative agreements or arrangements between housing and service providers.
- Number of multi-party applications submitted for state or federal funding.

❖ **REGIONAL COOPERATION**

Goal 5: Communities and local non-profit organizations will cooperate when possible to reduce duplication of services and improve cost efficiency.

The housing needs of a community are not limited by city and county boundaries. People often work in one community but reside in another due to factors such as cost, personal choice, and convenience. This pattern is especially common among people who work in the service sector within moderate to high income areas. Although the jobs and services they provide are required by the area's population, the employees earn wages that make it impossible for them to live there. Thus, they work in one area and live in another, more affordable community. Addressing housing from a more regional approach allows communities the opportunity to share resources and enhance cost effectiveness.

Strategy: Communities will work together to address regional housing needs.

Actions:

1. Assist communities in developing interlocal agreements with neighboring communities so they work together to jointly address community-wide or regional housing concerns.
2. Continue to coordinate the Housing Providers Coalition as a means of bringing together housing providers from the Region to share information and ideas.
3. Assist housing and service providers in working together to stretch limited dollars and eliminate any unnecessary overlap of services.

Indicators:

- Number of communities with interlocal agreements to address housing needs.
- Number of Housing Provider Coalition meetings held or other regional forums for sharing information.

➤ **IMPLEMENTATION**

The following matrix shows the ways in which SWFRPC will interact with other organizations to implement the goals listed in the plan.

Agency	Goal 1	Goal 2	Goal 3	Goal 4	Goal 5
Counties	A/R/I/G	A/R/I/G	A/R/I/G	A/I/G	A/I/G
Cities	A/R/I/G	A/R/I/G	A/R/I/G	A/I/G	A/I/G
Nonprofit Housing Agencies	A/I/G	A/I/G	A/I/G	A/I/G	A/I/G
Service Providers	A/I/G	A/I/G	A/I/G	A/I/G	A/I/G
Public Housing Authorities	A/I/G	A/I/G	A/I/G	A/I/G	A/I/G
Private Developers	A	A	A		
DCA/FHFC	I/G	I/G	I/G	I/G	I/G
DCFS	I/G		I/G	I/G	I/G
HUD	I/G	I/G	I/G	I/G	I/G
USDA	I/G	I/G	I/G	I/G	I/G

A = Advise or inform

R = Review or regulate

I = Implementation or coordination assistance

G = Grant writing assistance (either on behalf of the indicated community/organization or to help a community/organization apply for funds offered by the agency indicated)

AGENCY ABBREVIATIONS

- DCA/FHFA: Department of Community Affairs/Florida Housing Finance Corporation
- DCFS: Department of Children and Family Services
- HUD: Department of Housing and Urban Development
- USDA: U.S. Department of Agriculture