

Exhibit A

City of Hollywood Affordable Housing Advisory Committee

Annual Report

David McLeod, Chair



2019

I. MISSION AND OVERVIEW

Section 420.9072, Florida Statutes requires each eligible municipality participating in the State Housing Initiative Partnership Program to create an Affordable Housing Advisory Committee (AHAC).

The principal purpose of the AHAC is to recommend specific actions or initiatives that encourage or facilitate affordable housing while protecting the ability of the property to appreciate in value. The AHAC meets on an as-needed basis.

The AHAC hosted a Professional Consultation on Housing in order to identify service delivery gaps and to recommend priorities for the 5-Year Consolidated Plan for Federal Fiscal Years 2019/2020 to 2023/2024 and the 3-Year Local Housing Assistance Plan for Florida Fiscal Years 2019/2020 to 2021/2022.

5-Year Consolidated Plan - Describes the City's community development priorities and multiyear goals based on an assessment of housing and community development needs, and an analysis of housing and economic market conditions and available resources. The Consolidated Plan includes a series of 1-Year Action Plans that identify activities for each respective federal fiscal year. By consulting and collaborating with other public and private entities, the City can align and coordinate the use of federal funding with other plans, programs and resources to achieve greater impact. The City of Hollywood receives an annual formula allocation of Community Development Block Grant (CDBG) funds as an Entitlement Community and receives an annual formula allocation of Home Investment Partnership Program (HOME) funds as Participating Jurisdiction.

3-Year Local Housing Assistance Plan (LHAP) - The LHAP describes the housing strategies by which the City will expend State Housing Initiatives Partnership (SHIP) funds allocated by the Florida Housing Finance Corporation. SHIP funds are allocated annually. New LHAP is created every three years and encompasses three funding years.

II. PROFESSIONAL CONSULTATION ON HOUSING

October 2, 2018

Member	Present	Absent
Nancy Gaggino		X
David Kout		X
Mohammad Ronizi	X	
Henry Graham	X	
Sara Lavenka	X	
David McLeod	X	
Travis Bridges		X
Sonja Breland	X	

Over 30 Housing Industry professionals were invited to the Professional Consultation on Housing including but not limited to; Realtors, Mortgage Professionals, Developers, Non-Profits, Housing Counselors, Government Agencies, City of Hollywood Advisory Committees, and the Continuum of Care. There were 18 attendees.

The meeting included the following presentations:

1. Affordable Housing Market Conditions
Clay Milan, Manager
City of Hollywood Community Development Division

The following is a brief synopsis of Clay Milan’s presentation.

Mr. Milan gave a PowerPoint presentation on the Housing Market in Hollywood including but not limited to the following:

Local Conditions

- Population – 152,007
- Housing Units – 68,321
- Tenure – 56% owner-occupied; 44% rental
- Overall Vacancy Rate – 20%
- Median Owner-Occupied Unit Value – \$261,700
- Median Household Income – \$50,775
- Age of Housing Stock – 54% of Housing Units were built prior to 1970

Median Value of Owner-Occupied Units Comparison

City of Hollywood	\$ 261,700
Broward County	\$ 260,700
Florida	\$ 214,000
United States	\$ 217,600

Cost Burden Households Comparison

	Owner	Renter
City of Hollywood	29.0%	57.0%
Broward County	32.0%	60.0%
Florida	26.0%	54.0%
United States	22.0%	47.0%

Median Household Income Comparison

City of Hollywood	\$ 50,775
Broward County	\$ 56,842
Florida	\$ 52,594
United States	\$ 60,336

LMI Population Comparison

Entitlement Cities in Broward	LMI%- FY 2017 Overall LMISD, Based on 2006-2010 American Community Survey
Lauderhill	59.60%
Pompano	59.40%
Deerfield	56.50%
Tamarac	55.00%
Ft. Lauderdale	51.60%
Margate	50.90%
Hollywood	49.90%
Sunrise	45.50%
Coconut Creek	44.70%
Miramar	39.30%
Davie	38.80%
Coral Springs	34.40%
Pembroke Pines	34.30%
Plantation	32.60%
Weston	21.20%

Challenges Summarized

- 49.9% of Hollywood's population is Low- or Moderate-Income.
- 29% of Hollywood homeowners and 57% of renters are cost-burdened.
- Median Owner-Occupied Unit Value is \$261,700.
- Median Age of a Housing Unit in Hollywood is 49 years.

2. Housing the Homelessness, Special Needs and Supportive Housing Rebecca McGuire, Human Services Manager Broward County Homeless Initiative Partnership

The following is a brief synopsis of Rebecca McGuire's presentation.

Every year in the last ten days of January the Broward County Homeless Initiative Partnership does a Point in Time Count that gives an idea of the level of need in the County.

The Broward County Homeless Initiative Partnership uses this data to determine need and courses of action. This year the Broward County Homeless Initiative Partnership has determined that a huge need is to get housing for what we call the

Broward County is at 98%-99% capacity for permanent supportive or rapid re-housing. Broward County is at what Broward County Homeless Initiative Partnership considers critical mass. The County is at a critical need of affordable housing units, rental assistance, or funds to rapidly re-house persons leaving shelters.

Countywide there is a need for at least 745 units of permanent supportive housing units. The Goal is to get to “functional zero” which would mean that every person on the streets could be offered a place to stay (shelter or housing).

Broward County Homeless Initiative Partnership will provide data to the staff liaison that is city specific.

3. Discharge and Re-Entry
Cathy Gilmartin, Branch Administrator
Henderson Behavioral Health

The following is a brief synopsis of Cathy Gilmartin’s presentation.

The Hollywood Outpatient Mental Health Center in Hollywood admitted 116 homeless persons out of that 46 identified as living in a shelter and 70 could not give address at all. Henderson served over 2,200 Hollywood residents in at the outpatient center. Once stable over 85% of them only need medication management for their on-going mental illness. Out of the 85% about 250 per year need therapy, rehab, or case management to maintain. Henderson serves about 100 seriously ill mental health clients that become ill as young adults and cannot work or can only work part-time. They have very limited education or learning disabilities. Most live on public assistance which usually is less than \$700.00 per month. Out of the 100 seriously mental ill clients about 38 live in licensed assisted living facilities, 30 are in mental health residential programs, 24 were discharged from the South Florida State Hospital. They are there for about 3-6 months and are discharged back to the community with nowhere to go. Henderson served 8 clients that were discharged from forensic programs which are programs house severely mentally ill people that have also committed a crime.

100 seriously mentally ill clients need housing in Hollywood annually. Because of the cost of housing which averages around 1,200 for a 1-bedroom apartment, the 100 seriously ill clients cannot afford to rent. Many end-up staying with family or from

friend to friend. After wearing out those relationships and ultimately find themselves back in jail, homeless or hospitalized which creates a revolving door of placements.

The cost of hospitalizing or jailing these clients is much more expensive than providing rental assistance.

4. Professional Consultation Comments

The Chair opened the floor so that each attendee will be given the opportunity to comment on gaps in service and recommended priorities. The following is a brief synopsis of the comments received.

James Whitworth, Broward Outreach Center – Emergency overflow beds at the Broward outreach Center are not funded. These beds provide a resource for outreach teams to provide a place to stay for homeless persons.

Robin Martin, Rebuilding Together Broward – Aging Housing Stock coupled with aging in-place homeowners that are low-income make for dire situations. Would like to partner with the City to aid in repair of the existing housing stock.

Steve Werthman, Hope South Florida – In all homeless housing programs it is very important to have a combination of housing rental subsidies or affordable housing but also services for case managers and housing specialists that assist clients to get stabilized once housed. Rapid Re-Housing model shows an 80% success rate. Consistently about 15% of the County Homeless are from Hollywood. Shelters are essential programs to get people stabilized until a landlord is identified that can rent to them.

Lilly Gallardo, Salvation Army – it is not enough to just house people without providing services to make sure they are actually able to care for themselves. When families want to move from the Salvation Army Transitional housing site it is very difficult to find anything affordable.

Juan Selaya, Florida Housing for All - Need to assist in Workforce Housing Purchase Assistance.

Yamaris Arbitman, Operation Sacred Trust – Would like the City to partner to end veteran homelessness through the development of affordable units for veterans.

John Gibbis, South Florida Board of Realtors – Many people can't afford to buy a home and many can't afford to live in the home even if they purchased one. Land cost, home size, and construction methods are driving costs to an unaffordable range. There are better construction methods. There are construction methods that are hurricane proof and less expensive, however, cost of land remains an issue. The homeless do not

want to go to shelters. It is possible to build individual housing for the homeless from \$40,000 a unit. Please consider other building methods.

5. Cumulative Ranking Results

Subsequent to the presentation and comments the attendees completed individual ranking sheets showing a 1-5 level importance (5 being the highest) for certain subject areas. Also, the sheet allowed for the insertion of a concern that the attendee wanted to be considered by the AHAC. The concerns are listed in italics.

Homeless and Special Needs		Average
1	Permanent Housing	4.5
2	Permanent Supportive Housing	4.4
3	Rapid Re-Housing	4.3
4	Rental Subsidies	4.2
5	Emergency Shelters	3.6
6	Transitional Shelters	3.6
	<i>Vouchers Specific to Veterans</i>	
	<i>Services to Accompany Rental Subsidies</i>	

Affordable Housing		Average
1	Relieving Cost Burden for Very Low-Income Small Family Renters	4.28
2	Relieving Cost Burden for Low-Income Small Family Renters	4.17
3	Relieving Cost Burden for Low-Income Large Family Renters	4.11
4	Relieving Cost Burden for Senior Renters	4.06
5	Providing Affordable Ownership Opportunities for Low-Income Homebuyers	4.00
6	Providing Workforce Housing Ownership Opportunities	3.89
7	Relieving Cost Burden for Very Low-Income Large Family Renters	3.78
8	Providing Affordable Ownership Opportunities for Very Low-Income Homebuyers	3.72
9	Foreclosure Prevention	3.67
10	Emergency Housing Rehabilitation (roof and related stabilization assistance only)	3.61
11	Relieving Cost Burden for Moderate-Income to Workforce Large Family Renters	3.56
12	Rental Rehabilitation of properties available for Very Low-Income Small Family Renters	3.56
13	Rental Rehabilitation of properties available for Low-Income Small Family Renters	3.50
14	Rental Rehabilitation of properties available for Very Low-Income Large Family Renters	3.50
15	Rental Rehabilitation of properties available for Low-Income Large Family Renters	3.44
16	Fair Housing Activities	3.44
17	Housing Rehabilitation to Address Overcrowding	3.39
18	Tenant/Landlord Counseling	3.33
19	Relieving Cost Burden for Moderate-Income to Workforce Small Family Renters	3.28
20	Rental Rehabilitation of properties available for Moderate-Income to Workforce Small Family Renters	3.22
21	Rental Rehabilitation of properties available for Moderate-Income to Workforce Large Family Renters	3.00
	<i>Veteran Specific Housing</i>	
	<i>Community Land Trust</i>	
	<i>In the event Sadowski funds are redirected to Broward. Set aside funds for General Affordable Housing Needs</i>	
	<i>Low Cost Single Family Homes</i>	
	<i>Supportive Services for Homeless Shelters</i>	
	<i>Off-setting the cost initial stages of construction</i>	

General Rankings		Average
1	Rental Assistance including Rent Subsidies	4.4
2	Emergency Shelters and Transitional Housing	4.1
3	New Construction of Affordable Rental Units	4.0
4	New Construction of Affordable Units for Homeownership	3.9
5	Health Services - Mental and Physical Wellbeing	3.9
6	Food Insecurity	3.8
7	Senior Services	3.8
8	Job Creation/Retention	3.6
9	Purchase Assistance	3.6
10	Job Training/Placement	3.6
11	Substance Abuse Services	3.5
12	Youth Services and After-School Tutoring	3.5
13	Childcare Services/Scholarships	3.4
14	Life Skills Training	3.4
15	Single Family Housing Repair	3.2
16	Crime Awareness	3.0
17	Assistance to Small Businesses and Micro-Enterprises	2.9
18	Assistance to Business Start-ups and Entrepreneurial Training	2.9
19	Water and Sewer Installation	2.9
20	Street Repair	2.8
21	Street Lighting	2.8
22	Sidewalk Repair	2.8
23	Park Facilities	2.6
	<i>Resiliency Training</i>	
	<i>Community Land Trusts</i>	
	<i>Inclusionary Zoning</i>	

III. AHAC PRIORITY SETTINGS AND INCENTIVE STRATEGIES

Subsequent to the Professional Consultation, the AHAC held a meeting to review and approve “Affordable Housing Incentive Strategies” to be included in the LHAP, recommend “Housing Priorities” for consideration during the development of the LHAP and 5-Year Consolidated Plan, and recommend General Priorities for consideration during the development of the 5-Year Consolidated Plan.

October 9, 2018

Member	Present	Absent
Nancy Gaggino		X
David Kout	X	
Mohammad Ronizi	X	
Henry Graham	X	
Sara Lavenka	X	
David McLeod	X	
Travis Bridges		X
Sonja Breland	X	

A. Service Gaps in the Provision of Housing

The AHAC identified the following gaps in service (ranked in order of priority):

1. Often potential homebuyers do not have down payments sufficient to create affordable mortgage payments relative to their incomes.
2. Often existing homeowners (particularly the seniors) do not have incomes sufficient to maintain or repair their homes.
3. Resident incomes are not sufficient to support market rents. Therefore, a large percentage of the population live in cost burdened situations.
4. There is a lack of affordable Senior Rentals.
5. Often there is a lack of knowledge in household budgeting and homeownership and rental decision making.

B. Housing Priorities

The following are recommended funding priorities specific to “Housing” for the LHAP and the 5-Year Consolidated Plan (ranked in order of priority).

1. Purchase Assistance

2. Single Family Housing Repair
3. Funding activities that Increase the supply of Affordable Housing for Homeownership
4. Senior Housing
5. Rental Assistance (it is understood that this funding priority can be used to address special needs and discharge populations)
6. Rapid Re-Housing
7. Housing Counseling

C. Affordable Housing Incentive Strategies for the LHAP

The SHIP program mandates that all municipalities receiving SHIP funds establish local initiatives that foster affordable housing development. To guide advisory committees, the SHIP Statute provides eleven affordable housing incentives; each strategy must be considered by the AHAC. Florida Statutes, Sec. 420.9076 (4). The AHAC considered the eleven affordable housing incentives and previous AHAC recommendations and voted to maintain the findings as part of the AHAC report.

1. The processing of approvals of development orders or permits, as defined in s. 163.3164(7) and (8), for affordable housing projects is expedited to a greater degree than other projects.

Recommendation:

The AHAC recommends continuing the process of priority plan review and inspection expediting via the “Special Projects Coordinator”.

2. The modification of impact-fee requirements, including reduction or waiver of fees and alternative methods of fee payment for affordable housing.

Recommendation:

The AHAC recommends waiver or at least the reduction of impact-fees and permit fees for affordable housing projects.

3. The allowance of flexibility in densities for affordable housing.

Recommendation:

The AHAC is interested in gaining the cost benefits for said allowances. However, the AHAC recognizes the negative impacts that can result from dense developments depending on the surrounding environment, lot configuration, etc. The AHAC believes that the benefits of affordable housing

provision must be weighed against the negative impacts on a case by case basis. Therefore, the recommendation of the AHAC is to instruct appropriate City staff to allow this flexibility for affordable housing projects only if staff believes that the density requested does not have negative impacts on the livability of the development or the surrounding environment.

4. The reservation of infrastructure capacity for housing for very-low-income persons, low-income persons, and moderate-income persons.

Recommendation:

The AHAC has been advised by Public Utilities that infrastructure is not concern in the foreseeable future as it relates to housing developments. Therefore, the recommendation would be to allow to create and enact policy procedures to reserve capacity only in the event of an unforeseen reduction in capacity.

5. The allowance of affordable accessory residential units in residential zoning districts.

Recommendation:

The AHAC does not want to encourage this form of affordable housing over and above that that is already acceptable by the City zoning controls.

6. The reduction of parking and setback requirements for affordable housing.

Recommendation:

Much like the recommendation of the AHAC as it relates to density, the AHAC is interested in gaining the cost benefits for said reductions. However, the AHAC recognizes the negative impacts associated with the reduction of parking and setback requirements. The AHAC believes that the benefits of affordable housing provision must be weighed against the negative impacts on a case by case basis. Therefore, the recommendation of the AHAC is to instruct appropriate City staff to allow these reductions for affordable housing projects only if staff believes that the reductions will not have a negative impact on the livability of the development or the surrounding environment.

7. The allowance of flexible lot configurations, including zero-lot-line configurations for affordable housing.

Recommendation:

The current City allowances are acceptable to the AHAC.

8. The modification of street requirements for affordable housing.

Recommendation:

The AHAC recommends that City staff allow modifications to a greater degree for affordable housing projects. This recommendation does not include street closures. In fact, the AHAC recommends against street closures.

9. The establishment of a process which the City of Hollywood considers, before the adoption of policies, procedures, ordinances, regulations, or plan provisions that increase the cost of housing.

Recommendation:

The current City process is acceptable to the AHAC.

10. The preparation of a printed inventory of locally owned public lands suitable for affordable housing.

Recommendation:

The City has approved an inventory of locally owned property suitable for affordable housing. No recommendation necessary from the AHAC.

11. The support of development near transportation hubs and major employment centers and mixed-use developments. The advisory committee recommendations may also include other affordable housing incentives identified by the advisory committee.

Recommendation:

Currently, the City encourages developments near transportation hubs and major employment centers and mixed-use developments through zoning and land use requirements. The AHAC finds this support sufficient.

12. Other items not listed above.

Recommendation:

The City of Hollywood has created an Affordable Housing Trust Fund. The AHAC recommends that City staff be instructed to continue to investigate opportunities to fund the Affordable Housing Trust Fund.

Inclusion in the LHAP- the AHAC agreed that the following affordable housing incentive strategies to be included in the LHAP as follows:

1. **Expedited Permitting** - Permitting will be in accordance with s. 163.3177 (6) (f) (3) affordable housing and the Florida Building Code for development orders and development permits as defined in Section 163.3164, F.S.
 - **Narrative** - Affordable Housing Projects are color coded to denote prioritization during the permitting process. A “Special Projects Coordinator”, located within the Building Division tracks and provides assistance to Community Development staff to ensure the continual progress of Affordable Housing Projects through the permitting process.

2. **Ongoing Review Process** - An ongoing process for review of local policies, ordinances, regulations and plan provisions that increase the cost of housing prior to their adoption.
 - **Narrative** - The City Electronically routes City Commission agenda items for approvals via the Granicus Legistar system. The system creates an automated approval sequence with selected approvers that are notified when an item is ready for their review. Community Development staff is included in sequence. When Community Development staff is notified of an item that may increase the cost of housing, a meeting of the Affordable Housing Advisory Committee is scheduled to review the item. The Affordable Housing Advisory Committee reviews the item for the following:
 - Does the proposed action increase the cost of housing?
 - If Yes, is the assumed cost increase substantial or otherwise detrimental to the development of affordable housing?
 - Does the proposed action support an overall goal of the City and/or have an alternate value to the target population?
 - Do the long-term benefits of the proposed action outweigh any possible cost increase to housing?
 - Does the proposed action protect the ability of the property to appreciate in value?

The findings and recommendation of the AHAC are then forwarded to the City of Hollywood City Commission for final action.

3. The reduction of parking and setback requirements for affordable housing

- **Narrative** - The Planning Department, on a case by case basis, recognizes lower auto ownership rates within Low- and Moderate-Income properties and supports the granting of variances for reduced parking requirements, as appropriate.

III. General Priority Settings

The AHAC developed the following list of “General Priorities” (ranked in order of priority) to be forwarded to the Community Development Advisory Board (CDAB) and City Staff to consider in the development of the 5- Year Consolidated Plan.

1. Purchase Assistance
2. Single Family Housing Repair
3. Funding activities that Increase the supply of Affordable Housing for Homeownership
4. Senior Services
5. Rental Assistance
6. Childcare Services/Scholarships
7. Life Skills Training
8. New Construction of Affordable Rental Units
9. Street Repair
10. Water and Sewer Installation