

AHAC FEBRUARY 19, 2016 INTERGOVERNMENTAL ROUNDTABLE

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MONROE COUNTY AFFORDABLE HOUSING ADVISORY COMMITTEE
INTERGOVERNMENTAL ROUNDTABLE EXECUTIVE SUMMARY
FEBRUARY 19, 2016
MARATHON, FLORIDA

On behalf of Mayor Heather Caruthers, Monroe County Commissioner Sylvia Murphy welcomed the participants and public to the intergovernmental roundtable. The members introduced themselves and Commissioner Murphy introduced the AHAC facilitator, Bob Jones, who set forth the roundtable agenda, guidelines and roles. He noted that the Monroe County Board of County Commission and the City of Key West each passed resolutions in 2015 to encourage intergovernmental collaboration on workforce housing. The Monroe County Affordable Housing Advisory Committee was charged by the Commission to convene a meeting of municipalities to share information on workforce housing activities and identify strategies for enhancing intergovernmental cooperation to increase workforce housing throughout the Florida Keys.

He noted the Committee's early work in the Fall of 2015 included the following consensus statement on the unmet workforce housing needs as part of their recommendations to the Board of County Commissioners:

“Based on the current, available data, the Committee believes there is an unmet Workforce Housing need throughout Monroe County, specifically near employment centers. It recommends the BOCC recognize that Monroe County continues to experience a critical Workforce Housing need. The need and demand for Workforce Housing appears most critical for those households at the median, low and very low income levels and is most severe in the middle and lower Keys.”

The Committee also recommended that County staff coordinate and share information and collaborate with the municipalities to develop a countywide database and explore the development of a countywide monitoring and enforcement mechanism program.

In advance of the Roundtable, each jurisdiction was encouraged to be prepared to share information on their workforce housing activities. Commissioner Payne introduced Thaddeus Cohen, the Planning Director for the City of Key West who provided an overview of policies and programs in Key West directed towards workforce housing and affordable housing. Mr. Cohen noted the City is currently in the process of re-writing their Land Development Regulations which will include policy decision regarding affordable and workforce housing. Moving forward we are exploring how to create incentives for building and providing more affordable housing. Roundtable comments focused on the inventory numbers; fractional units; combining and pooling market and affordable ROGOs; deed restrictions; BPAS weighted towards affordable housing; and carrying capacity.

Mayor Senmartin introduced George Garrett, Planning Director/Deputy City Manager, City of Marathon and Brian Shea, Planner, City of Marathon who shared information on workforce housing efforts in the City of Marathon. Mr. Garrett noted the City has its own Workforce Housing Committee which has engaged Florida International University to produce a study of affordability

issues in Marathon. The City is exploring whether to expand the limits of affordability up to 160% AMI. The City has 30 ROGO allocations per year with 6 being allocated to affordable housing. Current ordinance extends to commercial and larger residential the requirement of providing affordable housing.

Mayor Deb Gillis introduced Cheryl Cioffari, Planning Director, Village of Islamorada who shared information on workforce housing efforts in the Village of Islamorada. The Village Code has definitions for low, very low and moderate with the minimum size per unit at 500 square feet and the maximum size 1500 square feet. An inclusionary housing ordinance was passed in 2008 that covers both residential and commercial development and redevelopment and provides for addressing 30% of the full need for affordable housing a development generates. There is currently \$375,000 in accrued fees. There are currently 37 unused allocations and the Village is projected to receive 48 from state through 2023. They allocated 2 in the last year and 6 units over the past 6 years. There has not been a strong push to develop due to the length of the deed restriction, the economic downturn and the cost of land in the Village.

Commissioner Sylvia Murphy introduced, Mayté Santamaria, Monroe County Senior Director of Planning and Environmental Resources who shared information on workforce housing efforts in Monroe County. The Comprehensive Plan is being updated to allow all 700 Affordable Housing allocations available through 2023 to be pooled up front. There are 126 allocations annually for market rate. Also partnered with Marathon to incentivize low income housing reserving 82 for Marathon (9 in very low, 73 in low). The deed restrictions are currently 99 years while previously they had been for 20, 30 and 50 years. To date there have been 13 units built in very low; 242 in low income; 205 in median and 363 in moderate with over 800 units total (639 rental and 160 ownership). The County currently has inclusionary housing for residential only. The County is in the process of contracting for a nexus study so the County can develop an inclusionary program for non-residential. The County is exploring how to better monitor, qualify and re-qualify deed restricted affordable housing units. There is currently \$10 million for land acquisition.

The facilitator welcomed comments from members of the public attending the roundtable which addressed: the need for working collectively; the turnover of law enforcement, teachers and health care workers due to housing costs; relieve the pressure to turn units into vacation rentals; the role of the School District in addressing workforce housing; preserving historic workforce housing units; impact of AirBnB on affordable housing; offering smaller lower costs units for rent; charging impact fee for expiring deed restricted properties; facilitate seniors to move to senior and independent living housing to free up units for workforce; and acknowledge the contribution of for profit landlords who provide workforce housing.

The facilitator reviewed the AHAC's October statement regarding the unmet need and demand for workforce housing throughout Monroe County, specifically near employment center and that the need appears most critical for those households at the median, low and very low income levels and is most severe in the middle and lower Keys. The municipal representatives agreed with the description of the need and suggested there are needs across the spectrum. There was also discussion of whether a joint needs analysis of workforce housing in the County and municipalities would help to ground, support and connect efforts across jurisdictions.

The Roundtable was designed to provide an opportunity for information sharing and identifying opportunities for better intergovernmental cooperation. There were no motions or decisions taken.

The intergovernmental discussions and public comments that followed were wide ranging and covered the following areas for potential intergovernmental cooperation and collaboration:

1. **Participation of Municipal Planning Directors on the AHAC Going Forward.**
2. **Consistent Affordable Housing Terminology**
3. **Deed Restrictions and Consistent Monitoring and Qualifying**
4. **Funding Sources for Affordable Housing**
5. **Inclusionary Housing and Redevelopment**
6. **Incentives for Building Workforce Housing**
7. **Working Together on Homeowners and Flood Insurance Costs**
8. **Purchasing Land to Address the Growing Workforce Housing Crisis.**
9. **Taking a New Look at the Hurricane Evacuation Formula**
10. **Backyard Houses and Work Force Housing**
11. **Address Now the Impact of 2023 on Affordable Housing Funding and Land Purchases**
12. **Communicating with the Public on the Workforce Housing Need & Solutions**

The facilitator welcomed comments from members of the public attending the roundtable which addressed: the need to address height and density; the need for public understanding of the problem and support for the solutions; school district challenges go beyond construction; visitor base and service expectations are growing; consider the full range of transportation options related to workforce housing; maintain quality rental housing; state of Florida as a key partner; need for permanent funding source for the range of affordable housing; external factors in the Keys (ROGO, etc.) mean that the market won't respond and government action is needed; supporting small landlords providing workforce housing; running out of ROGOs?; sustainable and accountable solutions; increase enforcement of illegal rentals; shared goal but distinct values in each community; and ask more of tourists in solving workforce housing problem.

The facilitator invited roundtable participants to provide any thoughts or ideas about the Roundtable discussion and outcomes. Participants expressed appreciation for the municipal representatives participation, expressed hope for improving intergovernmental partnerships to address workforce housing and helpful information shared and issues identified. The facilitator thanked both Mayor Caruthers and Commissioner Payne for their resolutions calling for more intergovernmental collaboration. The Roundtable members completed a meeting evaluation. *The meeting adjourned at 2:55 p.m.*

MONROE COUNTY AFFORDABLE HOUSING ADVISORY COMMITTEE
INTERGOVERNMENTAL ROUNDTABLE SUMMARY
FEBRUARY 19, 2016
MARATHON, FLORIDA

I. WELCOME AND INTRODUCTIONS

On behalf of Mayor Heather Caruthers, Monroe County Commissioner Sylvia Murphy welcomed the participants and public to the intergovernmental roundtable. The members introduced themselves and Commissioner Murphy introduced the AHAC facilitator, Bob Jones, who set forth the roundtable agenda, guidelines and roles.

He noted that the Monroe County Board of County Commission and the City of Key West each passed resolutions in 2015 to encourage intergovernmental collaboration on workforce housing. The Monroe County Affordable Housing Advisory Committee was charged by the Commission to convene a meeting of municipalities to share information on workforce housing activities and identify strategies for enhancing intergovernmental cooperation to increase workforce housing throughout the Florida Keys.

He noted the Committee's early work in the Fall of 2015 included the following consensus statement on the unmet workforce housing needs as part of their recommendations to the Board of County Commissioners:

“Based on the current, available data, the Committee believes there is an unmet Workforce Housing need throughout Monroe County, specifically near employment centers. It recommends the BOCC recognize that Monroe County continues to experience a critical Workforce Housing need. The need and demand for Workforce Housing appears most critical for those households at the median, low and very low income levels and is most severe in the middle and lower Keys.”

The Committee also recommended that County staff coordinate and share information and collaborate with the municipalities to develop a countywide database and explore the development of a countywide monitoring and enforcement mechanism program.

II. INFORMATION SHARING ON WORKFORCE HOUSING ACTIVITIES AND INITIATIVES – MUNICIPALITIES & MONROE COUNTY ¹

In advance of the Roundtable, each jurisdiction was encouraged to be prepared to share information on their workforce housing activities including:

- Number of total available affordable allocations (ten year allocation from the State of Florida)

¹ The City of Key Colony Beach and the City of Layton were invited but declined to participate in the intergovernmental roundtable.

- Number of unused or pooled affordable housing allocations
- Number of affordable allocations awarded in 2015 (ROGO or BPAS year of July to July)
- Current length of deed restrictions
- Existing number of existing affordable housing units, by income category, within your jurisdiction
- Current tenancy of existing affordable units (rental vs. owner-occupied)
- Current income categories (definitions/ ___% of median income)
- Summary of existing incentives for affordable housing (brief bullet list)
- Projected need for affordable housing units
- Funding budgeted toward affordable housing development or land acquisition for affordable housing

A. City of Key West- Information Sharing

Commissioner Payne introduced Thaddeus Cohen, the Planning Director for the City of Key West who provided an overview of policies and programs in Key West directed towards workforce housing and affordable housing. *(See Appendix #6 for presentation information on affordable housing in the City of Key West)* Mr. Cohen noted the City is currently in the process of re-writing their Land Development Regulations which will include policy decision regarding affordable and workforce housing. Moving forward we are exploring how to create incentives for building and providing more affordable housing.

Questions and Comments

- The City's inventory #s seemed very low. *A: 159 units within the city managed by HLA 159 is only the privately owned within the City that the Housing Authority monitors for Key West. The Key West Housing authority manages/ owns 1220 units / city has 300 units and 159 private = 1700 units.*
- Regarding fractional units, are you using full BPAS allocations for small units? *A: They are full BPAS allocations but counted fractionally for evacuation. The minimum size is 400 square feet.*
- How does the State look at Key West's combining and pooling market rates and affordable housing and providing more bonus points for affordable housing? *A: State allowed the city since there were defined characteristics of each transient or non-transient unit.*
- How are deed restrictions handled in Key West? *A The LDR provides for 50 years plus an additional 50 years that applies to all affordable housing property owned privately, by the Housing Authority or the City.*
- Am I correct in understanding you are going to replace fixed allocations with an incentive program to increase affordable housing? *A: There is and will be a 50-80% target area and the BPAS will be weighted towards affordable housing*
- How is carrying capacity addressed in Key West? *A: The population has not changed over the past decade. The Capital improvement plan addresses infrastructure and the City has addressed and resolved many of the environmental and critical area issues over the years.*

B. City of Marathon- Information Sharing

Mayor Senmartin introduced George Garrett, Planning Director/Deputy City Manager, City of Marathon and Brian Shea, Planner, City of Marathon who shared information on workforce housing

efforts in the City of Marathon. *(See Appendix #7 for presentation information on affordable housing in the City of Marathon)* Mr. noted the City has its own Workforce Housing Committee which has engaged Florida International University to produce a study of affordability issues in Marathon. He noted the City's Land Development Regulations include a hotel/motel component which require hotels/motels to provide habitable space as AH units and offer density incentives for providing affordable housing. Limitations on size for affordable housing range from 350 square feet to 1800 square feet and there is a 50 year minimum requirement for affordable housing deed restrictions. The City is exploring whether to expand the limits of affordability up to 160% AMI. The City has 30 ROGO allocations per year with 6 being allocated to affordable housing. They will look at Key West's concept of placing them in a pool. Current ordinance extends to commercial and larger residential the requirement of providing affordable housing. For example, recently the Hyatt Hotel development provided 14 affordable housing units off site and the Knights Key development provided 30. There is currently about \$1 million in the affordable housing pool.

C. Village of Islamorada- Information Sharing

Mayor Deb Gillis introduced Cheryl Cioffari, Planning Director, Village of Islamorada who shared information on workforce housing efforts in the Village of Islamorada. *(See Appendix #8 for presentation information on affordable housing in the Village of Islamorada)* The Village Code has definitions for low, very low and moderate with the minimum size per unit at 500 square feet and the maximum size 1500 square feet. An inclusionary housing ordinance was passed in 2008 that covers both residential and commercial development and redevelopment and provides for addressing 30% of the full need for affordable housing a development generates. There is currently \$375,000 in accrued fees. There are currently 37 unused allocations and the Village is projected to receive 48 from state through 2023. They allocated 2 in the last year and 6 units over the past 6 years. There has not been a strong push to develop due to the length of the deed restriction, the economic downturn and the cost of land in the Village. There are affordable housing Incentives including waiving permitting fees. The Village also administers a first time homeowner Program that provides \$10,000 loans that would be forgiven after term. The staff has developed a data GIS layer showing all deed restriction/AH units in Islamorada. There is currently a discussion on the length of deed restrictions.

D. Monroe County – Information Sharing

Commissioner Sylvia Murphy introduced, Mayté Santamaria, Monroe County Senior Director of Planning and Environmental Resources who shared information on workforce housing efforts in Monroe County. *(See Appendix #9 for presentation information on affordable housing in Monroe County)* The Comprehensive Plan is being updated to allow all 700 Affordable Housing allocations available through 2023 to be pooled up front. There are 126 allocations annually for market rate. Also partnered with Marathon to incentivize low income housing reserving 82 for Marathon (9 in very low, 73 in low). The deed restrictions are currently 99 years while previously they had been for 20, 30 and 50 years. To date there have been 13 units built in very low; 242 in low income; 205 in median and 363 in moderate with over 800 units total (639 rental and 160 ownership). The current incentives: purchase and lease back and provide for AH; waive impact and planning application fees and Building permits as well; provide density bonuses in certain districts – can get up to 25/acre and in mixed use provide up to 18 units per acre. Significant increase based on our current density. The County allows transfer of market rate exemptions from mobile home parks to protect mobile home parks through agreement to transfer those market rate rights to another location in exchange for deed restricting the units with either the same or more units on site. The County currently has inclusionary housing for

residential only. The County is in the process of contracting for a nexus study so the County can develop an inclusionary program for non-residential. The County is exploring how to better monitor, qualify and re-qualify deed restricted affordable housing units. There is currently around \$10 million for land acquisition.

E. Public Comment

The facilitator welcomed comments from members of the public attending the roundtable.

- *Keith Douglas*. Serves on the Islamorada accessible housing committee and was a former BOCC member. Need to work collectively and with the service industry to address workforce housing
- *Capt David DuPrey* – Fish & Wildlife Conservation Service. Notes that he as well as those in the sheriff's office or state attorney's office want to stay and be rooted in this community. There is a huge turnover in law enforcement which is detrimental to community life. We need to find ways to be in and stay in this community.
- *Bob Anderson* – Cudjoe. Venture Out. 650 resort rooms with 20% of their units housing full time people. They provide some degree of AH for community. Affordable housing is a social justice issue especially as low levels which faith based groups. Need to focus on and reduce the pressure to get rid of full time affordable housing. Other resort communities such as Aspen (1 road in, employees bussed in) have addressed workforce housing. Contact the Pitkin County housing office.
- *Bobby Highsmith*. Member of the School Board and affordable housing liaison to Key West. The affordable housing crisis is of great importance to School Board and they want to be part of solution. They hired 15 new teachers this year and only 1 came back to work. They lost 14 teachers. Not sure about impact fees from redevelopment of schools where the construction is not bringing in new teachers, etc. They are proceeding with the Trumbo Point affordable housing development and hope to parlay the Marathon Manor into affordable housing.
- *Marianne Benvenuti*. Guidance Care center in finance since 2000. Turnover is a big issue for business and many are working 2-3 jobs which puts further stress on families, self, community, happy to give a list of FTEs by wage rates, housing or not. Is there a study listing how many we need? If expiration dates – won't work long term. Should have consistent affordable definition among all municipalities. A process needs to be in place for consistent monitoring & qualifying.
- *Joyce Newman*. We seem to be focused on building new units for workforce housing. However there are thousands of units now that historically were used as workforce housing. Some are in RV trailer parks, system in place that incentivizes developers to buy up existing and transferring into new development, moderate levels. Many don't make enough to afford moderate income housing. Many new developments (hotels/motels, residential developments) all require service workers at a low hourly wage. What has been the impact of AirBnB and Craig's list. There may be thousands of units that are under radar. Change the current incentives for those owners to rent short term at expense of long term affordable housing.
- *Nancy Hershoff* – Islamorada AH Committee. Low income housing is not affordable. Focus on efficiencies in Key West.. We should be looking at smaller areas with more density so these smaller units could charge \$800 a month vs. \$1200 or more a month. Is it cheaper to buy old and rehabilitate rather than building new? Consider imposing a \$50-100,000 impact fee for those coming off deed restrictions and going back as market rate units and no fee if they keep it deed restricted.

- *Joe Hollander* - Islamorada. Worked in affordable housing business in Michigan. Suggestion consider increasing senior housing / independent living options so seniors could move and open up their single family homes for workforce housing. Consider whether tax credits might support this.
- *Mark Peterson*. Suggested that there should be an acknowledgement of the provision of affordable housing that is provided for in the private sector. He noted that there is no support for those providing these housing opportunities.
- *Michele Chennault* - VNA/hospice. She noted in 2015 they lost 7 licensed professionals because they couldn't afford the housing costs in the Keys. They have been forced to recruit to replace outside Monroe County. There are not enough healthcare professionals to serve the needs in the County. New nursing assistants all left within 4 months because couldn't afford to continue to live here. It costs their business \$71,000 to recruit trained employees. We're talking about future but what are we doing now to address this growing crisis? We need help now. There should be discussion on how to provide incentives to return vacation rentals back to affordable housing.
- *Kathleen Ryzol* – A nurse with VNA, echoed the FWC officer, etc. with this critical problem. When asked a County Commissioner what can “I” say to my staff to help them the Commissioner said “work 2 jobs or buy your staff a place to live.” These were not helpful suggestions. We need to address this problem.

III ROUNDTABLE DISCUSSION- STRATEGIES FOR ENHANCING WORKFORCE HOUSING THROUGHOUT THE FLORIDA KEYS

A. A COMMON VIEW ON THE WORKFORCE HOUSING CHALLENGE IN THE KEYS

The facilitator reviewed the AHAC's October statement regarding the unmet need and demand for workforce housing throughout Monroe County, specifically near employment center and that the need appears most critical for those households at the median, low and very low income levels and is most severe in the middle and lower Keys.

The municipal representatives agreed with the description of the need and offered these comments:

- City of Marathon studies also show median and moderate income needs for workforce housing. At either end of the range people are paying more than 50% monthly of their income on housing.
- City of Key West noted that construction of housing for low income families is a losing proposition for developers. We look to the Housing Authority to address low and very low income levels. We can try to create more incentives for very low and low in combination with adjusting height and density limits, this won't be a high yield of new units. The real void in the City is workforce housing because these typically don't qualify for Housing Authority units. It is up to municipalities in partnership with others to provide workforce housing with multi-faceted solutions. The City is currently concentrating on preserving 157 workforce housing units with the referendum on Peary Court which will be close. Governments need to step in and fill the void in the market to find ways to build workforce housing.
- There are needs across the spectrum for workforce housing that the market has not responded to. At one end physicians can't afford to practice because of the housing costs. Realtors in Key West offer very little rental property. It impacts the military families as well.

- The Village of Islamorada suggested that the need for moderate income housing is very important and needs to be included in the solutions as it reflects a current gap that is not being covered by affordable housing programs. The statement is correct but also should include moderate levels and we need to find ways to address workforce housing in light of the lower average service sector salaries.
- There is a need in Marathon to address the coming redevelopment of aging residential building stock. 50% of the current housing stock is pre-firm properties that will probably need to be bulldozed in redevelopment.
- Consider whether a joint needs analysis of workforce housing in the County and municipalities would help to ground, support and connect efforts across jurisdictions.

B. IDEAS FOR BETTER INTERGOVERNMENTAL COOPERATION, COORDINATION AND COLLABORATION

The Roundtable was designed to provide an opportunity for information sharing and identifying opportunities for better intergovernmental cooperation. There were no motions or decisions taken. Commissioner Caruthers provided the following questions as a start for the discussions:

- Should we have consistent income level definitions across jurisdictions?
- Should we have consistent deed restriction jurisdictions? All in perpetuity?
- Should we make it easier to transfer affordable ROGOs among jurisdictions?
- Should we have consistent inclusionary housing rules?
- Can we finance AH, other than with just providing land? Should we create, or help some non-profit create, a fund to help renters with first/last/security (like SALT)?

The intergovernmental discussions and public comments that followed were wide ranging and covered the following areas for potential intergovernmental cooperation and collaboration:

1. Participation of Municipal Planning Directors on the AHAC Going Forward.

The participants discussed the possibility of inviting the city planning directors to participate in future AHAC meetings playing a role similar to the liaison role played by the two County Commissioners. The representatives from Village of Islamorada, City of Marathon and City of Key West agreed to participate on the AHAC as ex officio members. It was noted that their input and expertise on issues and rules would be welcome and as a liaison to the AHAC, the planning directors will not be subject to the sunshine restrictions that apply to AHAC members in terms of conversations outside the AHAC meeting on workforce housing.

2. Consistent Affordable Housing Terminology

The participants agreed in principle that this is a good goal for the County and municipalities in order to get a good picture of the need and create opportunity for collaboration among the local governments in the Keys. However it will take some further discussions among the County and municipalities on what areas consistent nomenclature and data might be possible given different policies and rules. For example in the recent Marathon FIU Workforce Housing Study median income was \$9,000 less than the County's figure. There was a suggestion of the need for a dynamic database

that could reflect existing workforce housing as well as potential sites for new workforce housing. Encourage the planning directors to work together to explore all areas where there could be more consistent nomenclature and data collection.

3. Deed Restrictions and Consistent Monitoring and Qualifying.

The Committee has been supportive of the need for deed restrictions in perpetuity given the experience of affordable housing converting to market housing once the deed restrictions expire. Some urged local governments to buy/own the land so that deed restrictions are not an issue and lease it out for affordable housing. If there were consistent county-wide deed restriction periods this would provide for greater ease in transferring among and between jurisdictions. Work together to develop a unified effective and efficient countywide approach to income certification and up to date qualifying and monitoring.

4. Funding Sources for Affordable Housing

There was extensive discussion of the need for a reliable and stable funding source for affordable housing. The suggestion made was thinking as affordable housing as a key investment in infrastructure. The conversation focused on the merits and challenges in increasing tourist development tax that hotels collect and currently the penny is allocated to the County (1/2 penny) and the Housing Authority (1/2 penny). Some suggested part of the issue is utilizing the current funding to more actively support the development and construction of workforce housing. Others suggested that there should be consideration of other funding sources (e.g. use tax, etc.) collected from local businesses and institutions that contribute to the need for workforce housing. In considering any increase in taxes, think about what a .25 or .5% (vs. 2%) increase on businesses might provide and include a sunset provision. Keep in mind and address the perception among some in the public that taxpayers don't want to pay for worker housing so hotel owners can make profits.

From an affordable housing developer perspective it is a math problem that can only be solved by reducing expenses, where possible and increasing funding and providing subsidy and access to credit for these projects to build more affordable workforce housing.

5. Inclusionary Housing and Redevelopment

There was discussion of whether a consistent inclusionary housing policy is needed for municipalities and the counties. The County currently has a residential inclusionary housing policy. The Village of Islamorada has a policy that also covers commercial. There was discussion that every other code is incorporated into redevelopment so why not inclusionary housing? In including affordable housing in a business project there are breaks and incentives given on density and intensity

6. Incentives for Building Workforce Housing

Perhaps the County and cities should review their current incentives and seeing if additional or consistent incentives may be needed for employers to build more or contribute to affordable housing for their workforce.

7. Working Together on Homeowners and Flood Insurance Costs

One of the challenging issues in the Keys is the increase in insurance costs and its impact on affordable housing. It was suggested this may be an issue for collaboration among the municipalities and the County.

8. Purchasing Land to Address the Growing workforce housing crisis.

Some suggested we should set as a workforce housing goal to buy all the land we can right now. This committee can help to clarify how many units, how fast they can be built, where and when. It may mean go to the State to work out some of the related evacuation issues.

9. Taking a New Look at the Hurricane Evacuation Formula

There was discussion of the possibility of modifying the evacuation formula especially in view of the hurricane evacuation record in the Keys over the past decade. We might consider working with DEO to consider changes such as considering renters as the third tier for evacuation after vulnerable persons and tourists resulting in additional allocations for workforce housing. Evacuation planning is better now, modeling for hurricanes is better and building codes are stronger. We might have a different conversation with Governor and Cabinet and DEO to get more workforce housing units and enhance the funding.

10. Backyard Houses and Work Force Housing

Zoning and land development codes and permitting may discourage back-yard houses to rent for workforce. Look at the City of Key West ordinance on Mother in Law small apartments (400 square feet) as this has been a very successful program. There may be an opportunity to review a consistent county-wide policy that is focused on increasing availability of affordable workforce housing. Consider whether there could be incentives for small land owners to provide for rental housing in backyard units.

11. Address Now the Impact of 2023 on Funding and Land Purchases

The County and cities should be reviewing together the challenge of planning for “takings” issues when ROGOs are allocated in 2023. The funds that are being held to deal with this issue could be allocated to build workforce housing today.

12. Communicating with the Public on the Workforce Housing Need & Solutions

There was discussion regarding the challenges in communicating with the public regarding the need for workforce housing that generally is connected with a specific development, e.g. the Peary Court referendum in Key West. In addition many question why this is a government and not a business issue and problem. If the food costs and room cost are among the highest, why aren't salaries sufficient to afford workforce housing. A more general set of key messages should be jointly developed with the County and cities and others regarding the unmet need for workforce housing and its continuing impact on the quality of life and health in communities throughout the Florida Keys. This could present an opportunity for intergovernmental coordination and collaboration with other partners.

Many of the participants suggested that the Peary Court referendum would help to address workforce housing in Key West. Some members of the AHAC indicated they would be writing letters of support as individuals and not on behalf of the Committee.

C. Public Comment

The facilitator welcomed comments from members of the public attending the roundtable.

- *Virginia Panico*. Didn't hear anything about height or density which will be the only way to address workforce housing especially in Key West. (Poinciana). The public have to be behind this as we are at the crisis stage. Homes have gone back up in price, families are leaving every June after school closes. We risk losing the fabric and economics of community. Do something, stop talking. Hope you can actually get something accomplished.
- *Jonathan Gueverra*, Florida Keys Community College (*read by Stephanie Scuderi*). This is a huge step forward and this group ought to be commended for taking this comprehensive approach. Ed Davidson mentioned the construction being done by the school district and the housing challenges we will face go beyond just construction. Every new hotel is larger and grander than the one it replaced. We are attempting to offer more concierge services and that along with the increase in size of the properties require more workforce housing. Our visitor base continues to increase and our growth in newer residents is not in the group of individuals looking for affordable or even year round housing. At some point, we will run out of employees to keep our economy viable. Transportation is a major issue and I would encourage you to incorporate the full range of transportation options as you consider your recommendations. When you limit the availability of parking and transportation options, you are also relegating the residents who fall into these categories to a very narrow radius of options. To get anywhere beyond the few blocks of their neighborhoods will be difficult, if not impossible and expensive. Additionally, in the event of a wind or water event that requires evacuation, we will need to provide safe and effective options for residents without personal transportation.
- *Joe Hollander*. In original legislation created to address AH included decent, safe and sanitary housing. I'm not hearing anything about how housing is being preserved. No housing quality standard is enforceable at local level. Maintaining rental housing should include how to maintain quality. Without deed restrictions, could find difficult to recapitalize 20 years down the road. Include discussion of that in recommendations.
- *Mike Morowski*. Applaud you as continuity has been missing in past conversations. All municipalities with the County are trying to coordinate effort towards a common goal will each help solve problem. We are missing one more key component/partner – the state of Florida. As long as the state controls the ROGO part of equation, people like Hana trying to build affordable housing can't solve the math equation. Unless you can work for bottom line you won't get participation. Additional land is not an option. Only options are tax incentives, density changes and height changes. Bring in components already being used and get back into market but that's big once taken out. Each municipality has to address density and height.
- *Manny Castillo*, *Monroe County Housing Authority*. We desperately need permanent funding source or sources and not just one tax, look at all taxes. The Committee needs to look at not taking moderate households out of the equation for 2 reasons: a) need - more importantly, b) they are a funding source for other units. Key West as an example: 69% of the 1200 units under the Housing Authority are very low and low (\$355 / month). 31% of the units are median and

moderate (\$1100/month). They help pay for the very low and low. Recognize median revenue impact on funding source. Why doesn't the market take care of this on their own? Study after study indicates that normally market supply and demand will take care of it. However factoring in the external issues (ROGO, height & density, 2nd home buyers, geographical constraints) this goes out the window and the government must play a major role in fixing this.

- *Mark Peterson*. Recounted his application for a market ROGO and the restrictions and wait time he encountered because he wasn't seeking an affordable ROGO even though he was providing housing that workers could afford.
- *Joan Newman*. Suggested that concerns about running out of ROGOs is mostly hot air. It's about the safety of our citizens and generate more units out of thin air? Are people in affordable housing second rate citizens? Haven't heard mention of the word sustainability. Our solutions must be good for today and tomorrow. Hearing very short-sighted visions on workforce housing. No mention of accountability. For \$500,000 per year code enforcement could be expanded and units being illegally rented for short term could be identified. For minimal dollars could have thousands of units go back on line if they taken out of illegal rent.
- *Chuck Lindsey* - City Manager, Marathon. Thanked everyone for participating. He noted that Marathon is dedicated to continuing this conversation. While we all share the same goal, don't forget that each city has own values and the greatest value is a family-based community. I want families to stay and come and afford rent and then to buy and stay. Why not ask more of tourists. 97 million tourists come to Florida every year. 11 million are international.

IV. CONCLUSION AND NEXT STEPS

The facilitator invited Roundtable participants to offer any thoughts about the Roundtable discussion and outcomes. The following were thoughts and ideas were offered:

- This is a big opportunity to show we can make some change
- We should talk about 3-1 hotel allocation
- City participation has been a welcome and great addition. We need to start moving towards concrete goals and objectives over our coming meetings. How many, when and what income levels and how it will be funded using honest math.
- This was very informational and will help the City of Key West as it updates its land development regulations.
- This has been the best meeting on workforce housing because of those at the table. Thanks to the municipalities for participating and hope they will continue in future meetings.
- Helping to strengthen continued intergovernmental partnerships
- Involvement with cities will make our committee more successful
- Helpful Information and identification of some collaborative strategies for the future
- Grateful to be invited/involved and share to get things done.
- Very interesting meeting with a lot of work in policy issues. This is a very challenging problem and your willingness to work at it together is refreshing.
- To be clear, industry is on board and doing their part we just feel like no one else has contributed. Let's all be part of solution. A lot of the Land Authority money is not used for AH – just environmental. Maybe that can change going forward.
- We may need a general land use legal briefing.

- The way to deal with elephant in the room (funding) is 1 bite at a time. I'd like to see one meeting devoted 100% to funding.
- Mayor Caruthers sent a note of thanks (which was read) to everyone indicating she hope to to discuss going forward reallocating market rate ROGOs to affordable and possibly giving extra points if one chooses to deed restrict their market rates either for AH or full time Monroe County employees.

The facilitator thanked both Mayor Caruthers and Commissioner Payne for their resolutions calling for more intergovernmental collaboration. The Roundtable members completed a meeting evaluation.

The meeting adjourned at 2:55 p.m.

**MONROE COUNTY AFFORDABLE HOUSING ADVISORY COMMITTEE
INTERGOVERNMENTAL WORKFORCE HOUSING ROUNDTABLE**

**FRIDAY, FEBRUARY 19, 2016—9:00 A.M. - 3:00 P.M.
MARATHON GOVERNMENT CENTER**

INTERGOVERNMENTAL WORKFORCE HOUSING ROUNDTABLE OBJECTIVES

- ✓ To offer an opportunity for informal information sharing of workforce housing activities and initiatives in the municipalities & County.
- ✓ To identify strategies for enhancing intergovernmental cooperation to increase workforce housing throughout the Florida Keys
- ✓ To hear from stakeholders and consider public comment
- ✓ To identify next steps and assignments

INTERGOVERNMENTAL WORKFORCE HOUSING ROUNDTABLE AGENDA

—FRIDAY, FEBRUARY 19, 2016

All Agenda Times—including Public Comment & Adjournment—Are Approximate and Subject to Change

9:00 AM	Welcome, Introductions and Expectations for Success and Review of the Workshop Agenda, Guidelines and Roles
9:20	Review of Monroe County BOCC and City of Key West Resolutions
9:25	Information Sharing on Workforce Housing Activities and Initiatives – Municipalities & Monroe County
10:00	Key Colony Beach- Information Sharing
10:15	Layton- Information Sharing
10:30	City of Key West- Information Sharing
10:45	City of Marathon- Information Sharing
11:00	Village of Islamorada- Information Sharing
11:15	Monroe County – Information Sharing
11:30	Break
11:45	Q&A and Public Comment
12:00	Roundtable Discussion- Strategies for Enhancing Workforce Housing throughout the Florida Keys D. Is there a common view on the workforce housing challenge in the Keys? E. Ideas for better intergovernmental cooperation and coordination of policy and data collection? F. Ideas for enhancing city-county collaboration, e.g. joint financing and projects, pool allocations, set asides, who/what determines the distribution of remaining affordable ROGOs among the four income categories, others?
1:00	Break
1:30	Roundtable Discussion of Strategies and Options to enhance Intergovernmental Coordination and Collaboration on Workforce Housing <ul style="list-style-type: none"> • What can the AHAC do to support and enhance coordination and collaboration among local governments on workforce housing in the Keys?
2:15	Public Comment
2:45	Summary and Next Steps
3:00 PM	ADJOURN

Appendix #2 Roundtable List of Participants

Municipal and County Representatives

City of Key West

- Richard Payne, City of Key West Commissioner
- Thaddeus Cohen, Planning Director, City of Key West

City of Marathon

- Mark Senmartin, Mayor, City of Marathon
- George Garrett, Planning Director/Deputy City Manager, City of Marathon
- Brian Shea, Planner, City of Marathon

Village of Islamorada

- Deb Gillis, Mayor, Village of Islamorada
- Cheryl Cioffari, Planning Director, Village of Islamorada

Monroe County

- Sylvia Murphy, Commissioner, Monroe County BOCC & BOCC Liaison to the AHAC
- Mayté Santamaria, Monroe County Senior Director of Planning and Environmental Resources

Affordable Housing Advisory Committee Members

1. Jim Cameron, Advocate for low income affordable housing, District 2
2. Capt. Ed Davidson, Monroe County School Board, Citizen recommended by the Monroe County School Board
3. Hana Eskra, Florida Market President, Gorman & Co. Inc., Real estate professional in connection with affordable housing, District 4
4. Bill Hunter, Citizen with no financial interest in the development of affordable housing.
5. Warren Leamard, Owner, Chef, Destination Catering & Events, Not for profit provider of affordable housing, Dist. 3
6. Ken Naylor, Atlantic Pacific Communities, For profit provider of affordable housing, District 3
7. Kurt Lewin, Executive Vice President and Senior Lending Officer First State Bank of the Florida Keys Banking/Mortgage Banking related to affordable housing, District 1
8. Jim Saunders, Bayview Land Development & Permitting, Citizen representing employers in Monroe County, District 5
9. Stephanie Scuderi, Senior VP, Centennial Bank. Citizen representing essential services personnel related to affordable housing, District 5
10. Ed Swift III, President, Historic Tours of America, Citizen residing in Monroe County, District 4
11. Randy Wall, Blue Fin Inc., Labor, home building related to affordable housing, District 2
12. Jodi Weinhofer, President, Lodging Association of the Florida Keys, Citizen recommended by the Monroe County lodging industry
13. William Wiatt, Sunset Villas, Member, Local Planning agency, District 4
14. Sylvia Murphy, BOCC Liaison, Ex Officio Member AHAC, Commissioner, Monroe County BOCC

Unable to participate

- Tim Root, Mingo Co Construction, Residential affordable housing building industry, District 1
- Heather Caruthers, BOCC Liaison, Ex Officio Member AHAC, Mayor, Monroe County BOCC

Appendix #3, Roundtable Evaluation Summary

**MONROE COUNTY AFFORDABLE HOUSING ADVISORY COMMITTEE
INTERGOVERNMENTAL WORKFORCE HOUSING ROUNDTABLE
EVALUATION SUMMARY
FRIDAY, FEBRUARY 19, 2016—9:00 A.M.-3:00 P.M.
MARATHON GOVERNMENT CENTER**

Representatives from the City of Key West, City of Marathon, Village of Islamorada, Monroe County and the Monroe County Affordable Housing Advisory Committee participated. Roundtable participants rated each statement using a 0 to 10 scale, where 0 meant totally disagree and 10 meant totally agree. 16 evaluation forms were submitted and the average ratings are indicated below.

1. Please assess the overall meeting.

- 8.3 ___ The agenda packet was very useful.
9.1 ___ The objectives for the meeting were stated at the outset.
8.75 ___ Overall, the objectives of the meeting were fully achieved.

2. Do you agree that each of the following Roundtable objectives was achieved?

- 8.5 ___ The background information was very useful.
9.6 ___ To offer an opportunity for informal information sharing of workforce housing activities and initiatives in the municipalities & County.
8.7 ___ To identify strategies for enhancing intergovernmental cooperation to increase workforce housing throughout the Florida Keys
9.2 ___ To hear from stakeholders and consider public comment
7.6 ___ To identify next steps and assignments

3. Please tell us how well the facilitator helped members engage in the Roundtable.

- 9.7 ___ The facilitator made sure the concerns of participants were heard.
9.6 ___ The facilitator helped to arrange our time well.

4. Please indicate your level of satisfaction with the Intergovernmental Roundtable?

- 9.5 ___ Overall, I am very satisfied with the meeting.
9.0 ___ I am satisfied with the outcomes of the meeting.
8.4 ___ I know what the next steps following this meeting will be.

5. What did you like best about the roundtable?

- To hear from municipalities
- Great insight.
- Wonderful meeting
- Informality of the roundtable
- Planning directors input
- Blabbering.
- Timeline kept.
- Good meeting, well worth the time spent.

- Hearing what other communities are doing to encourage affordable housing and what they are trying to do.

6. How could the Roundtable been have been improved?

- Difficult to restrict some public comments.
- Follow up this meeting to go more in depth into collaborative strategies.
- Charting concrete steps to objectives

7. Do you have any other comments that you would like to add?

- Identify funding, funding, funding!

Appendix #4 Roundtable Public Sign In Sheet

MONROE COUNTY INTERGOVERNMENTAL WORKFORCE HOUSING ROUNDTABLE MONROE COUNTY AFFORDABLE HOUSING ADVISORY COMMITTEE		
MEMBER—SIGN-IN SHEET—FEBRUARY 19, 2016—MARATHON FLORIDA		
NAME	AFFILIATION	E-MAIL & PHONE
MARK F. PETERSON	ACTUAL AFFORD. HOUSING	BOATRE@COMCAST.
Michelle Chennault	VNA/Hospice of Florida Keys	mchennault@vnahospicekeys.org
JOSH MOTHNER	CHAIR, MARATHON AFFORDABLE HOUSING	jm1983@comcast.net
MARGARET ROMERO	Key West City Commission	mromero@cityofkeywest-fl.gov
Kristina Welburn	Habitat for Humanity Development Director	kristina@habitat.org
Janet Wood	Chair, Achievable Housing Citizens Advisory Committee	janetwoodrealtor@gmail.com
Deb Sills	Mayor's Office	deb.sills@fla.gov
STEVE SMITH	RE/MAX All Keys RE	
MIKE MORAWSKI	Hemingway Home	hemingwayhome@tampabay.rr.com
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MARGARITA VILLOCH	Island Group Realty	margarita@isellkw.com
CHRIS Todd Young	HABITAT Middle Keys	EXEC.DIRECTOR@HABITATMIDDLEKEYS.ORG
Michelle Goldman	City of Marathon	
dan Lebes	Key Leeco	welland18650@yahoo.com
Susan B. Mullin	Lower Keys CoC	executive.director@lowerkeys.com
R. Daniel Zug MD	MTI	
CHUCK LROSEY	MTI	
Joe Hollander	Hollander Development	(269) 330-2544 jhollander@development.com
ELENA Z. GEORGE	MONROE HOMELESS CoC	elena@monroehomelesscoc.org
La Ruesch	Florida Realtors Affordable Housing DD Comm.	Rueschd@Adi.com

MONROE COUNTY INTERGOVERNMENTAL WORKFORCE HOUSING ROUNDTABLE
 MONROE COUNTY AFFORDABLE HOUSING ADVISORY COMMITTEE

MEMBER—SIGN-IN SHEET—FEBRUARY 19, 2016—MARATHON FLORIDA

NAME	AFFILIATION	E-MAIL & PHONE
Joyce Newman	citizen / resident	keysjoyce@hotmail.com ⁸⁷²⁻⁴⁶⁹⁴
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Mark Sennartin	Mayor Marathon	Sennartin.M@CI.Marathon.Gov
George Garrett	City of Marathon	garrett@ci.marathon.fl.us
Sara Matthis	Weekly Newspaper	sara@keysweekly.com
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METTY DOUGLASS	ISLAMORADA ^{Palmerelle Housing} Center Vice Chair	comish1@aol.com
Donna Wheeler	Islamorada Achievable Housing Comm.	FloridaKeysDonnaWheeler@gmail.com
Dennis W. Ward	Councilman / Islamorada	Dennis@denniswardlaw.com
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RICHARD CASEY	MIDDLE KEYS CLT	rickcasajr@gmail.com
Patrice Schuker	Catholic Charities	pschuker@ccc.dmr.org

Appendix #5 Roundtable Public Comment Form

Margarita Villoch, Realtor, Island Group Realty.

I sell real estate in the Lower Keys (32 years). Currently I have a listing in Kew West at the Salt Ponds Condos. It is identified as an affordable unit. The Present owner did not know that she bought an affordable unit. Even the realtors who had the listing and sold it to her did not know it was affordable. This unit currently has the deed restriction for an additional 15 years according to the Housing Authority and I was told it could even be extended. I was told that the developer didn't do his share in recording the deed restrictions so the State of Florida is responsible for keeping up with the restriction. I am confused.

Another comment: this unit is listed for \$275,000. I have show it to firefighters, county employees and several other buyers who qualify for the purchase according the Housing Authority guidelines but they will not buy because the unit has deed restriction and they don't want to buy it because of the restriction.

Figure that one out!

Another comment: policy the Affordable Rentals and see who actually lives in the owner occupied units.

Appendix #6 City of Key West Workforce Housing Information

Key West

Cohen: Sharing what is currently in land devt regulations (LDR). In process of rewriting LDR which includes policy decisions re: affordable/workforce housing.

Recap:

- Why what is currently in LDR have not been used more frequently 25-30 years. As we move forward, what to do to create incentives to get AH done. Mayor's Revolving Loan Fund established to help individuals assist on mortgage house. (funds together with mortgages, liens on property not to exceed 50% of property value and \$50k per dwelling unit). Some point in time there was opportunity to provide actual financial assistance to get folks into housing. Renters for loans (managed by HA). Homebuyers' assistance programs – matching \$20k down payment assistance.
- Definitions: Definition of workforce housing, low income, median income. AH trust fund established in late 80s early 90s. Requirements for AH and ratio 10% of all new market rate units to be low income (400 sq ft) and 20% median at least 400 sq ft. existing provisions.
- Residential or mixed use less than 10 units were required to be 30% AH 400 sq ft for median income but may contribute in lieu.
- Provisions made for linkage. Ie: 2 devts and one had excess AH – could transfer to another devt that was short AH.
- Accessory unit infill encouraging mixed use zones on site up to 600 sq ft. Treat as .78 units.
- Above are examples of thought process of years gone by. Not used as well as could have been so clearly something missing in the process that not taken advantage of.

#1 question: 370 AH units available; BPAS – 2023. no unused pool-able allocations; # AH units in 2015 was 52.56 awarded. Existing units within Income cat: low: (8% AMI) 17 /med (100% AMI) 101 units / moderate (120% AMI) 25 units / low to mod (80-120% AMI) 16 = 159 units within jurisdiction compiled by HA.

Overview of where city has been.

Moving forward – considering and rethinking issue RE: specific questions

- Future Recommendation: Redefine “affordable” want to discuss 50% AMI to 120% AMI. With a target of 50%-80% (\$30k-=\$50k) that's where stress is.
- Requirement 30% of all new devt as AH – moving to 15% because if targeting 50%-80% more difficult to devt. 60% and below tax credits 120-140% can handle on market side. 60%-100% most difficult to get to but that is our focus. Sliding from 30% to 15% provides addl subsidy making those units (50-80 AMI) possible.
- BPAS program:
- When I arrived you got more points for being green than affordable. Green is good. More important today to give more points for affordability.
- We had 2 track system (market rate and affordable) which has them compete against one another. If affordable is emphasis than 1 competition. Eliminated double track – now single track so not weigh system to affordability with target being 50% - 80% AMI. If affordable you get more points. Believe market can respond to that.
- How to help reduce the costs – pooling units. 96 units per year until 2023. Want to pool to allow aggregate BPAS units to projects of size. Helps economy of scale/cost of building.
- Regulatory side: in LDR considering eliminating parking requirements or to 1 car max instead of minimum. Developer can decide if parking makes sense for that project. Walkable/bike-able.
- Increasing density in certain areas. 22 units / acre – as high as 40/acre in some sections. New town.
- By ref – if 40' feet must go to referendum. We're suggesting 60' height to build 4-5 stories over parking. We need to go up. – can't go out. Currently structures of that height in New Town.
- Old town – second floor AH units on commercial on Duval Street. Would need to change density for old town. Fewer cars would need to look at improving transport system.

- Regulatory: parking mgmt. plan. If reduce parking – transportation becomes important. Biz and residential to have parking mgmt. plan.
- Intergovernmental – want to be able to transfer units within city currently can't do that for non-transient. Also to be able to transfer units between county and city. Sustainability –repetitive loss due to storms. Looking 15-20 years from now – create an AH incentive zone. Receiver site for repetitive loss properties (helps on sea level rise), can also help us with intergovernmental relations outside the area. And creating a structure 100,000 sq ft (50k commercial, 50k residential) and to have inclusion for 15% (50%-80% AMI) and would get points for additional 50% (25% retail/25% AH) and ability to receive units outside – tax rebate on entire project for x number of years. Not dissimilar than Economic Dev't incentives.

Payne: I'm with Thaddeus.

Bob: Questions for clarity

Ken: Inventory #s – seemed very low.

Cohen: 159 units within the city managed by HA

Manny: 159 is only the *privately* owned within the City that HA monitors for KW.

Housing authority manages/owns 1220 units / city has 300 units and 159 private = 1700 units.

Cohen: Govt vs Private doing for AH.

JS: Revolving loan fund: where are funds coming from?

Cohen: Defunct now. Offered as historic perspective.

JS: Technical question RE: fractional units – are you using full BPAS allocations for small units?

Cohen: Full BPAS but counted fractionally for evacuation. How small can small be? Limit 400 sq ft.

People have suggested micro units at 350 sqft. Will look at it for singles and couples – not families.

Also want to consider what amenities. Open to conversation

BPAS: KW 960 – out in 2023. Needs to be in conversation on need addl units. Need to meet demographic change including how to relieve pressure with cap. Legislative/Cabinet conversation.

JS: Combining pool – market rates and AH and more bonus points for AH – how does state look at that?

Cohen: State said city had self-defined the characteristics of unit. (transient or non-transient) Self-imposed. Tallahassee looked and said yes you can pool.

JS: ??

Cohen: Dual track – competing tracks for AH and market. We have a pool of units from which we want housing. We want to weight it in that direction and create point system.

JS: Past policy: we were allowed to borrow 4 on affordable pool. Would this system allow for that?

Cohen: Wouldn't have to worry about that because just 1 pool. Will take 300 to create a pool for AH in this cycle for AH. [Truman Waterfront reference]

Gillis: 3 groups: housing authority, city and private. Any/all what are deed restrictions?

Cohen: in LDR – 50 years and Commission had ability to add 50 years so basically 100 years

Gillis: On all?

Cohen: Yes

BH: Am I correct in understanding you are going to replace fixed allocation with incentive program that would hopefully increase number of AH so AH could go up or down with your plan.

Cohen: Still fixed allocation – 15% inclusion 50-80% ami target area. LDR will have that and then there is BPAS side and how you will be able to do project. Weight toward AH. So even inclusion component in LDR want weight BPAS allocation to same target area. Marry the two together. Believe that policy will bring us more AH.

Edd: Carrying capacity discussion needed

Cohen: Over last 5-10 years KW pop has not changed. Mixed of individual has changed. Pressure of fulltime, part-time and investors crowding out. Capital improvement plan – we have capacity for water, sewer and other infrastructure to add pop to City. Environmental has improved which was one of the issues for capacity. A lot of Critical State Issues have been resolved.

Appendix #7 City of Marathon Workforce Housing Information

DRAFT NOTES (*not confirmed*)

Marathon:

Garrett:

- Marathon has own WH committee. Engaged FIU for study RE: affordability issues in City and some of our problems and some recommendations.
- LDR: hotel/motel component. Require hotel/motel to provide habitable space as AH units. Provide density incentives thru LDR for AH provision. Each of our zoning categories our densities are roughly 2x3 depending on incentive category. Residential median = 5 units / acre. Limitations on min and max size: 350 sqft minimum 1800 sq ft max.
- Minimum requirement for deed restrictions – 50 years.
- One thing we should look at (current legislative conversation) Limits of affordability go to 160% ami (will be looking at).
- City has 30 allocations per year. 6 to AH. “Appreciate Cohen’s thoughts about throwing them into a pool.
- Zoning in progress ordinance in place right now which takes current requirements on hotel related projects and extends to commercial and larger residential projects. All sizable will be required to provide AH.
- Specific examples: Hyatt: provided 14 units – off site. Knights Keys provided 30. Marriott provided options – now suggesting units outside City limits. (Additional examples)
- FL housing finance = 71 (was expanded)
- We’re facing: thought we have a lot of existing living in ah now not necessarily in deed restricted. 50% bldgs are pre-firm so know will be rebuilt in future. Preserving affordability of those is important.

Brian Shea (marathon staff) – FIU report

- 300 units by state – 20% for AH. 60 total – 34 remaining. 50 year deed restrictions before 2006 were 20 year. Option for perpetuity. 181 existing units excluding HA projects. 113 rentals coming on line. 101 in wings
 - Income levels:
 - 160% – middle income
 - 120% - moderate income
 - 100% - median income
- And HUD
- Incentives: first time home buyer \$10k investment – 120% level or lower
- Caveat for transferable bldg. rights code – RV can only be AH as transferable
- 3 categories – general AH pool / workforce (hotels / large corps) TBR – moving market rates from existing units and replacing rather than demolishing structure.
- FIU: need 200-399 over next 7 years owner occupants – 30-60 units renter occupied. 28-57 owner occupied to be (re)developed.
- Budget \$750k fees – mainly due to in lieu funds. Will use funds for either land acquisition development.

Senmartin: Created revenue stream for funding AH projects. Transfer fees - \$1m now in pool.

JW: Your numbers seem low. Do you work with HA?

Brian: (cannot make out)

Manny: 153

EdD: What aggregate AAH circumstances are historically? What % of probable affordable staff is required to be housed?

Shea: Current code: 20% of devt is AH.

EdD: Sq ft not head count – not equitable and should be reevaluated

Garrett: Only circumstance transferring from one place to another
EdD: So developer can't pay in lieu – must build.

[Introduction of Marathon AH Committee]

Santa: \$20k fee – is that transfers rights AND you have to provide AH.
Shea: With transfer multiple options – have to demo on site or _____
Leamard: Who monitors AH units?
Shea: City (marathon) staff
JW: FIU study – need 200-399 owner occupied units and 3-60 rentals – that seems low.
Shea: Next 7 years and doesn't (?) count those coming on line.

Appendix #8 Village of Islamorada Workforce Housing Information

Islamorada:

Cioffari

- Have definitions for low, very low, moderate
- Minimum size per unit 500 and maximum size 1500 max sq ft.
- Definition of caretaker's cottage amended to be consistent with definition of an affordable housing unit – up to 1500 sq. ft. with limitations on size of porches due to concerns of future expansion/enclosures, required to be deed restricted and is accessory to a principal use
- Inclusionary housing ordinance in 2008. Fund currently contains approximately \$375k through the collection of fees. Everyone subject except school bd. Current subject of conversation (RE: "redevt" of Plantation Key school.)
- 30% of the 100% of need you generate
- Vacation rental ordinance and how ties into affordability.
- Regulations require new vacation rentals be assessed in excess of 600% of the median annual income to qualify for that program. The requirement for a valuation requirement is to maintain affordability in the community – meaning that units that assess below the established threshold may be better suited for long term rentals.
- 2 types of deed restrictions 20 year (left over from county). Just lost first deed restricted unit. Have 117 units in village. 54 – 20 year restricted and 63 in perpetuity (30 years with 10 year renewals). Most will lapse between 2017-2028.
- Deed restricted tied to Certificate of Occupancy date.
- 2 main projects: not public but public partnership. Woods corner with Middle Keys Community Land Trust (MKCLT). MKCLT maintains ownership of the underlying land. 16 units divided between moderate and low income. Home Ownership Development.
- WetNet: 36 units of affordable housing. Village selected Gorman to develop and operate the property. Monroe County Land Authority obtained the land and subsequently transferred it to the Village.
- 37 unused allocations now. Projected to receive 48 from state through 2023. Allocated 2 last year. Last 5 years – allocated a total of 6 units. Not a strong desire to develop AH. Length of deed restriction makes it difficult. People wanting to see a higher return on investment.
- Incentives: Waive permitting fees cannot waive impact fees.
- Increased density (lower than others) Mixed use – 6 units per acre for market rate units; but up to 15 units per acre with affordable housing. Hearing those numbers not high enough.
- First time HO Program: \$10k loan program that would be forgiven after term.
- Develop a layer show GIS for all deed restriction/AH units in Islamorada.
- Issues: are the same – location of where units should go. We have them but no one coming for them.
- Pending: 16 unit development and 6 unit development. (One of the developments will require amendments to the Comprehensive Plan and the Code).
- Interested in parking requirements (KW). Would like in Islamorada but don't have good transport system in Upper Keys.
- Discussion of increasing parking on multi-family projects. Tough on developers.
- Coming up to speed on rental vs owned units – no clear numbers. Limited to 117 available.
- Thank Committee members for attending.
- Like idea of transferring – we have ability to transfer through TDR ordinance. If transfers off non-residential sq ft or hotel/motel unit can replace on that site with AH. Looking to do the

same with market rate housing – number of left over market rates units from years back that were built on top stores and want to get to more profitable area. We want AH where we can (ref: Marathon)

Gillis: Have 22 in the cue now. More and more of the current talk.

- Lack of bldg. in Islamorada due to recession
- Higher price ground and waterfront make it difficult to build.
- Talking about perpetuity issues. Currently at perpetuity (rollover). Can it be divided?

EDD: important concept: pre and post construction impacts. Looming: 2 different govts are planning major construction projects – Govt Center/Tavernier (\$28m) and Plantation Key School (\$30-35m) and others down road – don't have enough workmen in labor force/housing. Will be real competition for laborers. Added transient impact. Other builds (schools). All communities should consider.

Hunter: Since 2008 had inclusionary. Not many AH built – do you have in lieu fee?

Cioffari: Multipronged approach. Residential projects pay fee – if generate less than 1 unit allowed to just pay fee. More than 1 required to build onsite unless unable. Difficult to prove if constructing new that AH cannot also be included on site. If a developer cannot construct on site, then offsite a possibility, if not off-site you can buy land and donate to Village. Final option is pay fee. Will pay on difference of sq ft between what is existing and what is new.

Gillis: inclusionary we have says if redeveloping commercial on the *new* sq ft not existing. May need to be revisited with County's conversation on inclusionary.

County:

Hunter: what is fee?

Cioffari: A formula – can share.

Gillis: elaboration of formula (type of building/use – different categories)

Bob: Hear from county and then public comment and come back to discuss ideas for intergovernmental collaboration/cooperation.

Appendix #9 Monroe County Workforce Housing Information

- Number of total available affordable allocations (ten year allocation from the State of Florida)
 - Through 2023, the County received 1,970 allocations. Distributed as 1,260 market rate allocations and 710 affordable allocations.

- Number of unused or pooled affordable housing allocations
 - As of January 12, 2016 (ROGO Quarter 2, Year 24), a total of 220 affordable housing allocations are available in the two categories:
 - 1) 74.5 allocations: very low income, low income and median income; and
 - 2) 145.5 allocations moderate income.

- Number of affordable allocations awarded in 2015 (ROGO or BPAS year of July to July)
 - Between July 2014-July 2015, the County awarded nine (9) affordable allocations
 - ROGO reservations between July 2014-July 2015:
 - 16 moderate income allocations - R. Beal/Caya Place: allocations are reserved until 9/16/2016, contingent on the developer obtaining building permits for the 16 units on or before 9/16/2016.
 - 9 very low income and 73 low income allocations - Vaca Bay and Seagrass Village: reservations are contingent on the projects receiving conditional use permit approval from the City of Marathon by 3/15/2016; receiving certificates of occupancy by 12/31/2019; and filing of a 99 year affordable housing deed restriction. In the event the project(s) fails to obtain federal or state housing financial assistance and complete the construction as evidenced by a C.O. for the units, any units which have not received a C.O. shall result in those allocations reverting back to Monroe County.

- Current length of deed restrictions
 - 99 years

- Existing number of existing affordable housing units, by income category, within your jurisdiction
 - 823 total affordable units

Income Category	Units Built	2015 Income Limit (4-person household)	% of Total Existing Affordable Units
Very low income	13 units	\$43,650 (50% of median)	1.6%
Low income	242 units	\$69,800 (80% of median)	29.4%
Median income	205 units	\$87,300 (100% of median)	24.9%
Moderate (rental)	363 units	\$104,760 (120% of median)	44.1%
Moderate (owner-occupied)		\$139,680 (160% of median)	

- Current tenancy of existing affordable units (rental vs. owner-occupied)

Rental:	80%	639 units
Owner-Occupied:	20%	160 units
		(24 units undetermined – research ongoing)

(Tenancy estimate/assumption based on Property Appraiser data)

- Current income categories (definitions/___% of median income)

Affordable housing definitions

- (1) Affordable housing means residential dwelling units that meet the following requirements:
 - a. Meet all applicable requirements of the United States Department of Housing and Urban Development minimum property standards as to room sizes, fixtures, landscaping and building materials, when not in conflict with applicable laws of the county; and
 - b. A dwelling unit whose monthly rent, not including utilities, does not exceed 30 percent of that amount which represents either 50 percent (very low income) or 80 percent (low income) or 100 percent (median income) or 120 percent (moderate income) of the monthly median adjusted household income for the county.
- (2) Affordable housing *owner occupied, low income*, means a dwelling unit occupied only by a household whose total household income does not exceed **80 percent** of the median monthly household income for the county.
- (3) Affordable housing *owner occupied, median income*, means a dwelling unit occupied only by a household whose total household income does not exceed **100 percent** of the median monthly household income for the county.
- (4) Affordable housing *owner occupied, moderate income*, means a dwelling unit occupied only by a household whose total household income does not exceed **160 percent** of the median monthly household income for the county.
- (5) Affordable housing *owner occupied, very low income*, means a dwelling unit occupied only by a household whose total household income does not exceed **50 percent** of the median monthly household income for the county.
- (6) Affordable housing trust fund means a trust fund established and maintained by the county for the purpose of preserving existing and promoting creation of new affordable and employee housing. Funds collected for and deposited in the trust fund shall be used exclusively for purposes of creating, preserving or maintaining affordable and employee housing in the Florida Keys.
- (7) Affordable *rental housing, low income*, means a dwelling unit whose monthly rent, not including utilities, does not exceed 30 percent of the amount that represents **80 percent** of the monthly median adjusted household income for the county.
- (8) Affordable *rental housing, median income*, means a dwelling unit whose monthly rent, not including utilities, does not exceed 30 percent of the amount that represents **100 percent** of the monthly adjusted median household income for the county.
- (9) Affordable *rental housing, moderate income*, means a dwelling unit whose monthly rent, not including utilities, does not exceed 30 percent of the amount that represents **120 percent** of the monthly median adjusted household income for the county.

(10) Affordable *rental housing, very low income*, means a rental dwelling unit whose monthly rent, not including utilities, does not exceed 30 percent of the amount that represents **50 percent** of the monthly median adjusted household income for the county.

(11) Employee housing means an attached or detached dwelling unit that is intended to serve as affordable, permanent housing for working households, which derive at least *70 percent of their household income from gainful employment in the county* and meet the requirements for affordable housing as defined in this section and as per section 130-161.

- Summary of existing incentives for affordable housing (brief bullet list)
 - Affordable housing ROGO allocation set aside (36% of annual allocations).
 - Applicants for affordable allocations to do not compete with market rate applicants.
 - The County has a purchase and lease-back program for the development of affordable housing.
 - The County waives impact fees for all affordable housing permits.
 - The County allows applicants to apply to the Board of County Commissioners to waive building permit application fees for affordable housing.
 - The County waives planning application fees for affordable housing projects, except advertising and noticing fees.
 - Fee waiver does not apply to development approvals required for any development under Sec. 130-161.1 (Transfer of ROGO Exemptions from Mobile Home Parks) and for applications for variances to setback, landscaping and/or off-street parking regulations associated with an affordable housing development.
 - The County provides the following density bonuses for affordable and employee housing: a Maximum Net Density of 25 dwelling units per buildable acre for land within an Urban Residential (UR) land use district; a Maximum Net Density of 18 dwelling units per buildable acre for land within a Mixed Use (MU) land use district; a Maximum Net Density of 18 dwelling units per buildable acre for land within a Suburban Commercial (SC) land use district; and a Maximum Net Density of 12 dwelling units per buildable acre for land within an Urban Commercial (UC) land use district.
 - The County allows the construction of affordable housing units on commercial sites without deducting from the maximum commercial floor area permitted.
 - The County allows the transfer of market rate ROGO exemptions within the ROGO subarea from mobile home parks in exchange for maintaining an equal or greater number of deed-restricted affordable dwelling units (preserving mobile home parks with affordable allocations which are deed restricted).
 - Inclusionary Housing requirement for residential developments that result in the development or redevelopment of three (3) or more dwelling units [or ten or more mobile homes] to develop or redevelop at least 30 percent of the units as affordable housing units to implement Goal 601 of the Monroe County Comprehensive Plan and to ensure that the need for affordable housing is not exacerbated by new residential development and redevelopment of existing affordable housing stock.

- Projected need for affordable housing units
 - No recent studies to quantify need number.
- Funding budgeted toward affordable housing development or land acquisition for affordable housing
 - The County has budgeted \$10 million dollars toward land acquisition efforts, including land for the development of affordable housing.