

A Coordinated Effort to Address Broward's Housing Crisis

Lack of affordable workforce housing can have a multitude of negative effects:



FOOD & HEALTH CARE

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



HEALTH HAZARDS

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



STRESS AND DEPRESSION

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



INCREASE IN HOMELESSNESS

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



JOBS & ECONOMIC SECURITY

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

The Coordinating Council of Broward (CCB) is composed of the top executives of state and county entities from the public, private and business sectors who are responsible for funding and implementing a broad array of health, public safety, education, economic and human services in Broward County. The Council's goal is to better coordinate services and identify barriers that the ALICE (Asset Limited Income Constrained Employed) population experiences. ALICE represents 47% of Broward County residents. The CCB has identified housing as the most critical issue facing this population and is looking to coordinate a unified voice in bringing forward solutions to address this crisis. The Broward metro area is the worst in the country for severe cost burden for working households. Broward County's housing affordability problem has widespread economic impact, and there is a growing recognition of the important link between an adequate affordable workforce housing supply and economic growth. Between 2006 and 2014, funding from State and Federal grants (which make up over 99% of the County housing budget) was reduced by more than 60%.

OVERVIEW

Except for the subsidy, workforce housing is indistinguishable from non-luxury market-rate housing – it has the same architectural and landscaping styles, and often has basic amenities like energy efficient appliances and community gathering spaces.

Rental housing prices in Broward County increased significantly during South Florida's residential boom period. Rents in the tricounty region increased 4.2 percent since August 2015, while the national average for the year was 1.7 percent. South Florida's Zillow rent index – the median price paid for renting apartments, condominiums and single-family homes – was \$1,885 in August. That's up 21 percent since August 2011.

The number of cost burdened owner and renter households in Broward County has continued to increase at the same rates as during

the housing bubble. 49.7% of households in Broward County (330,624 households) are cost-burdened. There are 127,382 cost burdened renter households in Broward County, of which, 52% are "extremely" cost burdened, a 15.2% increase since 2009. Escalating housing prices are significantly impacting Broward County's working families and households. Most working families and households earn salaries and wages in service sector occupations, including retail trade, leisure and hospitality, and educational and health services. The majority (54 percent) of Broward County's workers are employed in low-wage service sector occupations with hourly wages that translate to workers earning 40-60 percent of the County's median household income. The study found over 65 percent of owners and 90 percent of renters in these income categories are cost burdened. Currently, Broward County has no dedicated funding source for housing. County general funds allot less than \$200,000 annually for housing and community development. A documentary stamp tax is paid on all real estate transactions. Those monies were dedicated to state and local housing trust funds, known as the Sadowski Trust Fund. 70% of monies for Sadowski are for the State Housing Initiatives Partnership (SHIP) program, which funds housing programs in all 67 counties and larger cities. 30% of monies go to Florida Housing Finance Corporation programs, such as the State Apartment Incentive Loan (SAIL) program.

SHIP funds can be used for rehabilitation/renovation of existing housing stock, provide first-time homeownership with down payment and closing cost assistance, as well as rehabilitation and retrofit. SAIL funds can be used to rehabilitate existing apartments or to build new units where needed. SHIP and SAIL are highly leveraged, with private sector loans and equity providing \$4 to \$6 for every one dollar of state funding – thus, greatly increasing economic impact.

For more information, please contact
Sandra Veszi Einhorn
sandra@npobroward.org or (954) 507-7156.
Please visit: www.CCBroward.org



GLOSSARY

AREA MEDIAN INCOME (AMI):

Median annual household income (pre-tax) for a metropolitan area, subarea of a metropolitan area, or non-metropolitan county

HOUSING COSTS:

Includes the household's rent or mortgage payments, utility payments, property taxes, insurance, and mobile home and condominium fees, as applicable

AFFORDABLE HOUSING:

Housing that costs no more than 30% of a household's gross income.

COST BURDENED

Household pays > 30% of its gross income on housing costs.

SEVERELY COST BURDENED:

Household pays > 50% of its gross income on housing costs.

MEMBERS

Chair: Senator Nan Rich,

Broward County Board of Commissioners

Aging and Disability Resource Center

Edith Lederberg, CEO

Broward Behavioral Health Coalition

Silvia Quintana, CEO

Broward College

Dr. Avis Proctor, President, North Campus

Broward 211

Shiela Smith, CEO

Broward County

Kimm Campbell, Director, Health and Human Services Broward County

Broward Health

Charlotte Mather-Taylor, VP, Government Relations

Broward Regional Health Planning Council

Michael De Lucca, President and CEO

Broward Sheriff's Office

Scott Israel, Sheriff

CareerSource Broward

Mason Jackson, President

ChildNet

Emilio Benitez, President and CEO

Children's Services Council

Cindy Arenberg Seltzer, President and CEO

Community Foundation of Broward

Linda Carter, President and CEO

Department of Children & Families

Silvia Beebe, Community Development Administrator

Department of Health

Dr. Paula Thaqi, Administrator

Early Learning Coalition of Broward

Renee Jaffe, President and CEO

Greater Fort Lauderdale Alliance/Six Pillars

Ron Drew, Executive Director

Henderson Behavioral Health

Dr. Steven Ronik, President and CEO

Memorial Healthcare System

Aurelio Fernandez, President and CEO

Nova Southeastern University

Dr. Fred Lippman, Chancellor, Health Divisions

School Board of Broward County

Robert Runcie, Superintendent

United Way of Broward County

Howard Bakalar, Chief Programs Officer

SADOWSKI COLLECTION AND DISTRIBUTION

	FY 10-11	FY 11-12	FY 12-13	FY 13-14	FY 14-15
DOR REPORTS	Post Session II	Dec-13	Dec-13	Spring 2015	Spring 2015
Total Sadowski Funds (before sweep)	171,221,000	186,700,000	243,150,000	268,070,000	304,010,000
Broward % Contribution	10.186%	9.860%	9.596%	9.694%	10.114%
Broward \$ Contribution	17,440,142	18,409,413	23,331,714	25,987,472	30,747,319
Total Broward Allocation	1,697,785	1,975,285	2,821,813	16,930,588	11,342,292
Discrepancy	15,742,3574	16,434,128	20,509,901	9,056,884	19,405,027

A CONTINUING NEED FOR WORKFORCE HOUSING

Broward County's Economy Relies Heavily on Service Occupations

OFFICE AND ADMINISTRATIVE SUPPORT

145,940 Employed - Median Annual Wage of \$33,160

SALES AND RELATED

111,560 Employed – Median Annual Wage of \$39,920

FOOD PREPARATION AND SERVING

74,750 Employed – Median Annual Wage of \$23,660

TRANSPORTATION AND MOVING

51,090 Employed – Median Annual Wage of \$31,040

HOSPITALITY

94,300 Employed – Median Annual Wage \$24,889

COUNTY MEDIAN ANNUAL WAGE

Approximately \$47,007

Annual Income Needed To Afford	Florida	Broward County
Efficiency	\$27,962	\$30,920
One- Bedroom	\$33,214	\$39,200
Two- Bedroom	\$41,527	\$50,120
Three- Bedroom	\$56,115	\$71,600

PROPOSED COUNTY SOLUTIONS

- Identify and create local dedicated funding sources for housing to provide a variety of housing programs including new multifamily development, home repair, first time homebuyer and foreclosure prevention.
- Encourage developers to leverage bonus density in exchange for workforce set-aside units in market-rate developments.
- Partner with League of Cities and community on the important relationship between workforce housing and economic growth.
- Coordinate housing strategies in line with the Six Pillars Plan.

PROPOSED STATE SOLUTIONS

- Ensure full funding for Sadowski Housing Trust Fund.
- Allow Broward County to retain a percentage of doc stamps' revenue as a dedicated source of funding for local housing.
- Update Sadowski distribution formula to reflect current state needs.