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HOUSING AFFORDABILITY

IN COLLIER COUNTY

After years of study
and debate, moves are
being made to bring
more moderately priced
housing to the area



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IN COLLIER COUNTY

After years of study and debate, moves are being made to bring more moderately priced housing to the area.

BY JEFF LYTLE



Mary Waller, a longtime member of the Naples Area Board of REALTORS® who has received all sorts of recognition throughout the years, speaks from a special perspective when it comes to the subject of housing affordability in Collier County. She brings to the discussion three years of experience on the county's Affordable Housing Advisory Committee, and she loyally attended its meetings for three years before that, combining her real estate insights with her passion for volunteerism.

"I've seen the issue come a long way," she says. It's gone from lip service at first to the county now drafting helpful policies and actually offering sites, she explains, as with the newly approved 78-unit Bembridge apartment complex on five acres on Santa Barbara Boulevard between Davis Boulevard and Radio Road.

Waller, a REALTOR® with Better Homes and Gardens Real Estate Pristine who was NABOR®'s Citizen of the Year in 2016, has more reason to smile—she's hopeful about the county's move to buy the public golf course in Golden Gate. She envisions a master-planned community with housing components for seniors, veterans and essential employees such as first responders and teachers, all complemented by green space.

Waller, who has been selling real estate since moving here from Greenwich, Connecticut, 28 years ago, calls on county commissioners to think big when deciding on the next steps to take on the housing affordability front. "They," she says, "can leave a legacy."

She leaves a legacy of her own by helping to frame the ongoing issue as one of housing affordability—including taxes and association fees—rather than affordable housing, which carries urban baggage and distracts from the larger subject.

By any label, housing affordability has been a persistent topic of debate in Collier County for years, as evidenced this July when the *Naples Daily News* reprinted its moon landing front page from 50 years ago. That same page from 1969 carried a story about a U.S. Housing and Urban Development official urging local REALTORS® to get moving on affordable housing. The subject was raised in earnest this summer when Arthrex, one of the largest employers in Collier County, publicly challenged the Board of County Commissioners to do more to address housing affordability, citing the trouble that the medical device manufacturer was having recruiting workers to Naples because of the area's high cost of living. But now it appears that the county, along with private developers and various groups, might be making headway on the issue.

Waller, for her part, says she's pleased there are others in the community interested in solutions. The Leadership Council on Aging, a consortium working on senior issues, for example, is promoting the concept of homeowners renting spare rooms to seniors. A coalition of Immokalee groups is working on 144 affordable apartments, and a Naples businessman is succeeding with Oak Haven, 160 once-derelect Immokalee apartments about half the size of Naples area units with moderately priced rents.

Waller's approach to public service is a good fit with an effort where progress can be incremental. "Filling the need and not the ego," she calls it. Waller understands how fellow real estate professionals and others can wonder why progress seems to take so long, partly due to so many agencies involved in funding and permitting. But, she insists, things are headed solidly in the right direction, declaring that "Collier County is ready to deal."

THE LINCHPIN

The linchpin to Collier County's affordable housing progress is a benchmark 2017 Urban Land Institute report. The county hired the ULI, which has been advocating for well-rounded, sustainable communities since 1936, to study the issue locally. The non-profit team of real estate and design experts interviewed employers in need of staffing and found no less than a housing affordability crisis in the Naples area. The ULI team framed the situation as clear-and-present economic peril on various levels, pointing out that employees commuting to Collier County jobs take their paychecks and spending power home with them after work. As a result of the report, housing affordability in the area became an economic, as well as social, issue.

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”

That notion was clear when David Bumpous, Arthrex's senior director of operations, appeared before county commissioners in July. In addition to its growth well under way in North Naples, the company already has chosen South Carolina for part of its expansion needs. Once prospective employees check local housing prices, they are dissuaded from applying, Bumpous told commissioners, with cheaper housing in Lee County posing too much of a daily commute.

Not long after it was submitted, the ULI report and its 35 talking points were put to work as the foundation of county housing policies—which are constantly updated. The report remains the core of work-in-progress issues such as the county providing land as well as seed money via a sales tax approved by voters in 2018, after previous initiatives for various uses failed for decades. Undetermined so far is the exact amount of tax to go toward housing.

Density bonuses remain in the works, as well. The county is in discussion about applying allowances for extra affordable units within market-rate projects in the area of activity centers with big roads and shopping designed to focus, rather than exacerbate, traffic.

“Collier County is making efforts to provide increased densities and additional opportunities for housing. In the past two and a half years since I have been a commissioner, the board has approved 2,403 multi-family units,” says Bill McDaniel, chairman of the board of county commissioners. While any progress is good, should the county be doing more to bring moderately priced housing to the area?

“Your second question is ‘Should the county be doing more or less?’” McDaniel says. “That is a whole other article and I don’t think I should respond as chairman of the board with my personal opinion for Collier County residents.”

THE COUNTY’S DEALER

Cormac Giblin is the county’s staff leader on housing affordability, with the title of manager of housing and grant development.

He brings a timely skill set from 22 years working with other county agencies, private sector civil engineering and planning firms and even actual construction management with Habitat for Humanity of Collier County. His credentials give this sector of housing more weight than ever with county policymakers.

His research and data analysis have helped clarify for county commissioners, the public and developers the need for housing diversity. He distilled the 2017 ULI report for key facts and follows up with quarterly, and even monthly, data-gathering on occupancy and rents from new and old apartment complexes. He keeps user-friendly charts on the status of various sections of the county’s housing plans to measure progress or the lack of it. Not all of the ULI ideas are embraced, such as the mandatory inclusion of affordable units in market-rate projects and a higher local minimum wage.

For a vital issue that can test anyone’s attention span, Giblin faces an uphill pull: essential density bonuses seldom sit well with neighbors, while reducing costs runs against the grain of a local economy that thrives on more, grander and higher-priced homes.

When explaining the need for housing for essential workers with modest incomes, Giblin drills down to income levels required to reasonably afford to rent or buy a home. He not only lays out the numbers; he assigns occupations to those income levels. For example, teachers and firefighters are included in the “low” income bracket who can afford a \$1,410 monthly rent or to buy a \$150,000 home, a rarity in the county. A household earning median income in Collier County of \$75,000 can’t afford to buy a median priced home in the area at \$440,000. Monthly rent for any type of apartment in the county averages at more than \$1,000 a month. Giblin goes on to report how many residential units are actually available within the various affordability ranges, amounting to roughly 30 percent of household income. Beyond that, housing becomes “cost burdened.”

He takes the additional research steps to show how Collier County stacks up with other “cost burdened” communities statewide. Collier ranks 11th, cheaper than some beachside counties such as Monroe, Palm Beach and Sarasota, yet pricier than others such as Lee, Pinellas, Manatee and Charlotte.

The numbers speak to the cynical notion that for Collier County, affordable housing is in

Lee County, and for Lee County, affordable housing is in Charlotte County. His homework shows more than 60 percent of countywide jobs pay \$33,250 or less and 58,000 of those workers pay rent or mortgages above the 30 percent threshold. No wonder 40,000 countywide employees commute. And no wonder the county commissioners—who at times disagree on locations, or even the need, for affordable housing—are aiming to boost housing affordability by at least 1 percent a year.

The need for affordable housing today stands at more than 1,600 units, Giblin reports, with only a few hundred in the works.

Giblin says his reports are valuable tools to facilitate public and political understanding. The data also appeal to developers who want more information, which is becoming more common after the county went out for proposals for the Bembridge project (for which a Dallas builder was chosen). Giblin says that word of the county’s willingness to provide land, as well as to deeply defer impact fees (about \$18,000 per apartment unit) and to fortify densities, among other factors, has spread beyond the builders who submitted bids. He says now he is kept busy answering inquiries without having to make cold calls. He is finding that every business or civic presentation he makes leads to another and another.

Audiences, he says, are always surprised to see photos of housing projects they drive past every day without knowing they are examples of how nice affordable housing can be. Two prime examples are off Collier Boulevard: The Preserve at Bristol Pines to the north near Immokalee Road and Noah’s Landing to the south near Interstate 75.

NEXT STEPS?

What’s the next step for Collier County on the path to establishing more affordable places to live in the area? As you might imagine, different constituencies have different ideas.

“The best way to achieve the goal of increasing ‘affordable’ housing is to adequately define ‘affordable,’ establish target goals and use quantitative methods to measure progress,” NABOR® President Jeff Jones says.

“The most critical element is ‘workforce’ housing to address the needs of teachers, firefighters, law enforcement and service industry workers,” he adds. “The county has taken steps to increase the density allowances for some parcels,” he adds, “which is really necessary for reaching affordability given our high land costs.”

Lisa Lefkow, CEO of Habitat for Humanity of Collier County, says that matters would be helped if the debate could be reframed in a way that removes the negative connotations that the concept of affordable housing often engender.

“We need to reframe the conversation on affordability and remove the stigma of ‘low-income housing,’” she says. “This can only happen when leadership begins to make bold decisions that may not be completely popular with a small, but vocal, band of opponents, but is in the best interest of whole community.”

But some see limits to what county government can do to affect the cost of housing. To David Torres, president of FL Star, the developer of single- and multi-family projects including Arrowhead Reserve, Milano Lakes, Sapphire Cove and Hacienda Lakes, there needs to be the public will to power these efforts.

“While those of us who own businesses see it is necessary to be able to attract employees, the fact is that providing ‘for sale’ affordable housing to those at 80 percent or below median income is nearly impossible unless there is considerable buy-down to the cost structure of a housing development. This will consume large amounts of tax dollars, for which there is little support from the overall community,” Torres says.

“The cost structure of a development needs to be understood to realize that at the best case, local government policies may adjust only a small percentage of a home’s price,” he adds. “Our land is expensive in Collier County due to limited development areas. There appears to be more public support for conservation than affordable housing.” **NR**

