



Agenda Item Summary

File ID: 22-1125

DEPT-3

Meeting Date: 12/6/2022

PLACEMENT: Departmental

TITLE:

AFFORDABLE HOUSING DISCUSSION

EXECUTIVE SUMMARY:

This agenda item provides an overview of what the County defines as “affordable housing”. Staff has also provided data regarding Requests for Service, current revenue sources being used to support affordable housing, and an update on various programs and initiatives currently in place.

DEPARTMENT: Administration

PREPARED BY: **Name:** George M. Stokus
Title: Assistant County Administrator

REQUESTED BY:

PRESET:

PROCEDURES: None

BACKGROUND/RELATED STRATEGIC GOAL:

Defining Affordable Housing

Affordable housing is defined by housing programs of the federal government, the Florida Affordable Housing Act of 1986, the Florida Housing Finance Corporation and local housing agencies. Affordable housing is defined as housing for which monthly rents or mortgage payments, including taxes, insurance and utilities do not exceed thirty (30) percent of that amount which represents the percentage of the median adjusted gross annual income for the households or persons indicated in Section 420.0004, Florida Statutes. For renter-occupied housing, this percentage would include monthly contract rent and utilities.

The five categories used to define affordable housing are; extremely low income, very low income, low income, moderate income, and workforce housing. Each is defined below. The income ranges are based on the median household income for an area.

- Extremely low-income households: Households whose annual gross income, adjusted for family size, does not exceed 30 percent of the median annual income in Martin County;
- Very low-income households: Households whose annual gross income, adjusted for family size, does not exceed 50 percent of the median annual income in Martin County;

- Low-income households: Households whose annual gross income, adjusted for family size, does not exceed 80 percent of the median annual income in Martin County;
- Moderate income households: Households whose annual gross income, adjusted for family size, does not exceed 120 percent of the median annual income in Martin County;
- Workforce housing: Housing that is affordable to persons or families whose total household income does not exceed 140 percent of the area median income, adjusted for household size.

Current Programs and Initiatives

Human Services

Martin County formed the Affordable Housing Advisory Committee (AHAC) in 2007. The AHAC committee made up of 11 members from various sectors in the Community, including an elected official, citizen actively engaged as a for-profit provider of affordable housing, real estate professional in connection with affordable housing, and a citizen actively engaged as a not-for-profit provider of affordable housing. The committee meets bi-monthly and the bylaws state a public hearing and workshop may be called by the Committee, as long as notice is provided.

The Martin County Human Services has a number of programs to assist Martin County residents in obtaining housing. Martin County Human Services divides housing services between rentals versus home ownership/rehab. Below are the following programs for homeownership:

- State Housing Initiative Partnership - \$1,500,000 - FY 22/23
 - Down Payment Assistance
 - Rehabilitation of Homes (Storm Protection, ADA, Build Code Update)
 - Water/Sewer Hook-Ups
 - Demolition and Replacement
- Community Development Block Grant - \$750,000 - Grant Application
 - Rehabilitation of Homes
 - Demolition and Replacement
 - Water/Sewer Hook-Ups
- Home Funds - \$174,000 - FY 22/23
 - Rehabilitation of Homes
 - Demolition and Replacement
 - Down Payment Assistance (80% or less of Area Median Income -AMI)

Below are rental assistance programs:

- Neighborhood Stabilization Programs I & II (NSP)
 - Properties transferred to Indiantown Nonprofit for rental low-income residents (Below 80% AMI)
- Community Service Block Grant (CSBG) Covid - \$141,000 - FULLY EXPENDED
 - Rental Assistance for individuals affected negatively by COVID
- Community Service Block Grant (CSBG) - \$85,000 - FULLY EXPENDED
 - Rental Assistance for individuals in need of support for rent based on AMI
 - Assistance for Individuals for Auto Repair to maintain employment and medical independence and based on AMI
- American Rescue Plan Act - \$100,000 - \$50,000 remaining
 - Must have a direct COVID link per Federal Law
 - Rental Assistance based on AMI

- Florida Power and Light (FPL) - \$120,000 /yr.
 - FPL provides income levels to eliminate past due balances up to \$500 per year.
- Lend a Hand - Martin County Utilities - \$10,000
 - MC Utilities eliminates past due balances of up to \$200 every 24 months. Assistance is based on AMI

American Rescue Plan Act Programs (ARPA)

In 2021 the Board of County Commissioners directed staff to allocate \$5,700,000 to the Community Assistance Program (CAP) to address the immediate impacts of Covid to Martin Counties Communities. Two (2) committees were formed to rank, score, and delegate funding requests to address COVID impacts to Martin County the first committee was made up of representative from United Way, Children Services Council, and the Community Foundation. This committee was tasked to score and rank the applications based on community need. A second committee comprised of the Human Services Director, County Administrator, and Office of Management and Budget Director, to review and approve requested funding. Through this process several programs have been put into place to assist those in need. Below is a list of programs that ARPA has funded:

- Love and Hope in Action - \$500,000 - Construct transitional housing for males
- Salvation Army - \$650,000 - Generator and Building Improvements to provide shelter for transitional housing. City of Stuart is also providing a grant for townhomes on property.
- MC ARPA - \$100,000 - Provide Rental Assistance - Grant to Human Services

Growth Management

Martin County Growth Management (GMD) has several Comprehensive Plan Policies that support of affordable Housing. Below is a listing of those policies:

- Policy 4.2A.3.
 - Amendments supporting redevelopment. In conjunction with the continuing efforts of the Affordable Housing Advisory Committee, as well as objectives and policies established in the Housing Element, the County shall periodically consider amendments to the CGMP and/or Land Development Regulations regarding mechanisms to address areas in need of redevelopment and renewal and the provision of affordable housing.
- Policy 4.7A.11.
 - Fiscally sound methods for encouraging in-fill development. The County shall consider recommendations from the Affordable Housing Advisory Committee and others in developing fiscally sound means to encourage in-fill development on vacant lands in Primary Urban Service Districts where private reinvestment and development may not be appealing without public encouragement.
- Policy 4.9D.1.
 - Procedures for orderly transitions in residential density. At a minimum these regulations shall:
 - (4) Where density transition areas as required by the policies under Objective 4.1F cannot be physically accommodated, the County shall investigate performance zoning concepts that provide a physical buffer or a combination of use separation and landscape planting. **For projects providing affordable or workforce housing to eligible households as defined by the Housing Element, the required density transition areas may also be satisfied by providing a minimum 25-foot buffer with a 6-foot-high opaque fence or wall and landscaping.**

- Policy 4.10C.2.
 - Analysis of underused shopping centers. Martin County shall complete an analysis of underused shopping centers for the purpose of meeting Objective 4.10C by July 2012.
- Policy 4.10C.3.
 - Feasibility of including **affordable housing in adaptive reuse policy**. The analysis of underused shopping centers shall specifically consider the feasibility of and incentives needed to incorporate affordable housing opportunities into any adaptive reuse policy.
- Policy 4.10C.4.
 - Conditions for site plan approval. Final site plans shall not be approved pursuant to this objective until Martin County adopts amendments to the Land Development Regulations:
 - (1) Identifying commercial future land use designations and commercial zoning districts where mixed use will be allowed.
 - (2) Identifying permitted residential density.
 - (3) Identifying permitted commercial space.
 - (4) Identifying the appropriate balance between residential and commercial space.
 - (5) **Encouraging affordable housing, workforce housing and specialized housing, such as residential care facilities.**
 - (6) Requiring interconnectivity between strip commercial spaces when adapted for reuse.

ISSUES:

Having an affordable place to call home is essential to obtaining a strong and resilient local economy. Affordable housing allows low-income and moderate-income working families to live near their places of employment. Affordable housing enables elderly and disabled individuals to be incorporated with their communities. Housing, especially affordable housing, is essential to private and public sector businesses to recruit and retain a workforce. Affordable housing is not isolated to Martin County. It is in fact a systemic problem that needs to be addressed on a national level.

When trying to identify the issues facing affordable housing it can be broken into three distinct issues:

- There is not enough affordable housing in Florida.
 - Close to two million (2,000,000) low-income Florida households pay more than 30% of their incomes for housing.
 - The Florida Housing Coalition - www.flhousing.org <<http://www.flhousing.org>>
- There is a large and growing gap between income and housing costs.
 - Eleven (11) of the Twenty (20) largest occupations in the United States pay less than the housing wage.
 - National Low Income Housing Coalition
 - Average Two-Bedroom Rental Wage Needed in Martin County: \$28.17/hr.
 - National Low Income Housing Coalition
 - Average Hourly Wage in Martin County: \$31.64
 - US Census 2020 (\$65,821/2080=\$31.64/hr.)
- Federal and State Programs do not keep pace with market changes.
 - Most Federal and State programs limit individuals with income at 80% or below AMI.

- Most rental assistance programs will not cover market rents.

LEGAL SUFFICIENCY REVIEW:

To the extent this item contains legal issues, it has been reviewed for legal sufficiency; although this is primarily a matter of Board policy.

RECOMMENDED ACTION:

RECOMMENDATION

Provide staff direction as to how to proceed.

ALTERNATIVE RECOMMENDATIONS

None

FISCAL IMPACT:

RECOMMENDATION

None

ALTERNATIVE RECOMMENDATIONS

None

DOCUMENT(S) REQUIRING ACTION:

- | | | |
|--|---------------------------------------|---|
| <input type="checkbox"/> Budget Transfer / Amendment | <input type="checkbox"/> Chair Letter | <input type="checkbox"/> Contract / Agreement |
| <input type="checkbox"/> Grant / Application | <input type="checkbox"/> Notice | <input type="checkbox"/> Ordinance |
| <input type="checkbox"/> Resolution | | |
| <input type="checkbox"/> Other: | | |

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