

# Affordable Workforce Housing

## for the Florida Keys



Presented by

IWPR Group | Cypress Community Development Corp | Cusato & Co

On behalf of

The Florida Keys Community Land Trust



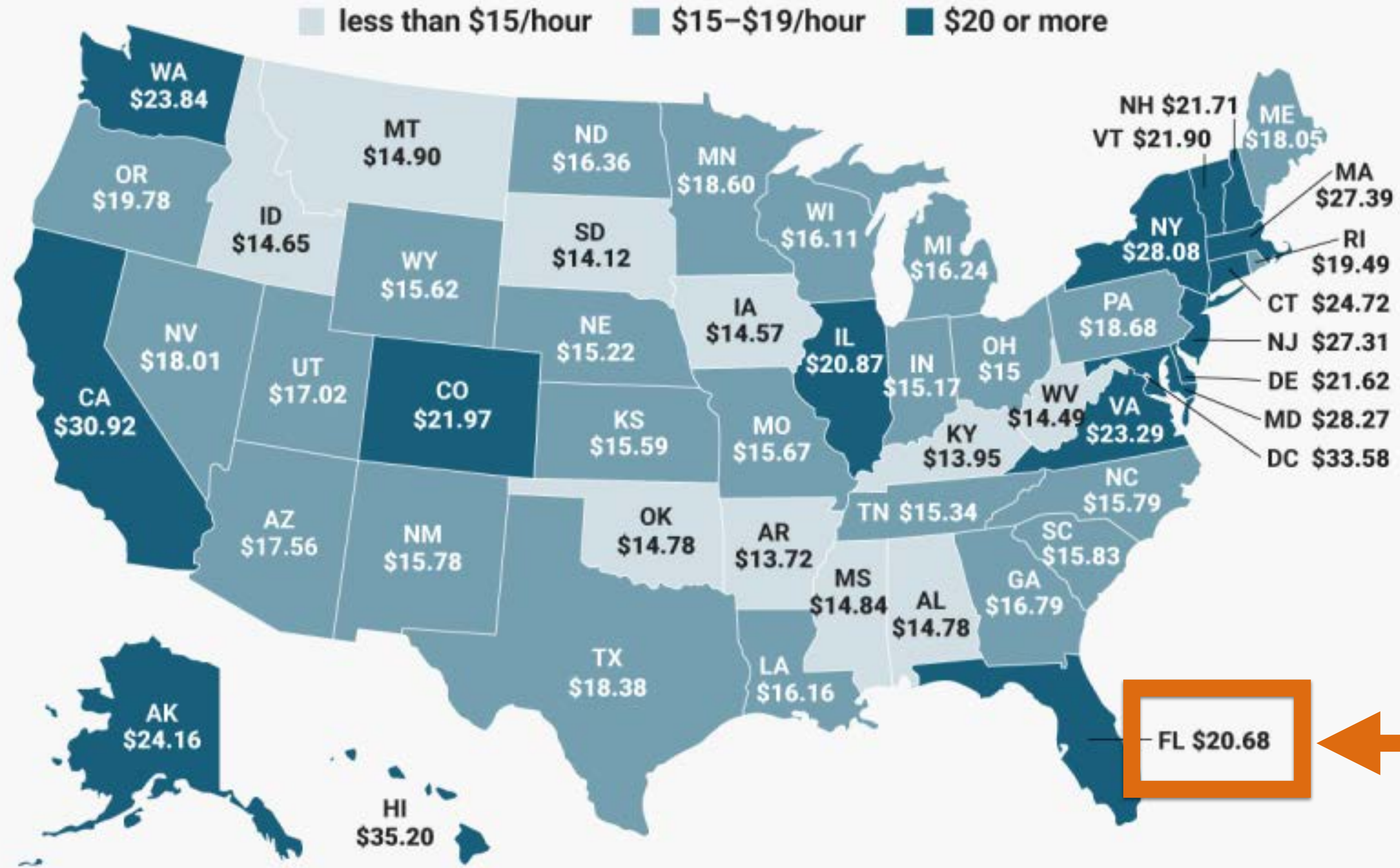
# What is Workforce Housing?

Housing affordable to households earning  
**60 to 120% of the area median income (AMI).**

Also defined as affordable if the housing costs are no  
more than **30-40% of income.**

# Wage you need to rent a two-bedroom home

The displayed wage represents what a full-time hourly worker must earn to rent a two-bedroom home in their state without paying more than 30% of their income.



Source: National Low Income Coalition

BUSINESS INSIDER



# Rental Affordable Housing Units

Monroe County 2018 Qualifying Income Limits

**Average Median Income = \$84,400**

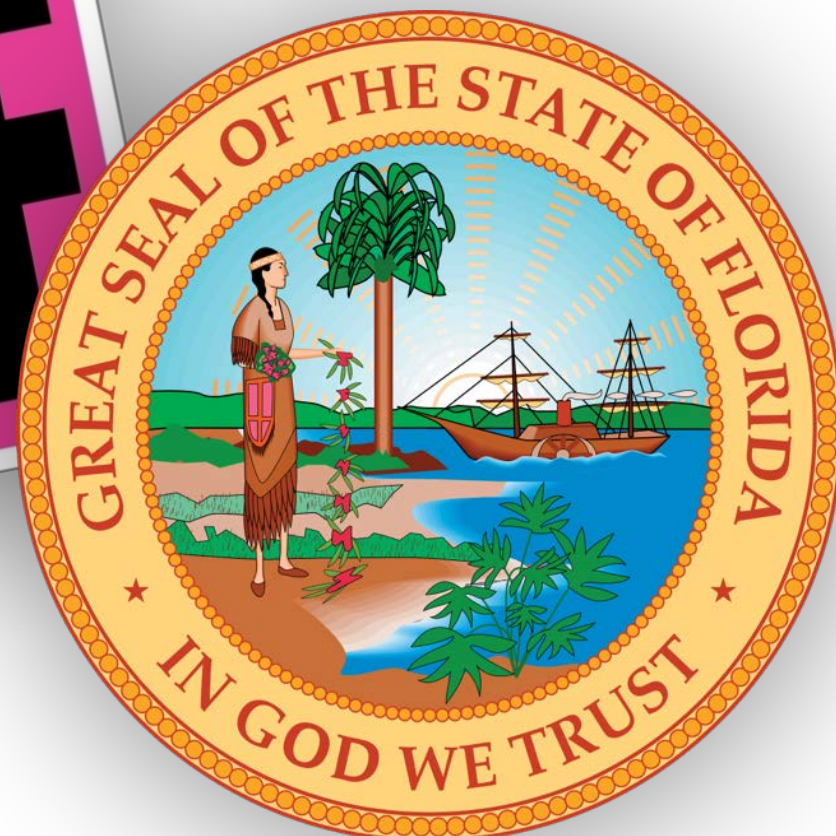
Unit Size	Very Low 50%	Low 80%	Median 100%	Moderate 120%
Efficiency	\$773	\$1,235	\$1,545	\$1,854
1 Bedroom	\$883	\$1,411	\$1,765	\$2,118
2 Bedrooms	\$993	\$1,588	\$1,985	\$2,382
3 Bedrooms	\$1,103	\$1,764	\$2,205	\$2,646
4+ Bedrooms	\$1,191	\$1,905	\$2,383	\$2,859



**Available Housing Rental Rates = +/- \$3,000-3,500+**



# Results & Impacts of Housing Crisis



## Problem

- **Misery:** Workers Bussed 4+ Hours a Day
- **Driven Out:** 20% of Workforce Lost Post-Irma
- **Vacancy:** Thousands of Jobs Left Unfilled

## Result

- **Tourism Economy At Risk:** Draw of Keys will be lost
- **Economic Risk:** \$200 Million in Tax \$ to Tallahassee at Risk



# Barriers to Workforce Housing



## Problem

- **Regulations:** Restrictive ordinances & Key Deer habitat
- **NIMBYs:** Not In My Backyard resistance
- **ROGOs:** Evacuation planning limiting growth

## Result

- **High End Only:** Process discourages affordable construction
- **Workers Flee:** 20% of workforce move away



# Irma: Housing Crisis Compounded



## Problem

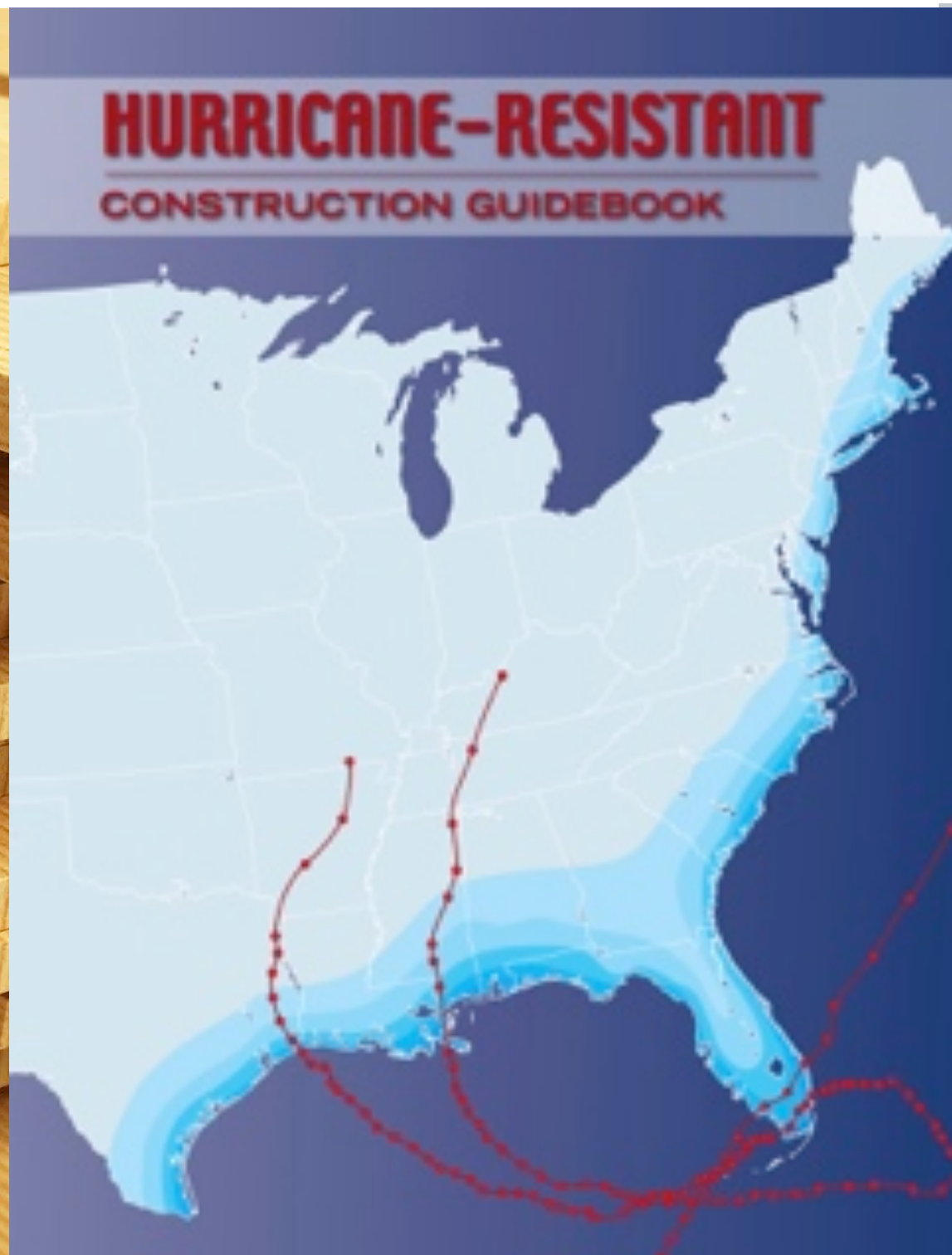
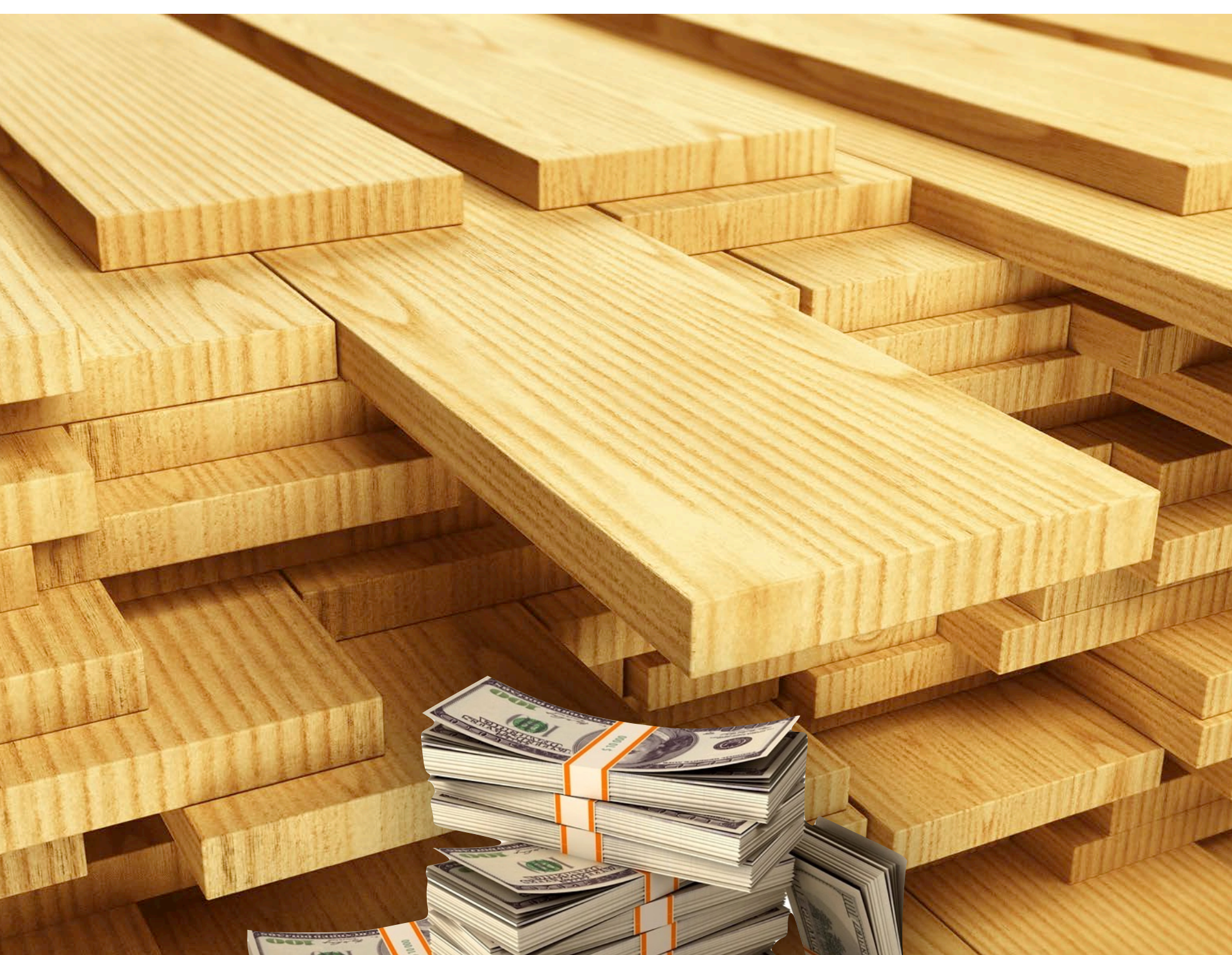
- **Destruction:** 1200 buildings destroyed; 1000 damaged 50%+
- **Shadow Inventory:** At-grade trailers lost, not in totals above
- **Mold:** Slum lords paint over mold, then rent toxic homes

## Result

- **Housing Lost:** 7% of Keys housing stock destroyed
- **Homeless:** Residents remain in tents and cars 8 months later



# Barriers to Affordable Construction



## Problem

- **Labor Shortage:** Nationwide shortage compounded in Keys
- **Hurricane Codes:** Resilient features prohibitively expensive
- **Price of Materials:** Steepest y-o-y increase since 2011, 6.4%

## Result

- **Slow Construction:** Takes years to build
- **Expensive Homes:** Cost per sq. ft. \$300-400



# Urgent Need: Block For-Profit Developers

## Big Pine Key Market Overview

Data through Apr 30, 2018

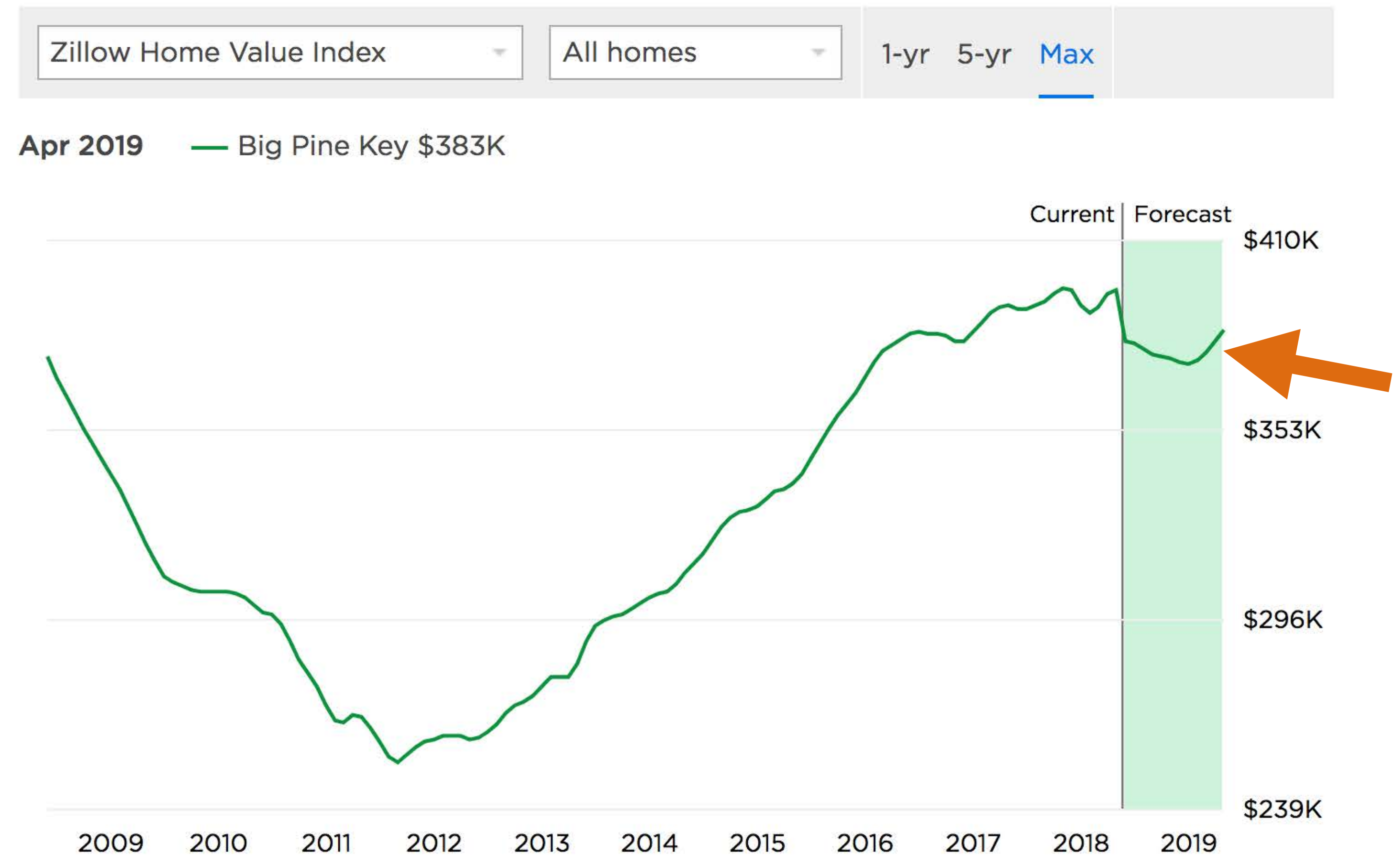
**\$395,500** ZHVI ?

⬇️ **-3.1%** 1-yr forecast ? (Apr 30, 2019)

**\$449,000** Median listing price

**No data** Median sale price

- **Window of opportunity** to **purchase land on Big Pine Key** while property values continue to fall.
- Face **threat from For-Profit** developers driving up land costs





Proposed Solution:

**The Florida Keys Community Land Trust**



# The Florida Keys Community Land Trust



The Florida Keys Community Land Trust is non-profit 501(c)(3) corporation established in the immediate aftermath of Hurricane Irma to preserve and enhance the way of life for the workforce of Monroe County, Florida.



# Our Team



## Cypress Community Development Corp.

- Not for profit housing development division of the DC based strategic advisory and advocacy firm
- Built 450 Katrina Cottages in Louisiana through FEMA funding and affordable housing sources.
- [www.CypressGroupDC.com](http://www.CypressGroupDC.com)



## Cusato & Co

- Founded by Katrina Cottage designer Marianne Cusato to provide innovative housing solutions for disaster rebuilding and workforce housing.
- All homes are resilient, built to meet or exceed local codes and fit within the local vernacular architecture.
- [www.MarianneCusato.com](http://www.MarianneCusato.com)



## IWPR Group

- A media relations firm specializing in solutions to challenging real estate and housing issues facing our society
- Launched the acclaimed nationwide PR campaign for the Katrina Cottages by leveraging the key messages of the project stakeholders.
- [www.IWPRGroup.com](http://www.IWPRGroup.com)



## The Florida Housing Coalition

- Commonly acknowledged as the foremost affordable housing advocate in Florida.
- Provides training and technical assistance, as well as advocating at the state and national levels for people in need of affordable housing.
- [www.flhousing.org](http://www.flhousing.org)



# Our Homes



## ABOUT OUR HOMES

- **Permanent homes** meet or exceed all required building codes.
- Designed to **200 mph wind loads & raised above FEMA height** req.
- **Materials:** Impact Windows; 5 V Metal Roof; LP Smartside
- **Panelized SIPs** construction is **energy efficient &** streamlines installation
- **Unit Sizes:** 2 bed (760 sq. ft.) and 3 bed (1092 sq. ft.) units
- **Cost Per Sq Ft:** \$185-243\*\* depending on number of units, average residential construction \$300-\$400.



# Land & Construction Costs

Number of Units	8	30	44	100-120	350-400
Land Cost	\$960,000	\$3,600,000	\$5,280,000	\$12,000,000	\$42,000,000
Construction*	\$1,790,000	\$6,400,000	\$9,320,000	\$21,200,000	\$71,000,000
Unit cost per sq. ft.**	<b>\$243/sq. ft.</b>	<b>\$235/sq. ft.</b>	<b>\$225/sq. ft.</b>	<b>\$190-225/sq. ft.</b>	<b>\$185-215/sq. ft.</b>
Project Cost	<b>\$2,750,000</b>	<b>\$10,000,000</b>	<b>\$14,600,000</b>	<b>\$33,200,000</b>	<b>\$113,000,000</b>

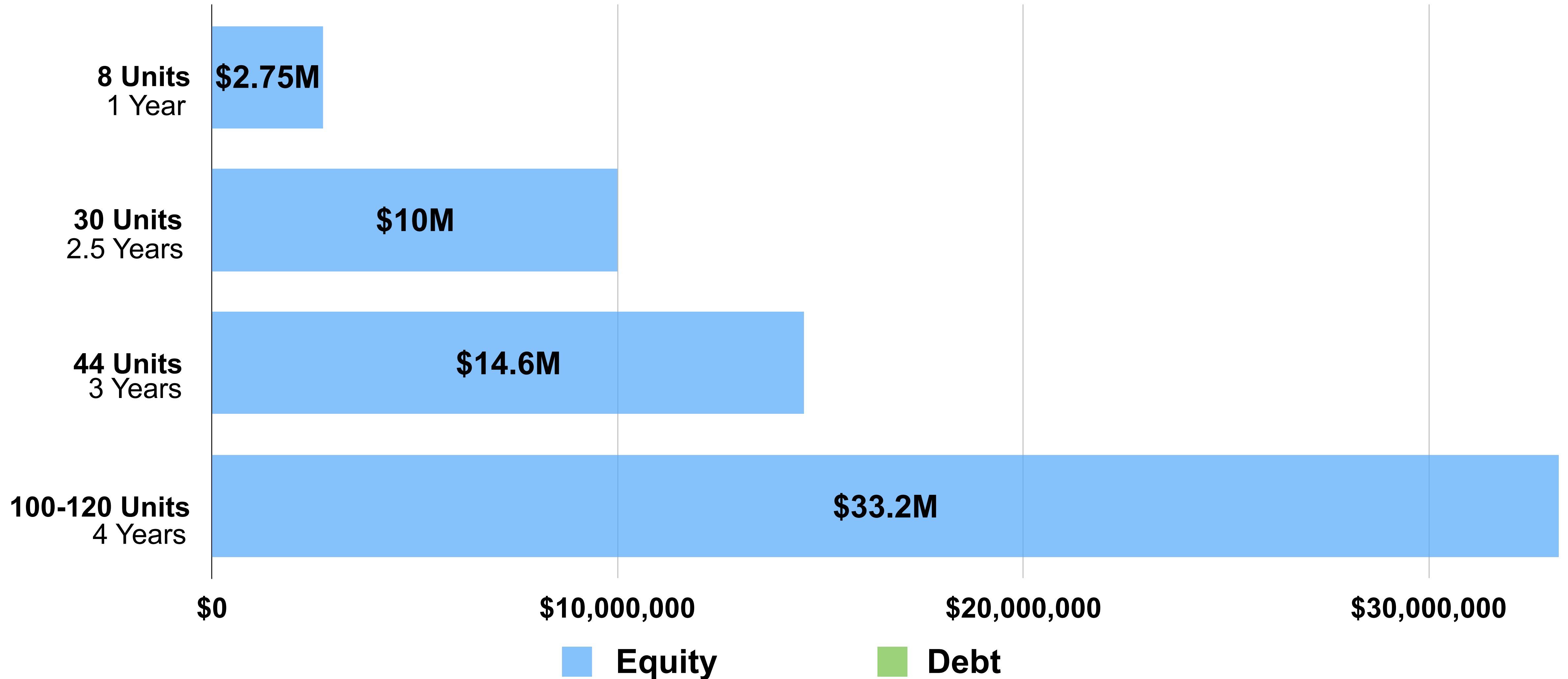
**\*Construction costs include:**

- Architecture & Engineering Fees
- Development Management Fee
- Built to 200 mph winds; raised above FEMA heights; impact windows
- Energy efficient design, which results in low energy bills
- Turn-key units

**\*\*Average cost of residential construction in the Florida Keys ranges from \$300-\$400/sq. ft.**

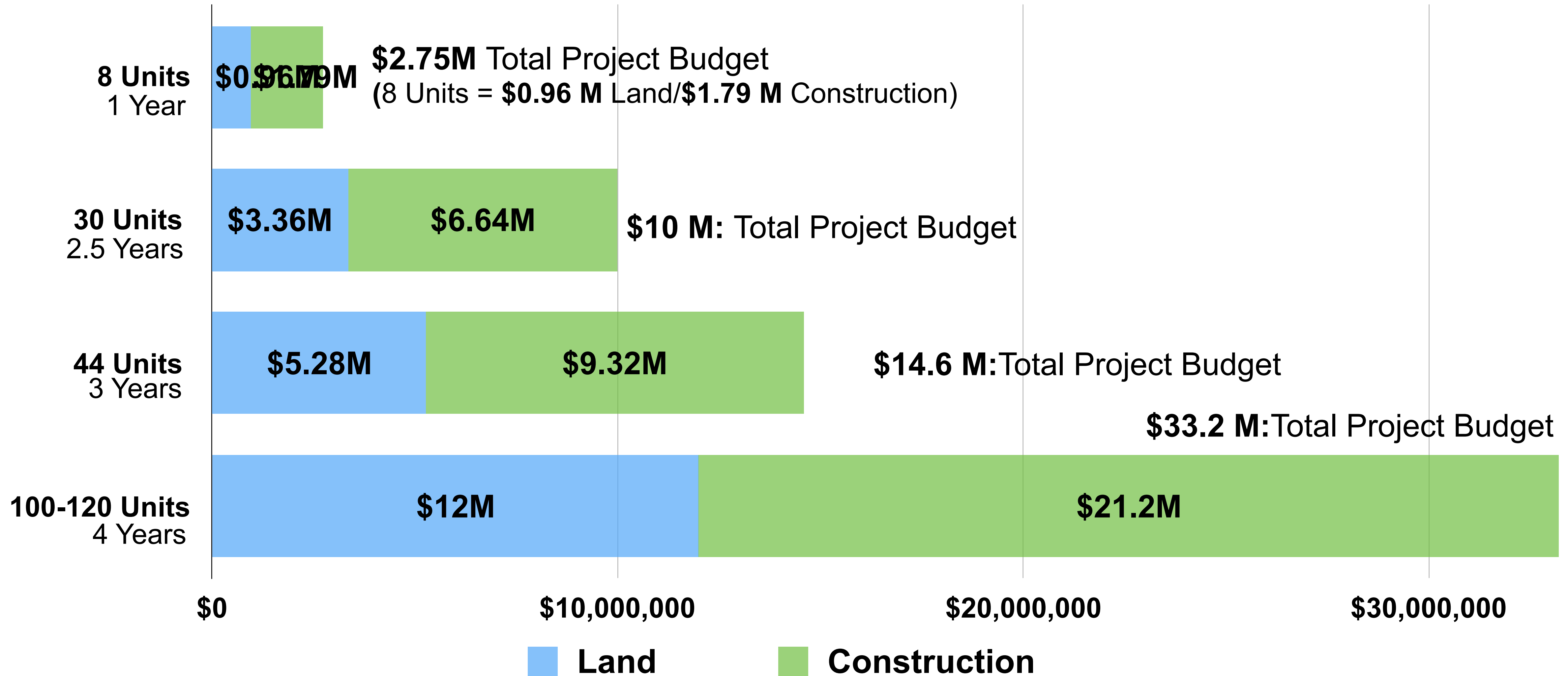


# Project Budget & Needs



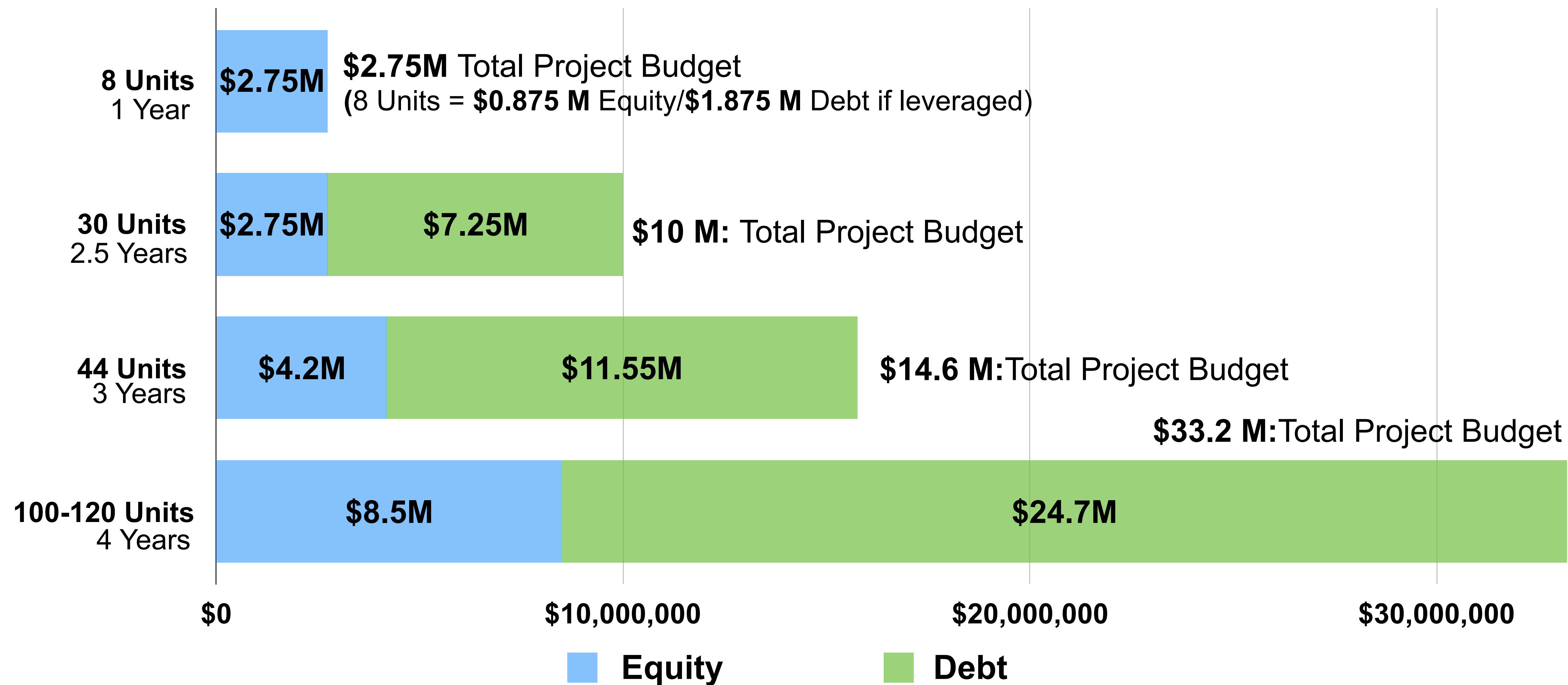


# Project Budget & Needs





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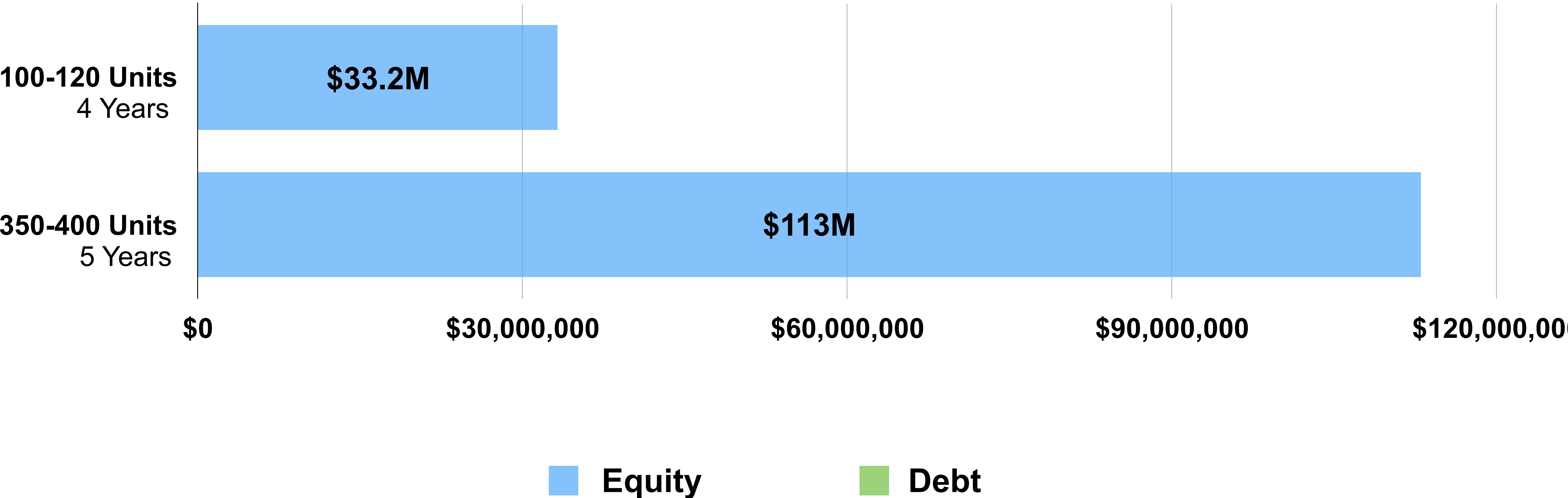


**Assumptions:**

- Debt service depends on 50/50 split of rents between 80% AMI and 120% AMI
- Debt Service Ratio for all models 1.1



# Project Budget & Needs





# **Urgent Help Needed**



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**Damage from Irma remains, first named storm of 2018 already formed.**





# Urgent Support for the Keys Needed

For more information contact

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**[AffordableKeys.org](http://AffordableKeys.org)**