

The Affordable Housing Crisis in Collier County –

Will newly claimed resolve by the Board of County Commissioners finally address this important issue for all essential workers and their employers?

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Affordable Housing has once again become a topic frequently covered by the local, state and national media. In Southwest Florida, as in much of the State of Florida, the affordability of housing for essential workers has worsened in recent years by the significant increases in the cost of real estate and rents. This issue has been aggravated by the widespread destruction of residential property caused by Hurricane Irma in 2017 and once more by Hurricane Ian in 2022.

After years of neglect and inaction at the state and local government level, affordable housing has become a major issue for many working families, prompting the legislative and executive branches, along with local boards of commissioners in several counties to study and take measures to address the housing crisis. Market data for 2020 for Collier County, assembled by the Shimberg Center for Housing Studies at the University of Florida, indicates that 33% of its households are cost burdened. Further complicating the affordability issue is that the median income of the abovementioned workforce is \$35,000 to \$40,000, compared to the median household income in the City of Naples of \$97,254 and Collier County of \$ 75,799.

This means the area suffers from a serious scarcity of reasonably priced housing for public safety staff, education, health care and other essential workers including entry and mid-level professionals prompting a significant number of workers having to reside outside the county and commute long distances to work. Sectors affected include county and city employees and the county's hospitality, construction, and service industries. These categories comprise 50% of all jobs in the county, making affordable housing also a major issue for businesses in Collier County in their hiring and employee retention challenges.

On Friday, March 24th, the Florida House, following similar action by the Florida Senate, approved bill (SB 102) named the "Live Local Act" and forwarded it to Governor DeSantis for his signature. It is described as pro-development and seeks to boost funding and incentives for property developers and owners to build and designate more units as affordable housing. It gives several different tax incentives. According to media reports and the Florida Realtors, included among these is a property tax exemption to developers that set aside at least 70 new or recently refurbished units for affordable housing and accelerates permits and development orders for affordable-housing projects. It also encourages Florida businesses to make donations towards community development and housing projects for low-income Floridians through higher limits for community contribution tax credits. The bill also prohibits local rent controls and pre-empts local government rules on zoning, density and building heights in certain circumstances. One prominent backer of the bill is Florida's Senate President Kathleen Passidomo (Republican Senator from Collier County).

The bill requires municipalities to provide listings of public land that may be available for affordable housing development and has provisions for redirecting funding to established affordable housing programs. Annually, the legislation will provide \$252 million to the longstanding State Housing Initiatives Partnership Program (SHIP), \$259 million in 2023 and \$150 million for ten years to the State Apartment

Incentive Loan program (SAIL), and \$100 million to the Hometown Heroes Housing Program (which was created in 2022 to help people such as teachers, health-care workers and police officers buy homes).

In Collier County, the issue of affordable housing has also captured headlines following the termination by the Board of County Commissioners (the BCC) of Joe Trachtenberg, the chairman of the Affordable Housing Advisory Committee. He is widely respected as a strong civic leader and advocate for issues and measures to address the problem. According to the Naples Daily News report of March 3, 2023, the BCC, as per an email to the media of Commissioner Chris Hall, based his dismissal on his having “lacked leadership, promoted fearmongering among the public about the affordable housing crisis and has repeatedly accused the county commission of not wanting to address the affordable housing issue.”

Several members of the BCC, including its chairman and the two new members, have according to local media reports since stated that they are committed to address the growing affordable housing issue in Collier County. The genuineness of the BCC’s newly reaffirmed commitment will soon be tested again given the new legislation and funding for established programs approved in Tallahassee this week for significant statewide local affordable housing initiatives.

Although not yet pronounced by them, key performance measures for the BCC should be their readiness to make a formal commitment to address the affordable housing crisis with a comprehensive plan that includes such actions as:

1. Form an Affordable Housing Task Force, under the responsibility of the County Manager, combining key departments of the Collier County government, including the county attorney
2. Update the Affordable Housing Plan of Collier County as soon as possible by working closely with the Affordable Housing Advisory Committee of Collier County, considering the provisions of the new SB102, the Live Local Act, approved by the State of Florida, as well as all previous recommendation made in studies since and including the 2017 study of the Urban Land Institute then commissioned by the BCC
3. Include a meaningful funding plan for the Collier County Affordable Housing Trust Fund by using federal and state programs, plus private money (from profit and non-profit sources) including commercial financial institutions and the Federal Home Loan Bank of Atlanta, who have missions to support housing finance and community investment.
4. Define acquisition and leasing criteria for properties to be acquired by the Collier County Community Land Trust
5. Define clear selection criteria and target goals for projects as well as tenants’ affordability requirements
6. Establish a marketing program of Collier County’s affordable housing program to qualified developers highlighting county programs and incentives
7. Implement a communication and reporting plan including a website available to developers and the public containing information on projects proposed, approved, completed, and units added to the rental and household ownership base

Obstacles have been provided for years by real estate developers and interests who have lobbied both locally and at the state level to dissuade or ban promising affordable housing programs. Combined with exclusionary land-use policies common in many of the nation’s wealthiest cities and towns the result is the current crisis in the availability of affordable housing in Collier County.

The critical issue now is how will the superior quality of life in Collier County be preserved and not be endangered by the risk of a failed affordable housing strategy and policies to meet the housing and financial needs of essential service workers encompassing our police, firemen, healthcare, teachers, hospitality, construction workers and other essential workers including entry and mid-level professionals.

The BCC will be challenged to deliver results and succeed in better meeting the urgent housing needs of essential workers.