

**Community Development PAD6336.001F17
University of South Florida – City of Dunedin, FL
Community Sustainability Partnership Program, Fall 2017**

Affordable Housing Plan for the City of Dunedin



**Dr. Elizabeth Strom, Professor, Urban and Regional Planning
Dayna Lazarus, Master's Student, Urban and Regional Planning**

About the Office of Community Engagement and Partnerships

OCEP exists to expand and strengthen university–community engagement locally and globally in support of USF's strategic priorities to:

- Change lives for the better, improve health, and foster sustainable development and positive societal change through high-impact practice and innovation, including community-engaged scholarship and creative activities that benefit all members of society.
- Produce well-educated and highly skilled global citizens through a continued commitment to student success, including enhancing opportunities for all students by providing transformational learning that develops relevant applied skills and engaged outcomes.
- Create new partnerships to build a strong and sustainable future for Florida in the global economy by establishing mutually beneficial partnerships (internal and external) that enhance student access to academic programs, research, and employment opportunities.

Director Lillian Wichinsky, Ph.D., LMSW

About the Community Sustainability Partnership Program

The University of South Florida (USF) is a leader in initiating change towards improving Florida's future. The Community Sustainability Partnership Program (CSPP) is an initiative that allows communities to provide leadership through sustainable efforts. CSPP harnesses USF resources, faculty expertise, and student innovation to create change through community-identified projects. These collaborations are at the forefront of solving important issues in sustainability that strengthen Florida communities.

Program Manager Mazhab Ferguson, MBA

Graduate Assistant Corinn Beem, BA

About the City of Dunedin, Florida

"Delightful" Dunedin's village-like atmosphere and a relaxed lifestyle has lured people for decades from around the world. Enjoying the natural wooded and subtropical setting and close to four miles of picturesque waterfront, Dunedin sits on central Florida's west coast, in the heart of Pinellas County's Suncoast. It is also one of the few open waterfront communities from Sarasota to Cedar Key where buildings do not obscure the view. It may be the world's healthiest climate and the year-round outdoor fun that brings visitors to Dunedin, but it is Dunedin's village quaintness coupled with its progressive vision and masterful planning that keeps them here. It is not surprising that many seasonal visitors elect to stay once they discover Dunedin is without the trappings and congestion of most Florida resort towns. Dunedin reflects the rich American and Scottish heritage of its founding fathers. This charming village-like town has the distinction of being the oldest town south of Cedar Key.

Mayor Julie Ward Bujalski

Acknowledgements

We are grateful to the Dunedin Economic and Housing Development Department, and especially Robert Ironsmith, Danny Craig and Jeanmarie Garner, for their support of this project. We would also like to thank the affordable housing practitioners and experts who provided valuable help throughout the semester, most notably Anthony Jones and Philippe Beau.

Course Participants
(all are masters students in the School of Public Affairs)

Sean Baraoidan
Joshua Barber
Hatairat Chancherdphol
Yuzhou Chen
Tatiana Childress
Kevie Defranc
Corey Gray
Ervin Harris
Aleta Kane
Dayna Lazarus
Yikun Luo
Sabrina Marrero
Kimberly Middleton
Saad Mirza
Christopher Moorman
Kiran Kumar
Navaneethakumar
Amna Parson
Emily Phelan
Matthew Pleasant
Hanna Shaffer
Jennifer Sheppard
Sheila Tirey
Shuyu Wang
Boyang Xi
David Yunk

Executive Summary

- Affordable housing – defined as housing that does not require more than 30% of a household's income – has become increasingly scarce in Florida's coastal communities such as Dunedin. Recent census data show 63% of Dunedin households are spending more than 30% of their income on housing; of those nearly half spend over 50% percent.
- While less expensive housing exists throughout the city, most new development and current home sales are at the higher end of the market.
- Dunedin currently has many affordable housing resources, ranging from existing single-family homes to low-cost rental developments that accept Housing Choice Vouchers. Working with nonprofit and for-profit developers, Dunedin officials have found creative ways to catalyze the development of several dozen long-term affordable units within the past decade.
- There are a variety of tools available to cities to encourage and support affordable housing development. These include:
 - Leveraging federal, state and county subsidy programs to write down land acquisition and development costs
 - Creative use of zoning to encourage more affordable housing development
 - Reconsidering regulations that might discourage affordable housing development such as minimum home sizes or parking minimums
 - Making residents aware of help for current homeowners such as weatherization assistance or financial counselling
- An affordable housing plan requires the mobilization of the array of stakeholders who have an interest in the city's future, including business, civic and religious leaders, in addition to those already fully involved in housing provision.
- To counteract the sometimes negative assumptions that can build opposition to affordable housing development, city leaders can develop a clear set of arguments explaining how a diverse housing stock can strengthen a dynamic city.
- Moving forward, we urge the City of Dunedin to consider using all available tools to expand the stock of affordable housing. Most notably, some version of an inclusionary zoning ordinance, can be tied to density bonuses or other zoning changes, could ensure a healthy mix of housing types.

This report represents original student work and recommendations prepared by students in the University of South Florida's Community Sustainability Partnership Program for the City of Dunedin. Text and images contained in this report may not be used without permission and attribution.

Table of Contents

Introduction - What Is Affordable Housing and Why Is It Important?.....	p. 7
Current Population and Housing Conditions.....	p. 8
Affordable Housing Resources in Dunedin.....	p. 10
Building New Affordable Housing: Potential Locations.....	p. 15
Tools to Preserve and Expand Affordable Housing Opportunities.....	p. 19
Making the Case for Affordable Housing.....	p. 27
Next Steps and Recommendations.....	p. 32
Appendix A.....	p. 37
Appendix B.....	p. 39
Appendix C.....	p. 57

Introduction - What is affordable housing and why is it important?

The City of Dunedin, Florida has many noteworthy assets. It is the home of some of the most amazing beaches in the world. It has a vibrant downtown filled with independent retailers and restaurants. It boasts one of the strongest artist communities in Florida. Thanks to thoughtful leadership and good planning, its population is steadily growing and property values within the city are increasing.

Thriving cities, however, can face challenges. Dunedin's high quality of life brings with it higher property values. While a strong real estate market can have benefits for many, increased housing costs can also threaten the city's diverse human ecosystem. With the goal of supporting a sustainable city that includes all residents, Dunedin officials are wise to address the issue of affordable housing.

What do we mean when we talk about housing that is "affordable?"

According to the United States Department of Housing and Urban Development (HUD), the definition of affordable housing, is:

"In general, housing for which the occupant(s) is/are paying no more than 30 percent of his or her income for gross housing costs, including utilities." (2017).

Because the cost of housing is a function of the free market, housing that is affordable across income levels doesn't come about by accident. It must be designed, constructed, maintained and protected. While traditional public housing is a fully public-sector effort, many affordable units are built by private and nonprofit developers with the support of public subsidies or other cost-saving interventions. Such programs include direct demand-side housing assistance subsidies such as Housing Choice Vouchers (formerly known as Section 8 vouchers); support for construction through a variety of state and federal programs; local level building incentives; home-owner readiness training, and down payment assistance programs.

The following report, prepared by School of Public Affairs Masters students at the University of South Florida, lays the groundwork for creating an affordable housing plan in the City of Dunedin. The report builds a profile of the city, including key organizations, policies, land-use and economic conditions. It describes the range of creative and accessible affordable housing programs and resources, and urges the city to continue its efforts to increase housing stock at all price points.

Current Population and Housing Conditions

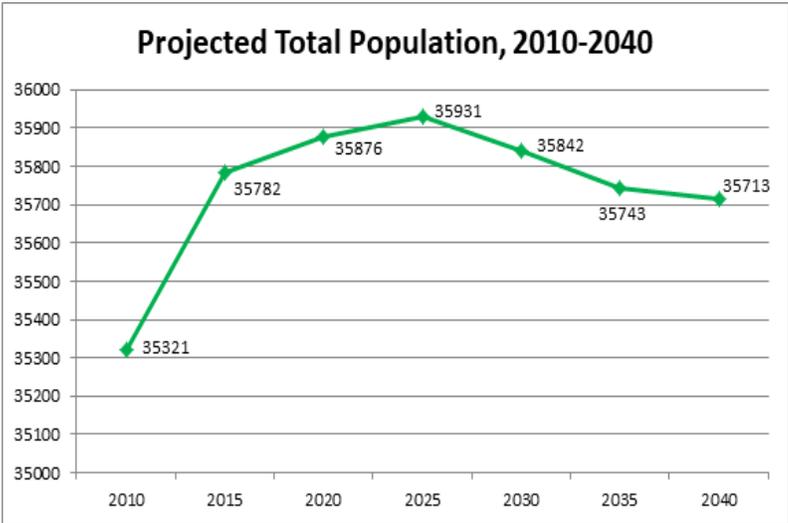
With a rising population and few development sites available, Dunedin faces a potential housing crunch.

Population

The estimated population of Dunedin city (as of 2016) is 36,381, up about 3% from the 2010 Census. The city covers 28.2 mi² and the population density is 1,268.60 p/mi². In 2014, the median resident’s age was 52.9 years (compared to Florida’s median age of 42.1 years), and the majority of residents were female.

The city is expected to see modest growth over the next few decades, according to projections:

Table 1: Projected Population in the City of Dunedin by 2040



Source: Shimberg Center for Housing Studies, University of Florida

Income and affordability

Dunedin’s estimated median household income (called Area Median Income or AMI; see more about AMI in Appendix A) in 2016 was \$45,646. Using the usual definition of affordability housing as 30% of income, the median household can afford a monthly rent of \$1,125 and purchase a house of approximately \$170,000 (depending on interest rates and other variables).

Recent census estimates suggest that the city’s existing stock can meet the needs of the median household, with the median value of \$157,200 and median rent of \$985. However, it would be a mistake to assume from these figures that affordability is not a pressing concern.

For the half of all households earning less than the median – which, according to the Census’ [On The Map](#) website and several other sources, would include many working in the service and retail sectors as well as a large subset of healthcare workers and teachers – housing choices could be even more constrained. Table 2, below, shows thousands of households earning at or below the area median are paying more than 30% of their income for housing.

Table 2: Percent of Income Spent on Housing of Different Levels of AMI in Dunedin

Household Income as % of Area Median Income	% of Income Going Towards Housing (Top Row)		
	Number of Households in Dunedin (Rows 2-5)		
	0-30%	30-50%	50% or more
<30% AMI	61	75	1,067
30.01-50% AMI	565	713	1,073
50.01-80% AMI	1,270	1,559	584
80.01+% AMI	9,374	1,653	337
Total	11,270	4,000	3,061

Source: Shimberg Center for Housing Studies

Sixty-eight percent of Dunedin households own their home. Home prices in Dunedin increased sharply during the housing bubble in the early 2000's, then fell during the recession, but have been steadily increasing during the recovery. While the median price of all Dunedin homes is an affordable \$157,200, the average sales prices for a new home in 2017 was \$265,955, approaching the average sales prices found during the housing bubble of 2005-6. This means that there are likely many current homeowners with housing costs affordable at modest incomes, but those moving into the community would have far fewer affordable options.

In sum, a combination of increasing population, upward pressures on housing prices and limited land available for development is likely to create increasing cost burdens on those seeking to move to or remain in Dunedin. Lower income residents currently owning homes may not be threatened, but renters and first-time homebuyers will face constraints.

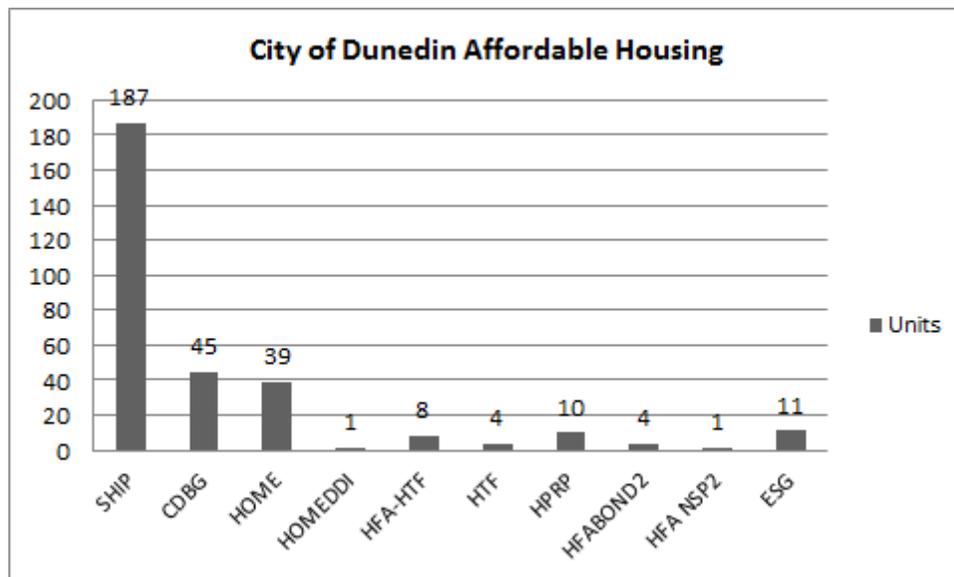
Affordable Housing Resources in Dunedin

The City of Dunedin has played an important role in catalyzing the development of over fifty affordable units in recent years, working with for-profit and nonprofit developers, using innovations like a Community Land Trust and green building technologies. We've profiled these developments throughout this section, and named several additional program options that have yet to be utilized.

Many Dunedin residents are currently living in housing that is affordable to low- and moderate-income households. In some cases, they are living in private rental housing; in others they own homes that they were able to purchase at modest prices. Other households have benefitted from a range of federal, state and local programs aimed at increasing housing affordability. Public programs which the city currently utilizes include the State Housing Initiative Partnership (SHIP), Community

Development Block Grant Program (CDBG), HOME Investment Partnership Program (HOME), Housing Finance Agencies (HFAs), the Housing Trust Fund (HTF), Homelessness Prevention and Rapid Re-Housing Program (HPRP), Neighborhood Stabilization Program (NSP), and Emergency Solutions Grant Program (ESG).

Table 3: Affordable Housing Programs Currently Utilized in Dunedin, FL



Source: Pinellas County Community Development, data from 1982- 2017

The top three programs utilized within the City of Dunedin are the State Housing Initiative Partnership (SHIP), the Community Development Block Grant (CDBG) program, and the HOME Investment Partnership Program.

State programs, often administered through Pinellas County, include the State Housing Initiative Partnership (SHIP) program. SHIP funds can be used to support rental and owner-occupied housing development undertaken by for-profit or nonprofit developers.

The Shady Grove townhomes, located at 599 Shady Grove Drive, were constructed by Habitat for Humanity of Pinellas County on the site of an earlier development with multiple code violations. The homes constructed by Habitat for Humanity are built by volunteers and the organization makes no profit on the sales. To qualify for a Habitat for Humanity home you must earn an income that is 30 to 80 percent of the AMI for Pinellas County.



The Shady Grove townhomes consist of 19 income-restricted units. With federal “HOME” funds helping to support the project, the average mortgage payment for owners at Shady Grove townhomes is \$650 per month. Habitat has the first right of refusal if someone wants to sell their home. If the townhome is sold between 0 to 5 years after purchase, the home can be purchased back at the original price. After 5 years, the townhome must be bought back at the assessed price.

Federal programs have also helped support local housing efforts, often distributing funds through the state or county. The Community Development Block Grant (CDBG) program was created in 1974 by the Federal Housing and Community Development Act under Title I. The overall mission of this program is to support cities, counties and states by providing annual grants to improve the standard of the community well-being. In recent years Dunedin has been using its CDBG allocation for nonresidential development projects, but the potential exists to include affordable housing in the future.

The Home Investment Partnership Program (HOME) provides funds to both the State of Florida and to Pinellas County, and can be used to build, buy and/or rehabilitate affordable housing either for renting or ownership. HOME is considered one of the largest Federal block grants, and was created mainly to establish affordable housing for low-income people by state and local government.

In addition to these programs, there are others that have not yet been utilized in Dunedin. For example, the Low-Income Housing Tax Credit program provides federal tax credits to developers who agree to construct housing that serves low- and moderate-income families. The Brownfield Tax Credit program operates similarly, with funds available to support clean-up and redevelopment of sites deemed contaminated. Tax credits are administered through the State of Florida and awarded on a competitive

basis. Through this program, tax credits are sold to entities to reduce the costs of their federal tax obligations. It is unclear how the recent changes in federal tax code might affect these programs moving forward.

Pinellas County also provides its own support for new affordable housing development, using proceeds from the “Penny for Pinellas” sales tax. The county will support land assembly, with land purchased through the program held in a county-managed land trust. The land trust ensures that housing remains affordable for many years.

The Creek Park Townhomes were built in association with the Bright Community Trust, which is a community land trust (CLT). Community land trusts are community-based, nonprofit organizations, created to ensure long-term housing availability and affordability. The Creek Park Townhomes slightly differ from the traditional model of CLTs because they are rental properties, whereas normally CLTs develop homes for sale. The Creek Park townhomes, located at 1000 Creek Park Drive, range from 1,200 to 2,000 square feet. The project also received state SHIP funds toward construction.



Creek Park Townhomes is a mixed-income community with 11 income-restricted townhomes integrated with market rate housing. The market rate townhomes are used to subsidize the income restricted units. As transportation costs factor into the affordability of a community, Creek Park Townhomes are accessible to the Pinellas Suncoast Transit Authority (PSTA) bus routes 61, 78, and the Dunedin/Palm Harbor Connector (DPC). Housing Choice Vouchers are accepted, and eligible families are those earning up to 120% of the AMI.

Eco Village is an affordable housing community with some innovative energy-saving features. The land under Eco Village, once the site of a troubled public housing project, was donated by Pinellas County to the City of Dunedin, which used an RFP process to identify a developer willing to build affordable, “green” housing.



After buildout, Greenenergy Communities will have 25 townhomes available for purchase. In addition to a solar panel array on every garage, every townhome is equipped with Energy Star® appliances, low-flow showerheads and faucets, heavily insulated walls and roofs, double-pane windows, fiber-cement siding, heat pump water heaters, and small, yet high efficiency air conditioners.

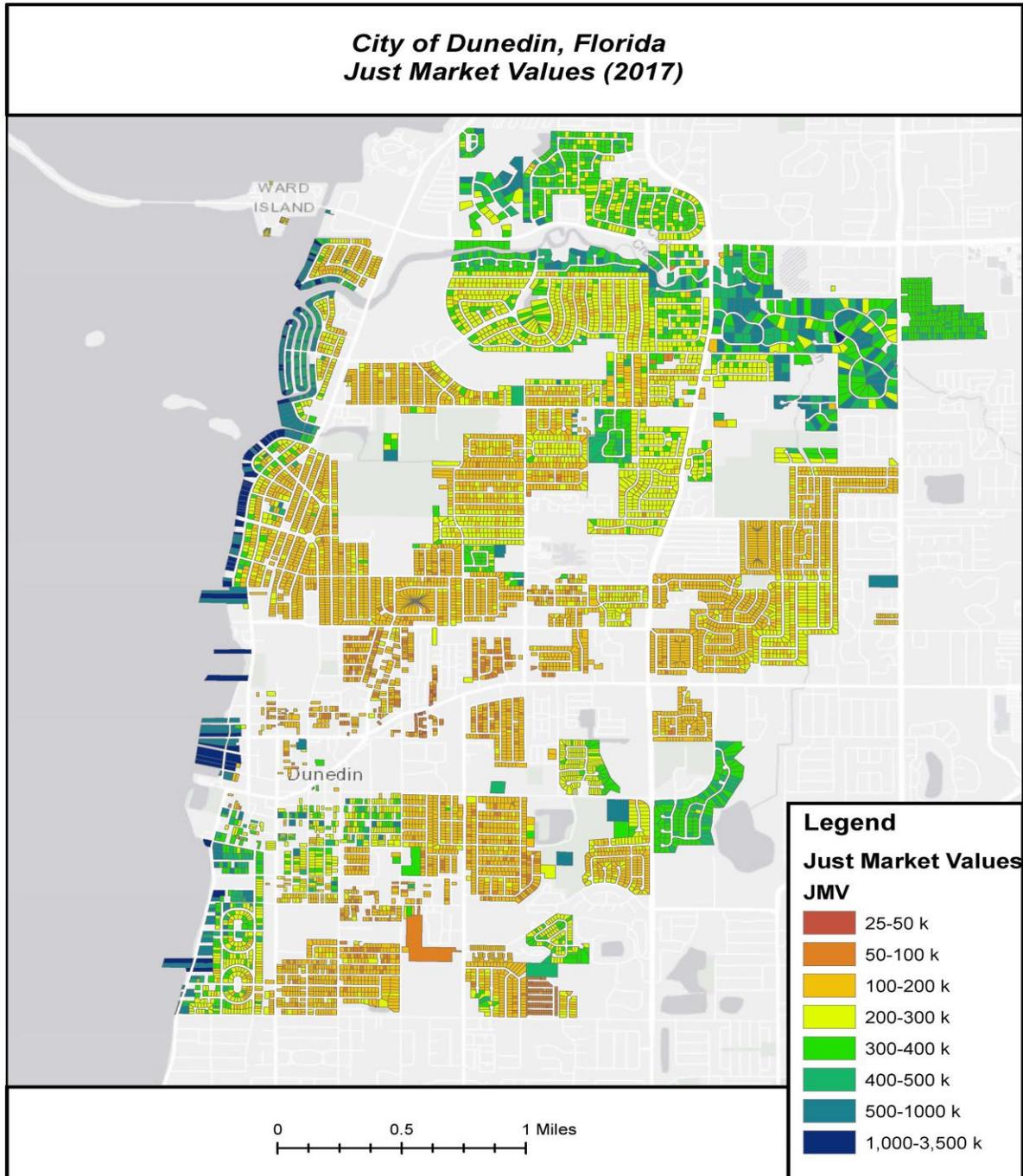
In order to call Eco Village home, residents have to live here as their primary residence. They pay \$25 per month to lease the land, and residents cannot resell their unit higher than 3.5% of the assessed property value. Currently, there are 5 townhomes for people with incomes under 80% of the AMI, 15 townhomes for people with incomes 80% to 120% of the AMI, 5 townhomes for people at any income level, and many more townhomes under construction.

Affordable single-family housing

Single family homes remain an important part of the city’s affordable housing stock. Many homeowners live in homes purchased years ago at lower costs, and these remain affordable, especially given the caps imposed by Florida’s homestead exemptions (see Figure 1, below). Even in recent years, as average sales prices have rebounded from the Great Recession, there are still many homes to be found below the \$268,676 average sales price.

Dunedin also has nine mobile home communities spread across the city. Mobile homes are considered single-family homes. The Oak Bend Mobile Home Park offers rentals, but most local mobile home developments offer affordable ownership opportunities (usually the homes are owned, the land is leased) to a largely 55 plus population, many seasonal residents. For example, in the Golden Crest community on Main Street, the owners of the mobile homes lease the land for \$512 per month, which includes water, sewer, trash, and lawn maintenance. There are single and double wide mobile homes available. Used mobile homes approximately cost \$20,000 to \$50,000 and new mobile homes approximately cost \$90,000 to \$120,000.

Figure 1: City of Dunedin Just Market Values 2017



Building New Affordable Housing: Potential Locations

Four sites in Dunedin have been identified as potential sites for new affordable housing units.

1. 407 Patricia Avenue, Dunedin FL 34698

Four irregularly-shaped plots totaling 173,218 square feet are located behind commercial structures which are owned by the group currently developing Dunedin Commons. The company is in the process of building multi-family housing across the street from the site. The Zoning code is FX-H (form-based, high density), and Land Use is listed as PR-U. Currently the site appears to be a staging area for the construction across the street. The city should ask whether the developer plans to build out that additional site, and if they would be amenable to including affordable units. The Dunedin Commons apartments currently under construction have rents ranging from \$1,200 – 1,650, aimed at households above the city’s median income.

Figure 2: 407 Patricia Avenue, Dunedin FL 34698



The site is located near convenience stores, an animal hospital, and apartment complexes, and is situated near the highway. In general, the location is suitable for a medium-density affordable housing development, such townhouses or a low-rise apartment complex.

2. 1780 E Union Street, Dunedin, FL 34698

Two parcels are owned by Dunedin Townhomes, a City of Seminole company, located near the city limits (the map below shows one of these parcels, but the adjacent land has the same ownership and should be considered as well). The total land area is about 150,000 square feet, which includes marsh/wetland and water features.

This site provides both challenges and opportunities. The redevelopment of wetland areas is often restricted by state law, but this area may be small enough to bypass the need for special permits. The property appraiser notes that one of the parcels in this site has served as a garbage dump and borrow pit. These previous uses suggest there could be some clean-up required before residential redevelopment could be carried out. However, it is possible that the site could be designated as a brownfield, in which case it would be eligible for brownfield redevelopment funds.

The parcel's Land Use designation is RU (residential urban) which means 7.5 units per acre. The Zoning code is PRD (planned residential community). A developer could potentially build an attractive residential community here at a mix of price points, assuming there are no environmental issues that would impede redevelopment.

Figure 3: 1780 E Union Street, Dunedin, FL 34698



3. 600 Main Street, Dunedin, FL 34698

This small (0.6 acre) site is located in downtown Dunedin. It is zoned as Downtown Core, and is located within a community redevelopment district (CRD). After earlier redevelopment efforts stalled, the city is now partnering with the current owner with hopes of moving the project ahead.

The site is located across from the Dunedin City Hospital, which provides an interesting opportunity for a partnership with the hospital for workforce housing. An affordable housing partnership is likely to be particularly important to an employer whose staff may be working shifts that make commuting difficult. The downtown location also provides an opportunity to use commercial development on the ground floor to “subsidize” residential units.

Figure 4: 600 Main Street, Dunedin, FL 34698



4. 1150 Friendly Lane, Dunedin, FL 34698

Two parcels exist on this site; both are listed as vacant residential and are owned by Marios Costantinou, the owner of a restaurant called Country Boy on Main Street, as well as several other adjacent parcels that are sites of family and duplex units. The Land Use is listed as RM (residential-medium), and it is Zoned as MF 12.5 (12.5 units per acre).

Both parcels are covered in trees, so if an affordable housing development is proposed, the developer will have to cut down the trees. Due to the size of the parcel and the narrow street leading into the area, this site is only suitable for a very small affordable housing development. The city may want to investigate whether Mr. Costantinou would be interested in developing his existing sites more intensively as well.

Figure 5: 1150 Friendly Lane, Dunedin, FL 34698



Tools to Preserve and Expand Affordable Housing Opportunities

The City of Dunedin already has a range of affordable housing options. However, the city could add to this stock using tools that have been employed successfully in other communities. Below are ideas of ways to build and preserve affordable housing, with best practice examples from other cities added as illustration.

Table 4: List of Programs for Rehab and New Construction and Who to Apply To

Program Name	Funds Allocated By
CDBG	County
SHIP	County
Weatherization Assistance Program	County
Federal Home Loan Bank Affordable Housing Program	FHLB Members (Financial Institutions)
National Housing Trust Fund	Florida Housing Finance Corporation
SAIL	Florida Housing Finance Corporation
Predevelopment Loan Program	Florida Housing Finance Corporation
Low Income Housing Tax Credit	Florida Housing Finance Corporation
Multifamily Mortgage Revenue Bond Program	Florida Housing Finance Corporation
Elderly Housing Community Loan	Florida Housing Finance Corporation
Grants for Persons with Developmental Disabilities	Florida Housing Finance Corporation
Community Development Financial Institutions Fund	Local CDFI
Florida Community Loan Fund	State
Community Contribution Tax Credit Program	State
HOME Investments Partnership Program	State/County
Land Assembly Fund	County

There are a variety of federal, state and county programs that help bring down costs of building or rehabbing housing with the goal of keeping units affordable. Those listed in this table (and further described in Appendix C) all have different target populations and provide subsidy via different mechanisms (e.g. tax credit vs. low interest loan vs. grant). In many cases, a developer must apply for support through these programs and applications are competitive and funds are limited. The role of Dunedin planning and development officials can be to help nonprofit and for-profit developers navigate the funding environment to find the best package of subsidies for specific sites.

In addition to subsidy programs that directly write down costs, there are other organizational or regulatory tools used to expand affordable housing opportunities.

- **Community land trusts**

Developing affordable housing can be a challenge; maintaining affordability over time is yet another challenge. A community land trust (CLT) is by now a broadly accepted vehicle for addressing long-term ownership and affordability issues. A CLT works by separating the ownership of the home from the ownership of the land. The land remains in the ownership of a nonprofit trust, and is leased for housing (or other) development at low costs in exchange for guarantees that the housing remain affordable. CLTs commonly operate through a private–public partnership, where non-profit organizations acquire and hold land for the benefit of a community, and local governments provide operating support for the land trusts. The length of the lease (most frequently, 99 years) and the percentage that may be earned upon the sale of housing varies.

Bright Community Trust is a nonprofit organization whose land trust includes projects in several Florida communities, including Dunedin. The Pinellas County Land Trust, which holds property acquired using the Penny for Pinellas Land Acquisition funds, is another vehicle that a Dunedin developer could use.

- **Inclusionary zoning and linkage fees**

Zoning and land development ordinances are common tools of local land use and development, and they can also become a powerful tool for encouraging affordable housing development. Many communities have used their zoning codes to encourage, or even mandate, the inclusion of affordable housing in new developments. Such policies are best considered in strong real estate markets. Where real estate demand is high and development sites limited, local officials have the best opportunity to channel some of that market strength into affordable housing resources.

Mandatory inclusionary zoning requires new developments to include a certain percentage of affordable units, with affordability pegged to the local AMI. For example, a New York City program requires any development that involves a rezoning or zoning variance to set aside 20 – 30% percent of its units for households earning 60-80% of area AMI. Other inclusionary zoning policies are voluntary for developers, in that they are linked to bonuses. A developer may be able to build a taller building or include more units per acre in exchange for setting aside some of those units for lower income households at below market rents.

Such programs can be found with a number of variations. In some communities, seeking to protect against economic segregation, will require that affordable units are co-located with market rate units. In other cases, communities are primarily interested in expanding the affordable stock, and will allow developers to create affordable units at a different location. Finally, in some communities, developers can pay a fee in lieu of providing affordable housing; in such cases, the municipality is likely to create some sort of trust fund into which these fees are deposited. Nonprofit agencies are then able to these funds for affordable housing developments.

Even commercial development can be used to generate affordable housing resources. Recognizing that commercial development is likely to produce housing demand, some communities will require new commercial property owners to pay a fee, often called a “linkage” fee, into a housing fund.

Jupiter, FL Leads the Way on Inclusionary Zoning

Jupiter, a community of 63,000 on Florida’s east coast, adopted a comprehensive inclusionary zoning/linkage fee policy in 2015.



New residential developments of ten units or more must now include a 6% setaside for affordable units; those seeking upzoning have a 12% setaside. There are options for building affordable units on- or offsite, as well as options for in lieu payments to the city’s Housing Trust Fund. In addition, a \$1 per square foot linkage fee has been attached to new commercial development above 10,000 square feet, with some exceptions.

Since these regulations were adopted, over \$200,000 has been raised in linkage fees, and additional projects generating either fees or housing are in the pipeline.

- **Rethinking regulations: tiny homes, accessory dwellings and off-street parking**

Regulations on development exist to ensure the health, safety and quality of life of local residents. Regulations can raise the cost of development, and in many cases, this is unfortunate but necessary. However, reducing some regulations that increase housing costs should be considered by the city, particularly if the modified regulations can be tied directly to the production or sustainability of affordable housing.

One example of how to reduce regulations to increase the affordability of housing is **minimum parking requirements**. Most zoning codes, including the City of Dunedin’s codes, require minimum parking for residential development, tying the cost of building housing with the cost of building parking. Cities have begun to realize that parking demand varies considerably across populations and places. Parking spaces can increase costs for development up 25% of the building’s total cost, depending on the value of the land and parking requirements, according to

the [Victoria Policy Institute](#). As low-income households tend to own fewer vehicles, minimum parking requirements could be considered a sort of regressive tax.

For the City of Dunedin, which is quickly approaching full build-out, decision-makers must consider carefully how much land should be devoted to parking. Many cities are already experimenting with significantly reducing or even eliminating parking minimums for affordable residential development.

Cities that are at or near build-out can also make sure that existing land is used efficiently. This means that some areas, especially those near transportation corridors, can be **up-zoned**, allowing greater density than is currently permitted. In some cases, new zoning can be directly tied to affordable housing development. In others, the connection is less direct, and cities must assume that increasing the housing supply will, through the workings of the market, lead to lower costs. For example, the city of Seattle, facing major affordability concerns, has recently approved new zoning densities across the city. There is even a new acronym for those advocating greater densities as a tool of affordability: YIMBY, or Yes In My Back Yard.

Another way to do more (housing) with less (land) is to rethink restrictions on unit sizes. In recent years, the development of so-called **Tiny Homes** – very small (usually 550 square feet or under) single-family homes that can be built as accessory dwelling units (ADUs) on a parcel shared with a primary structure, or what were once perhaps thought of as “in-law units” – are being built in a cluster on large lots where they function much like mobile homes.



Figure 6: (Above) Shows Adaptability of Design for Tiny Homes with Coastal Design



Figure 7: (Above) Rendering of Tiny Home Community with Best Practice of Separate Parking

These units are by design more affordable than standard units. They need less land, construction costs are lower, and they are cheaper to operate. In addition, because they are stick-built, they are more resilient and sustainable than typical mobile homes. As ADUs, they create an

affordable unit for the households that occupy them, but also provide greater affordability for those in the primary unit, who can earn rent (if they are they are the property owner) or spread costs between two or more households.

“Tiny Homes” as affordable alternatives: Cass Community, Detroit, Michigan



Cass Community Social Services is in the process of building 25 different Tiny Homes (250-400 square feet) on the north end of its campus. Each home will be on its own lot and each one will be on a foundation. Most will have a front porch or rear deck to increase the living space. The residents will have a combination of experiences (formerly homeless people, senior citizens, college students and a few Cass staff members), but all will qualify as low-income. At first, the residents will rent the homes. Anyone who remains for seven years will be given the opportunity to own the home and property.

A variety of municipalities such as Kirkland, Washington and Seattle, Washington, have implemented either pilot projects, interim zoning measures, or full zoning changes to support the development of cottage housing or tiny housing. In Kirkland, a successful pilot project consisting of 16 homes ranging in size from 1 to 3 bedrooms each on a private lake with access to a shared common green space resulted in an interim ordinance that outlined the following goals: to increase the housing supply and housing style choices in ways that are compatible with existing single-family communities; to promote housing affordability by encouraging smaller homes; to amend codes with language that encourages innovative housing projects; and to regulate innovative housing projects through a permanent ordinance.

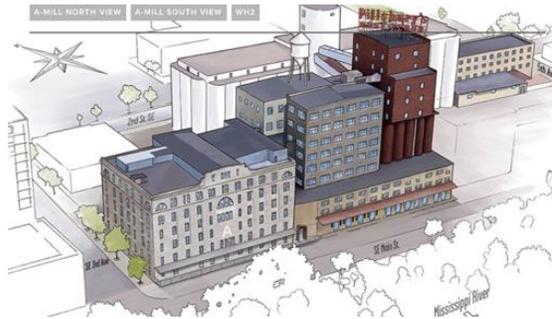
- **Targeted housing**

Rising costs leave some cities concerned that targeted populations or workforce segments will be priced out of the community. As a result, one can find programs targeted to teachers or other public servants, with subsidized housing as part of the benefits package used to attract trained professionals in these relative modest-salaried fields. In other cases, projects are designed specifically for artists and creative workers, who can bring attractive energy and innovation to an area, but often earn relatively low wages. Artists may also have unusual live/work space needs, such as painting studios or rehearsal spaces. Communities that pursue these projects may make use of existing subsidy tools such as Low-Income Housing Tax Credits, and they may be able to bring in some specialized resources on top of these dollars. An artist housing project might be

able to get support from a state arts agency, for example. Some teacher housing projects have been built on land designated for that purpose by local school districts.

Artist Housing: Minneapolis, Minnesota

Pillsbury A-Mill Lofts consists of 251 affordable artist housing units. The housing was developed from a vacant, dilapidated flour mill in the popular St. Anthony Main neighborhood along the Mississippi River. The developer used historic tax credits, affordable housing tax credits, and city funds to turn the historic site and symbol into affordable housing for artists. The building contains a dance studio, paint studio, clay/pottery studio, photography studio, multi-media studio, music practice rooms, and a performance/rehearsal center, all free of charge for residents. There are also gallery spaces for residents to display their artwork along the street level to the public.



The living units range from studios to 4-bedrooms. Each studio rents for about \$936 per month, and units become more reasonable with each additional bedroom. A two-bedroom goes for \$1,068 to \$1,200 per month, a three-bedroom goes for \$1,387 per month, and a four-bedroom goes for only \$1,550 per month. Currently, all units are occupied and there is a 5-year waitlist.

- **Building green**

While much of the affordable housing literature looks to reduce the costs of construction, innovations that help reduce operating costs also enhance affordability. Green Technology refers to new environmentally sound methods for constructing, renovating and operating homes and buildings. Some of these new standards include: using natural products for exterior and interior building materials, opening buildings to use natural light, using the latest energy efficiencies, recycling water from rain and condensation for building needs, and creating “green” roofs through plantings and vegetation. In addition, other technological innovations – wireless thermostats, geothermal temperature controls – can reduce future operating costs (Westchester Government Official: Green and Smart Technologies). Dunedin’s EcoVillage provides one example of a community whose green technology investments help to keep operating costs low.

Existing homes can also become more energy efficient: there are weatherization grants available to income-eligible homeowners, administered through the Pinellas County Urban League (see Appendix C for contact details).

Green Building for Greater Affordability in Tampa: ENCORE!

City of Tampa Green Officer Tom Snelling says the **ENCORE!** Tampa district is "significant because it is a LEED-certified neighborhood." On the ENCORE! site, in what is called the Technology Park, the District Chiller Plant supplies the entire community with chilled water to cool all the buildings instead of using traditional and much less efficient rooftop HVAC air conditioning equipment. Well over 100 A/C units would otherwise sit atop each building, creating additional heat and emitting greenhouse gases.



The ENCORE! Tampa development designed a solution to keep its storm water from flooding the neighborhood by capturing it on-site and reusing it for irrigation. An 18,000 square foot vault, which holds up to 35,000 cubic feet of storm water, lies beneath the park collecting all the road water and any runoff from the properties. ENCORE! can irrigate the entire property with this reused water.

Solar panels are also playing a part in the sustainability efforts. Two-thousand square feet of the park, located above the storm water vault, house 100 array photovoltaic (PV) solar panels, producing 24 kW of usable energy per day. The electrical energy produced by the PV system is used to offset outdoor street light utility consumption on the ENCORE! campus.

- **Help for homeowners**

There are resources for individuals to help purchase, repair, and remain financially solvent in their homes. Trained and supported home buyers are less likely to overspend on housing and are better positioned to identify suitable mortgages. Bright Community Trust and the Tampa Bay CDC are two organizations providing counselling under contract to state and federal government. Making sure that Dunedin residents are aware of these resources can help families buy and remain in affordable homes throughout the city.

Both down payment assistance and home repair assistance is available through Pinellas County, often implemented through nonprofit groups like the CDC of Tampa Bay. Down

payment assistance is available in the form of an interest-free subordinate mortgage loan with repayment deferred for five years. Home improvement loans are also at 0 percent. Both programs target households based on income (up to 120% AMI for down payment assistance, and 80% AMI for home repair loans) with some restrictions on the price of the home and the nature of the repairs. There are special grants as well for home improvement projects serving low-income households with a disabled member. Improvements required to make a home accessible can be paid for with these grants.

Making the Case for Affordable Housing

The adoption of an affordable housing plan requires buy-in from residents and other stakeholders. Unfortunately, many people do not know what “affordable housing” is, or they are quick to identify the stigma associated with supported housing but are unaware of its widespread benefits. In reality, all housing in the US is in some way government-supported. Housing benefits from all manner of tax deductions, public infrastructure provisions, and the public regulation of basic health and safety standards. In this section we consider how to identify and mobilize potential allies, and how to make a positive case for a diverse housing stock in Dunedin.

What’s in a Name?

Some cities have tried combatting the negative perceptions of affordable housing by focusing on the language used to describe their programs. For instance, the National Association of Homebuilders, Urban Land Institute, and the cities of Miami and Ft. Lauderdale are calling their programs Workforce Housing.

Urban and Regional Planning Masters students at the University of South Florida performed a survey of 115 random participants in November of 2017. They found that most respondents were more comfortable with the term “Affordable Housing” than the terms “Workforce Housing” and “Low-Income Housing,” which is why the language in this report utilizes the traditional term.

Stakeholders

Working with a variety of stakeholders makes a program more sustainable. The most successful affordable housing programs have succeeded by building strategic partnerships with those who can help provide resources and lend political support. Affordable housing stakeholders include those most engaged with the topic, which includes public officials and developers, but also could include business leaders, civic activists, or members of religious congregations who are invested in the future of the city. To understand how those most invested in local housing view the affordability issue, USF Masters students identified and spoke with a number of key players; these students would encourage municipal leaders to continue the conversation. A full list of those interviewed for this study can be found in Appendix D. Figure 8 provides a visual representation of all those who have a stake in, and could be mobilized to support, a strategic approach to affordable housing.

Those stakeholders that were interviewed were asked to reflect on the challenge of affordable housing generally, and the strengths, weaknesses, challenges and opportunities for developing and sustaining such housing in Dunedin. The good news for the city is that many of those involved in housing see Dunedin as a strong market that has been proactive in spearheading planning and development activities, including creative approaches to residential development. The fact that the city in recent years has partnered with nonprofit (Habitat for Humanity; Bright Community Trust) and for-profit (EcoVillage) developers to realize three

different projects that all have a slightly different take on meeting the needs of working class families is a testament to the city's ability to build strong relationships.

Figure 8: Stakeholder Diagram



But there are of course obstacles to consider. The most well-known problem is the high cost of buying land, which translates to higher housing costs. The age-old problem of NIMBY-ism is likely to be present in Dunedin. Zoning regulations can function as a barrier with rigid codes restricting potential developments to already built-out areas. Securing sustainable and affordable loans to finance construction of affordable housing is also limiting developers who want to build high quality housing for low and moderate-income home-buyers and

renters. Expensive loans result in expensive homes. Figuring out a way to reduce construction costs for private developers is key to helping the city's market meet its own needs.

Making the Argument

The City of Dunedin is being presented with an opportunity to work toward a community known for its diverse population and economic base. By offering housing at a range of price points, the city can forge lasting partnerships and relationships with community leaders; build on the human capital of its residents; right the wrongs of real estate practices of the past; market the city as a hip, compassionate, and diverse place to build one's life; and develop its overall sustainability in a constantly changing world. Many arguments exist that highlight the importance and benefit of local government-led efforts to house lower income residents, but several of these arguments do rise to the top. The following sections outline a few of the most compelling arguments for funding affordable housing for stakeholders to consider.

Affordable housing is not just for “them”

Residents may be surprised to learn that people in many industries and professions may not earn enough to afford typical market-rate housing in a community like Dunedin. According to [OnTheMap](#) and [Glassdoor](#), over 30% of the workers in Dunedin earned \$1,250 a month or less in 2015. For example, the average income of a bookkeeper is \$35,290 per year; the median salary of dishwashers is \$22,417 per year; the average income of a cashier is \$22,420 per year; and the average income of a bank teller in Dunedin is \$25,414 per year. The average high school teacher in Dunedin earns \$42,513 per year, suggesting that even professionals could be priced out of new, market-rate housing.

Moreover, there is no clear line between those who live in officially designated affordable housing and the rest of a community's residents. We are all beneficiaries of government support for housing. Tax deductions for homeowners; FHA and VA loan insurance; public funding for infrastructure and enforcement of basic health and safety requirements make it possible for all people, whatever their family structure or income level, to buy or rent housing. Despite rhetoric to the contrary, we all depend on government programs to secure housing at prices we can afford.

Affordable housing builds a healthy local economy

Housing is the largest budget item for nearly all families; to ensure a healthy mix of workers and people at different life cycle stages a city must have housing for a variety of incomes. As national and statewide trends suggest decades of wage stagnation and a dearth of high-paying jobs, an increasing percentage of our population can be priced out of housing markets in some areas. When we think about who needs affordable housing, we now realize that the elderly, people with disabilities, single parents, and low-wage workers have been joined by students, recent college graduates, and even middle-income workers.

The community, however, benefits from a mix of residents. Employers in service, retail and health care, for example, benefit from having a nearby labor pool. If waiters, cashiers and nursing aids can't afford Dunedin's housing costs, employers may struggle to fill open positions. A variety of

housing options also allows people to call Dunedin home across their life cycle: as young singles; families with children, or retirees who wish to age in place.

The “hip” factor

With its walkable downtown and waterfront views, Dunedin is well-positioned to attract millennials and creative people of all ages – people who are poised to add to the city’s appeal but who may not have large housing budgets.

Tiny houses, micro units, shipping container homes, homes made of recycled materials, and communal living homes are all creative ways to address the high costs of traditional housing. These housing types have become increasingly popular, as seen on cable television shows like “Tiny House, Big Living.” By putting itself forward as a community committed to innovative ways of diversifying its housing, Dunedin can attract this next generation. And as it happens, many of the features attractive to young millennials – affordable apartments, walkable neighborhoods, proximity to entertainment, culture and parks – are also well-suited to older empty-nesters who live on fixed incomes but nonetheless want to enjoy these amenities in retirement.

Affordable housing is a staple of sustainability

Today’s urban paradigm has shifted from growth at all costs to sustainable growth. Sustainable development is commonly defined as development that meets the needs of the present without compromising the ability of future generations to meet their own needs. Understanding that a city is a closed-loop system where every element is interdependent or interrelated is key.

Poorly housed populations are a cost-burden on everyone. Safe, affordable housing is, in the long run, a more socially and fiscally sustainable solution than servicing the homeless or addressing unsafe conditions in substandard housing units. In addition, housing affordability problems affect one’s ability to secure other of life’s basics, as well as various amenities that most of society takes for granted. When people must spend over half of their income on housing, they do not have extra money to spend at Dunedin’s beautiful local businesses. Families are also spending money on housing that they might need for other necessities that would help them lead healthier lives, such as healthcare, school supplies, or transportation.

Compassion, justice -- and compliance with state law

We must not neglect the need for compassion and justice in the way we plan our cities. As economist Michael Shuman points out in his groundbreaking work on the value of local economic development, “The Local Economy Solution” (2015), the next generation of consumers is both smart and principled, they care about whether or not products are ethically produced, and they are willing to pay a little more for services and products that are reputable. The rise of crowdfunding for humanitarian causes is another example of how people are increasingly willing to reach into their own pockets to help their neighbors as other sources of funding for these causes become increasingly unavailable.

Positioning Dunedin as a city that embraces residents across the economic spectrum is, therefore, both the right thing to do – *and* it positions the city to attract residents who want to feel proud of their hometown.

Finally, providing for housing that meets the needs of current and future residents is a requirement under Florida law. This includes, specifically, “the provision of adequate sites for future housing, including affordable workforce housing....”

Next Steps and Recommendations

Thus far this report has spelled out some of the characteristics of Dunedin's population and housing stock, surveyed available affordable housing resources, discussed both tools and best practices for preserving affordability, outlined the organizations that are most involved in housing, and explained arguments that can be used to build support for affordable housing efforts.

This final section outlines some steps that the city might wish to consider as it moves ahead with its goal of preserving a diverse and vibrant community.

Expand the conversation and identify partners

Dunedin already has good relationships with key stakeholders around the county. We would urge city leaders to continue nurturing these relationships and initiating ongoing conversations with property owners and developers, especially those generally involved in affordable housing development, such as Beneficial Community and Housing Trust Group. Since Dunedin has a large mature and aging population, the city may want to consider working with developers and groups that build affordable senior living facilities.

In addition, the City of Dunedin may want to consider forming relationships with financial institutions around affordable housing. All banks must comply with Community Reinvestment Act regulations, which means they should be eager to participate in affordable housing projects. Tampa-based [Neighborhood Lending Partners](#) is an excellent source of finance as well as expertise about the development process. Some lenders may still have REO portfolios in the city and be amenable to conveying such properties to the city or nonprofit developers for rehabilitative and sale.

Finally, it is important to use every opportunity to communicate with residents about the importance of a diverse community with a range of housing options. We hope our "Making the Argument" section has provided some good talking points that could be used in such outreach efforts.

Identify affordable housing development opportunities

We would urge Dunedin leadership to explore development options for the four vacant sites described above. However, in a built-out community like this, there may be more opportunities through the redevelopment of sites currently used for other purposes. The scarcity of land and need for redevelopment can create more leverage for the city to consider the adoption some of the approaches described in our "Tools" section, whether requiring a mix of affordable units onsite or a contribution into a trust fund that will support housing development off site. Below

are some examples of how such policies could work; some of this analysis is based on the experience of the Town of Jupiter, Florida, so we are assured these proposals are in compliance with Florida state law.

Recommended Land Use Change or Rezoning

When a developer requires a land use change or rezoning that will increase the allowable number of housing units to be built, consider requiring that 10- 15% of the housing units be set aside for affordable/workforce housing on site. If the developer does not meet the required on-site development, a fee-in-lieu will be collected. For example, on a ten-acre development site that increased allowable density from 3 units per acre to 6 units per acre, the new permitted density is 60 units. The new base density of 30 units will be three ($0.10 \times 30 = 3$). 15% of the additional units permitted by the rezoning would be 4.5 ($.15 \times 30$ additional units = 4.5). Eight affordable/workforce housing units would now be required per the rezoning ($3 + 4.5 = 8$). Fee-in-lieu will be allowed for the three associated with the base density, but the five additional units from the rezoning will be required to be built on-site (Town of Jupiter Town Manager's Office).

Density Bonus

Consider providing density bonuses that would allow the additional units to be built, especially on sites with good access to major roads and transit routes and assuming that there are no environmentally sensitive lands that will be impacted. In exchange for additional density, units will be set aside as affordable. For example, a development receiving a 30% density bonus might be required to make 40% of those additional units affordable. As a simple example, a 50 unit development with 30% bonus = 65 units ($0.30 \times 50 = 15$). The base density of 50 units will be 5 units ($50 \times 0.10 = 5$), plus 40% affordable/workforce housing is 6 units ($0.4 \times 15 = 6$), with the total requirement of 11 affordable/workforce housing units ($5 + 6 = 11$). A total of 65 units will be permitted for development, and 11 units will have to be set aside as affordable/workforce housing (Town of Jupiter Town Manager's Office).

Commercial and Industrial Development Linkage Fee

Commercial and Industrial development linkage fees are charged to developers of new office or retail properties. The fees collected from commercial and industrial development could be used to fund the development of affordable/workforce housing (Inclusionary Housing, 2017). These linkage fees are assessed on a per-square-foot basis of the development.

A commercial and industrial development linkage fee shall be levied on new construction, or on the expansion of commercial and industrial construction. We recommend \$1.00 per square foot on all new nonresidential construction more than 2,000 square feet of gross floor area. Collection of the fee shall be collected at the time of issuance of a building

permit and deposited into the City's Housing Trust Fund. A linkage fee shall not be levied on public and private non-profit educational institutions, government buildings, or places of worship (Town of Jupiter Town Manager's Office).

Review regulations to reduce costs and expand opportunities

The City of Dunedin might consider how to reduce the amount of land they're devoting to parking through their City Code. This will include examining parking minimums, transit- and bicycle-oriented incentives, and other reasonable considerations for reaching a more efficient allocation of parking, which can free up land and reduce some of the costs of new construction. While the City has reasonable minimums for parking for residential units, the City could consider reducing single-family requirements to 1 space rather than the current 2, or reduce the townhome requirement from 1.5 spaces to 1, especially for projects that are near transit routes or within walking distance of the downtown core.

Another method of reducing the amount of land devoted to parking is using shared parking, which should recognize that different uses require different needs with different peak times. City of Dunedin Code 105-24.3.3 is the shared parking section, which states that when there are two or more separate primary uses on-site, the required parking for the site is the sum of required for the individual primary uses, language which fails to take advantage of the space-saving aspects of shared use parking. A variety of model ordinances are available online for shared and joint parking, such as the [City of Alexandria's](#).

City of Dunedin Code further specifies that when the number of required spaces result in a fractional number, the result shall be rounded up to the next higher whole number; rounding down should be considered as an alternative. In addition, when calculating off-street parking requirements, calculations are based upon the largest number of possible persons on any given site at a given time, essentially guaranteeing that the City will be planning for peak parking, rather than reasonable parking. The City should heavily reconsider basing their parking requirements on peak parking; there is growing research that parking requirements are best based on more typical usage.

City code currently has several great programs for reducing the amount of parking required, including reductions for bicycle facilities and transit facilities. The city allows up to a 10% reduction in required parking for sites located less than 500 feet from a transit stop with 60-minute peak hour service, and development can also get up to a two-space reduction in their required parking spaced for providing a bike rack capable of holding ten bicycles. The City could consider expanding these programs, providing greater reductions for developments with transit stops with 30-minutes or 15-minute peak hour service, or reductions for developments located along bicycle lanes.

In light of transit and bicycle facility reductions, the City has lower standards in the downtown core zone recognizing the use of different modes and less demand for parking. Nonetheless, downtown core parking minimum reductions do not apply to residential developments, only bars,

restaurants, cafes, office, retail, and other uses. The city could consider extending parking minimum reductions into the downtown core. In addition, downtown core parking minimums reductions should be allowed to be coupled with reductions for transit and bicycle facilities, which is currently not allowed per 105-24.4.8.1.

Finally, the city currently only allows alternative parking plans in their downtown core zoning, as well as their form based code zoning districts, FX-M and FX-H. Alternative parking plans should be considered for all multifamily, mixed-use, downtown residential, and planned residential developments.

Given the link between affordable housing, zoning and allowed densities, the City should continue to recognize the need for upzoning within City limits and encourage denser developments where appropriate – chiefly along major traffic corridors, activity centers, and the downtown core. While the City and residents oftentimes wish to preserve the suburban character of the majority of the city, the future demand and need for affordable housing will have to be weighed against these considerations. Other solutions and recommendations include removing the R300 and R200 zoning categories, which stipulate 30,000 and 20,000 square foot minimum lot sizes, respectively. These lot sizes are exclusionary by nature of their sheer size and restrict the supply of land available to build upon; large plots of land are expensive, and in a city that is near full buildout, this type of suburban/rural single family residential development impacts overall affordability. The City should consider generally reviewing their zoning categories for allowed densities and floor area ratios (FARs) with an eye towards allowing for developments and densities that could increase overall affordability for the city.

In addition to recognizing the need for upzoning, the city's comprehensive plan also plans for the "continued allowance of mobile home parks, manufactured housing and manufactured (or modular) buildings." The city recognizes that the existing nine parks currently provide over 1,700 units, most of which are relatively affordable, though of varying quality and vulnerability to extreme weather events. Supporting existing mobile homes developments is probably part of any approach to affordability, although one with some well-known drawbacks. The City is considering a mobile home transition program similar to that of Pinellas County; if the City decides to enact such a program it should guarantee that new developments are of the same or greater densities and provide just as many units as the former mobile home park.

In a similar vein, Dunedin's leaders can consider ways to encourage the development of "tiny" or "cottage" homes, either as ADUs or clustered into designated areas. For example, a Planned Unit Development for tiny homes could facilitate the development of a number of such units. The city's comprehensive plan already allows for ADUs in single family zoning districts. City code currently requires property owners to occupy one of the dwelling units on the property to be allowed an accessory dwelling unit – perhaps easing this requirement could facilitate the construction of more ADU's across the city.

Allowing cottage housing development on vacant lots in existing single-family neighborhoods and allowing the development of multiple cottages on a single parcel could provide housing that

addresses a similar income group as that which is served by mobile homes, except that these structures are better able to withstand adverse weather events. Because the units are smaller, parking minimums can also be reduced and provided in clusters, concealed from street view, allowing for the creation of more open green space. [Kirkland, Washington's ordinance](#) is often seen as a model for effective use of "tiny homes" to serve people of modest income.

Take advantage of expertise and technical assistance

The [Florida Housing Coalition](#), a statewide nonprofit, is an excellent source of information on all manner of affordable housing issues, including inclusionary zoning and community land trusts. They offer training and consulting; some of which is funded by a contract with the Florida Department of Economic Opportunity, and is therefore offered free of charge to municipalities.

USF's [Community Real Estate Development](#) certificate program provides training on affordable housing and other community real estate development practices. The course is offered every spring, and the fee to participate is \$150. Taught by the leading affordable housing development experts in the region, the course provides training in the entire development process, and participants can use the class to work through project proposals from their communities.

Appendix A - Supporting Tables and Data

Area Median Income (AMI)

The area median income (also called Median Family Income, or MFI), is calculated by comparing a household's income to the incomes of all other households in the area. Each Metropolitan Statistical Area (MSA)'s AMI is calculated and published annually by the Department of Housing and Urban Development (HUD). Most affordable housing programs determine eligibility based on the given household's income as a percent of AMI, including Housing Choice Voucher programs, HOME, LIHTC, Section 515, 202 and 811. The MSA that Dunedin is in is the **Tampa-St. Petersburg-Clearwater MSA**.

Tampa-St. Petersburg-Clearwater's AMI is \$59,800. Thus, the income of a family of four that is considered "Low Income" (80% of the AMI) is \$47,850; the income of a family of four that is considered "Very Low Income" (50% of the AMI) is \$29,900, and the income of a family of four that is considered "Extremely Low Income" (30% of the AMI) is \$24,600.

(<https://www.huduser.gov/portal/datasets/il/il2017/2017summary.odn>)

The maps in Figures 16, 17, 18 and 19 in Appendix B shows block groups based on the percentage of their income that is spent on housing and transportation costs. The household types mapped and assumptions made by HUD and DOT are explained below in Table 10.

Table 10: Household Types Modeled in Location Affordability Index

Household Type	Household Size	Household Income	Number of Commuters
Median Income Family	4	\$46,606 Median income for region	2
Working Individual	1	\$23,303 50 percent of median income for region	1
Moderate Income Family	3	\$37,285 80 percent of median income for region	1
Low Income Individual	1	\$11,720 National Poverty Line	1

Location Affordability

The location affordability index data offers a glimpse at approximately how much households across Dunedin could be spending on housing and transportation. Households of four with two commuters earning an income of \$37,285—what the HUD model considers a moderate-income family—could be spending an average of 61% of their income on housing and transportation. Median-income families, defined as households of four with a total income of \$46,606, could be spending as much as 56% of their income on housing and transportation costs. The average, maximum and minimum housing and transportation costs by household type are further summarized in Table 11 below.

Table 11: The Average, Maximum and Minimum Housing and Transportation Costs By Income Level In Dunedin

	Moderate Income Family		Working Individual	
Income	\$37,285		\$23,303	
Average	60.80%	\$22,669.28	77.19%	\$17,987.59
Maximum	82.72%	\$30,842.15	120.56%	\$28,094.10
Minimum	48.46%	\$18,068.31	54.40%	\$12,676.83

Home Sales

An analysis of single-family home sales in Dunedin shows that average prices peaked at \$370,906 in 2004, hit another high of \$342,872 two years later and then began to decline. In the past two years, the average price has climbed back to \$265,955. The lowest average price in the past decade was \$163,873 in 2010. The prices are further summarized in Table 12 below.

Table 12: Dunedin Single-Family Home Sales 2000 – 2017

Dunedin single-family home sales
2000-2017

Year	Recorded Sales	Average Price	Highest Price
2000	791	\$ 124,126	\$ 1,250,000
2001	781	\$ 144,303	\$ 1,130,000
2002	904	\$ 147,468	\$ 875,000
2003	859	\$ 189,072	\$ 2,500,000
2004	945	\$ 370,906	\$ 3,690,000
2005	863	\$ 227,976	\$ 1,600,000
2006	558	\$ 342,872	\$ 2,400,000
2007	392	\$ 236,590	\$ 2,000,000
2008	337	\$ 231,586	\$ 7,000,000
2009	377	\$ 186,366	\$ 2,270,000
2010	393	\$ 163,873	\$ 750,000
2011	410	\$ 178,040	\$ 1,500,000
2012	510	\$ 178,969	\$ 2,150,000
2013	637	\$ 185,671	\$ 835,000
2014	717	\$ 182,586	\$ 1,375,000
2015	746	\$ 217,808	\$ 2,600,000
2016	746	\$ 245,787	\$ 1,400,000
2017	537	\$ 265,955	\$ 1,165,000

Source: Pinellas County Property Appraiser

Appendix B – Maps

Figure 9: Existing Land Uses.

This map shows the existing land uses in Dunedin. Each color represents a type of land use.

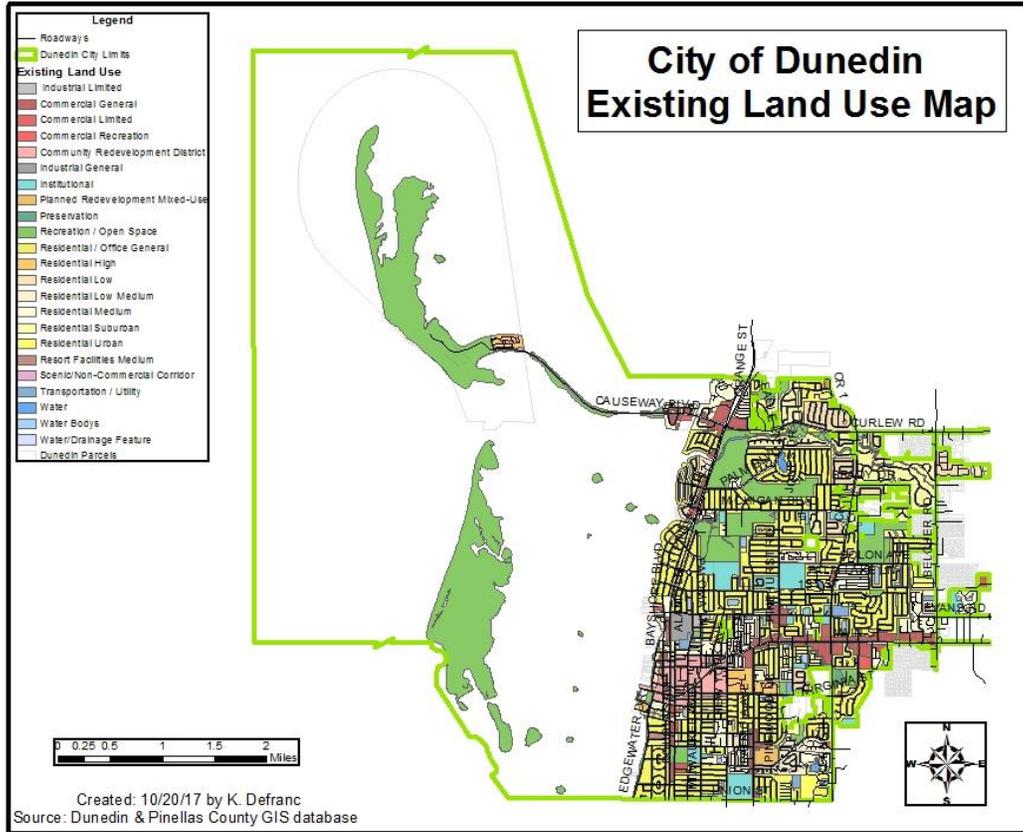


Figure 10: Zoning

This map shows the existing zoning designations in Dunedin. Each color represents a zoning code.

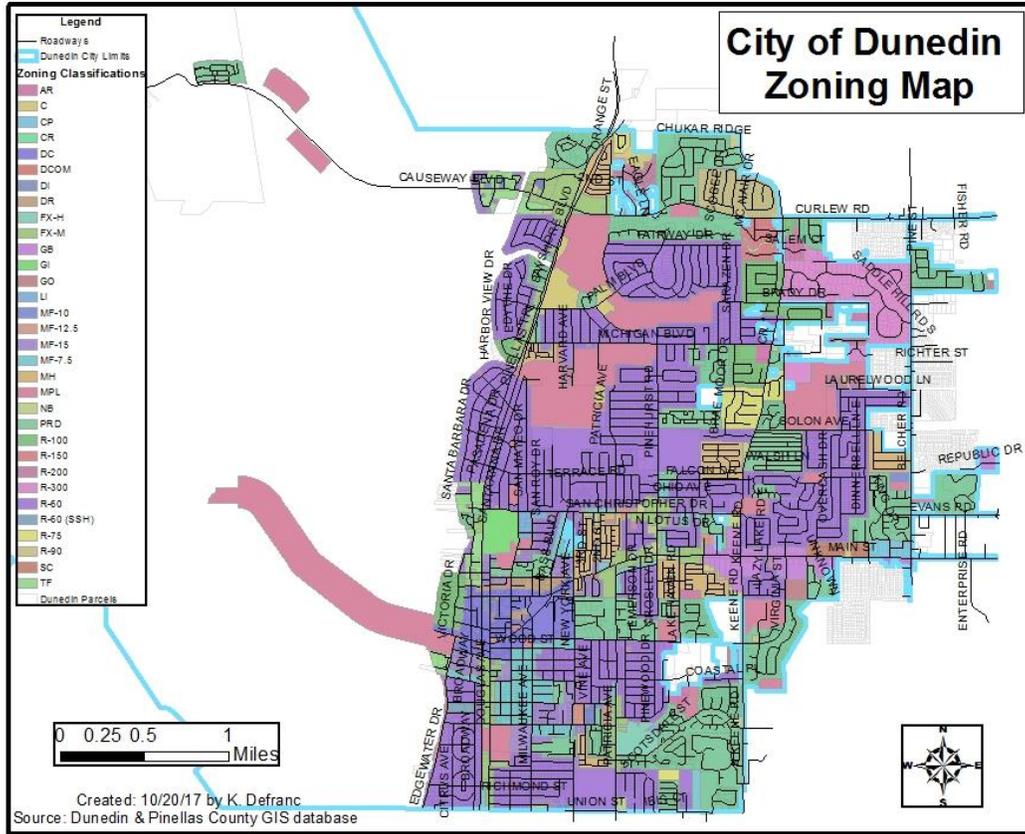


Figure 11. Zoning

This map shows the existing zoning descriptions in Dunedin. Each color represents a zoning description.

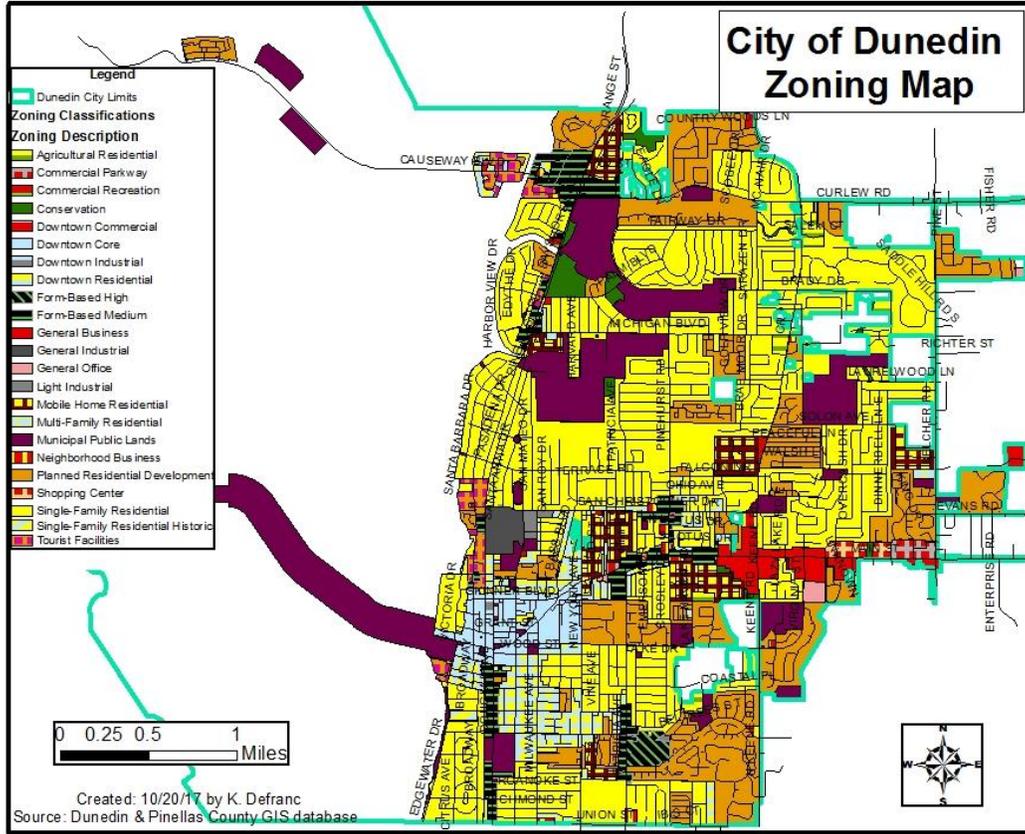


Figure 12: City of Dunedin Flood Zones Map

This map shows where not to build affordable housing units.

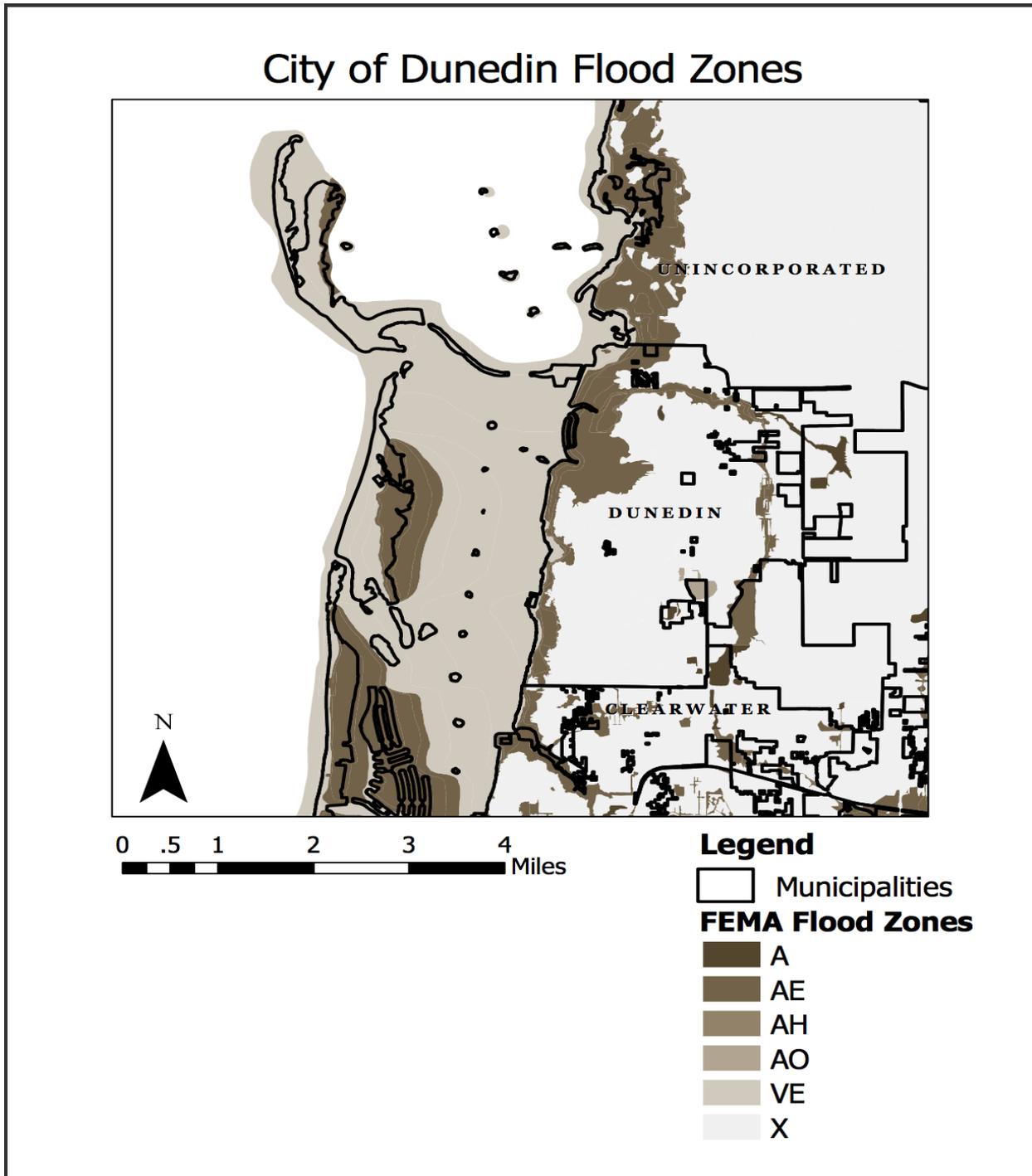


Figure 13: City of Dunedin Multimodal Corridors

This map shows where the city's multimodal lines run.

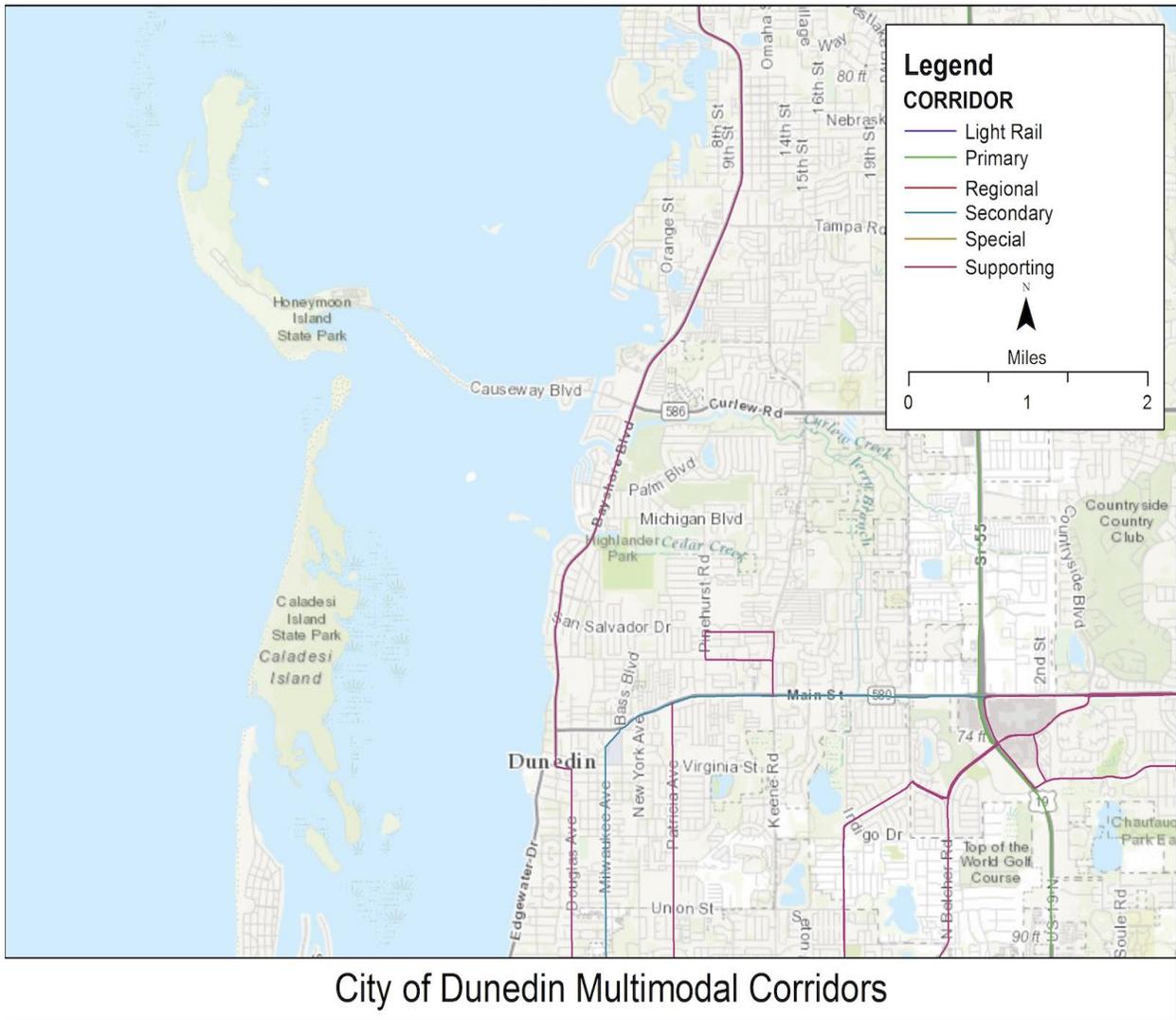


Figure 14: City of Dunedin 2014-2016 Foreclosure Records

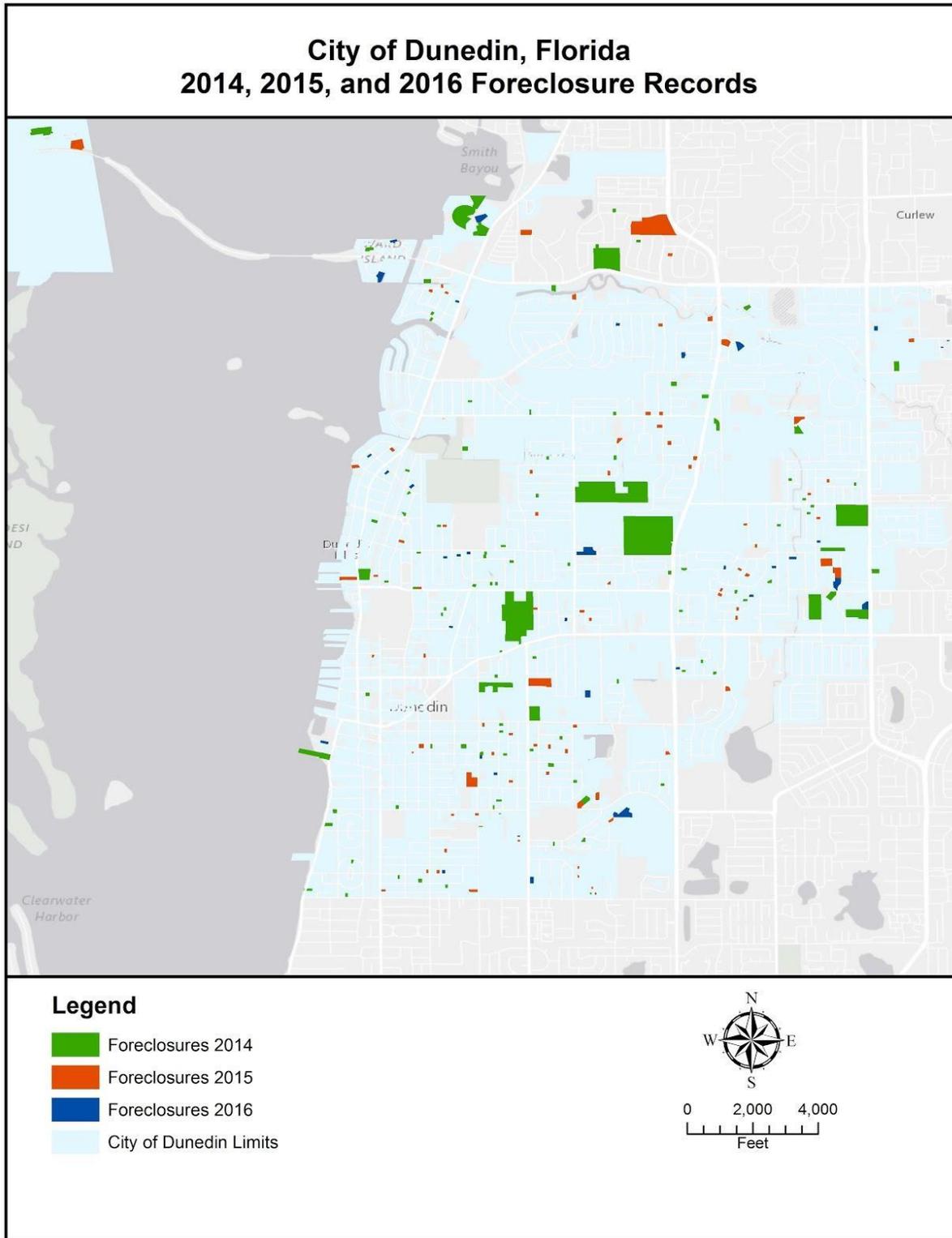


Figure 15: City of Dunedin's Mobile Home Communities

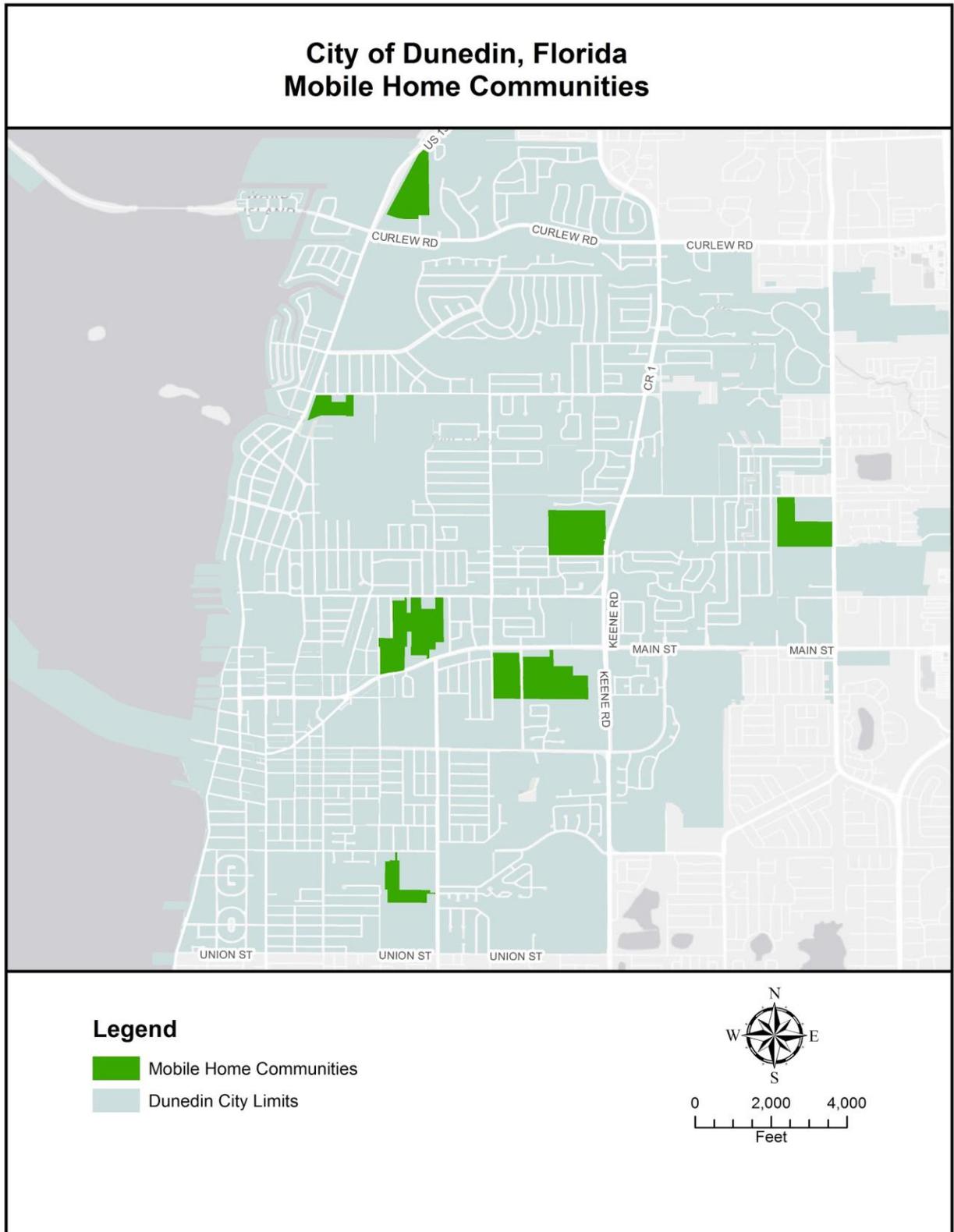
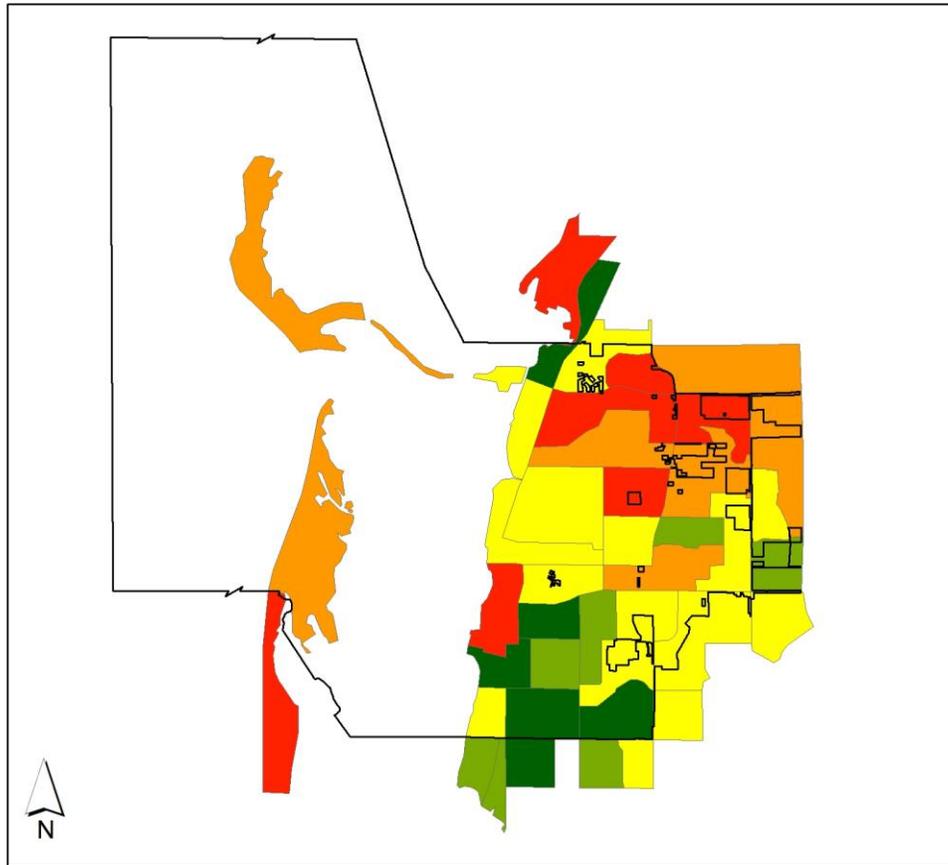


Figure 16: Moderate Income Family Housing & Transportation Costs

This map shows the percentage of income spent on housing and transportation for moderate income families in Dunedin. The numbers placed over Census block groups represent the number of households in the group.

Moderate Income Family Housing & Transportation Costs
As a percentage of income



0 0.5 1 2 3 4 Miles

Assumptions in Model:

Annual income: \$37,285

Household size: 3

Workers: 1

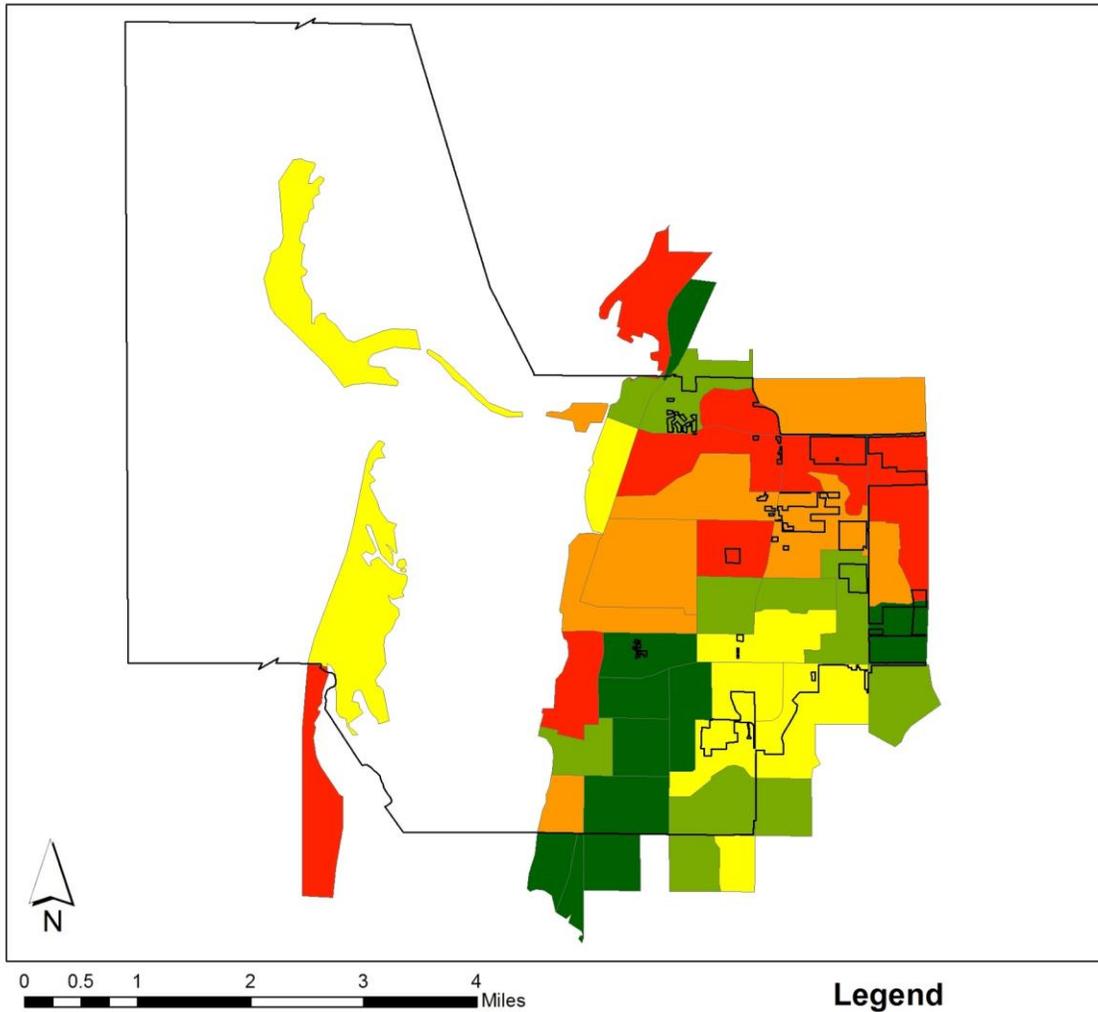
Legend

-  Dunedin city limit
-  48 - 52 percent
-  53 - 57 percent
-  58 - 62 percent
-  63 - 67 percent
-  68 - 83 percent

Figure 17: Working Individual Housing & Transportation Costs

This map shows the percentage of income spent on housing and transportation for working individuals in Dunedin.

Working Individual Housing & Transportation Costs As a percentage of income



Assumptions in Model:

Annual income: \$23,303

Household size: 1

Workers: 1

Legend

 Dunedin city limit

Cost Ranges

 54 - 63 percent

 64 - 70 percent

 71 - 77 percent

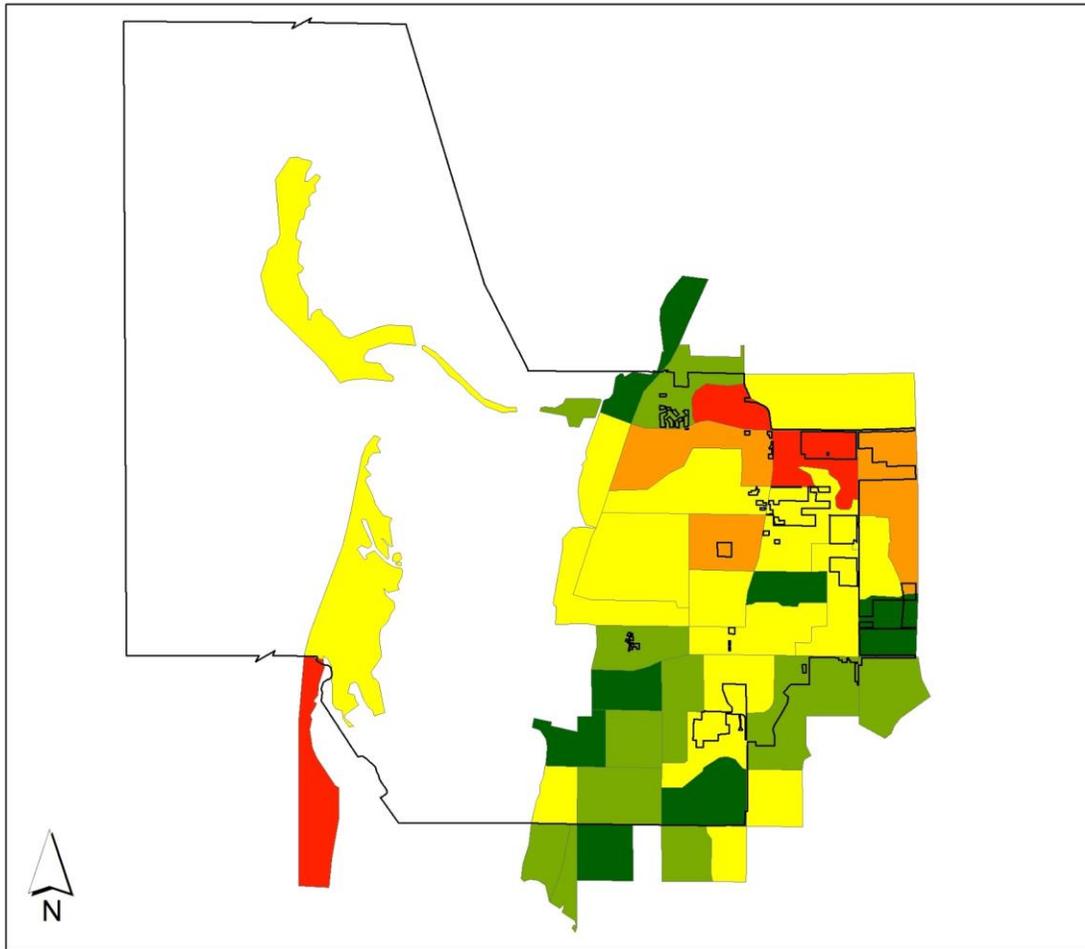
 78 - 89 percent

 90 - 121 percent

Figure 18: Median-Income Family Housing & Transportation Costs

This map shows the percentage of income spent on housing and transportation for median-income families in Dunedin.

Median-Income Family Housing & Transportation Costs As a percentage of income



0 0.5 1 2 3 4 Miles

Assumptions in Model:

Annual income: \$46,606

Household size: 4

Workers: 2

Legend

 Dunedin city limit

Cost Ranges

 45 - 50 percent

 51 - 55 percent

 56 - 60 percent

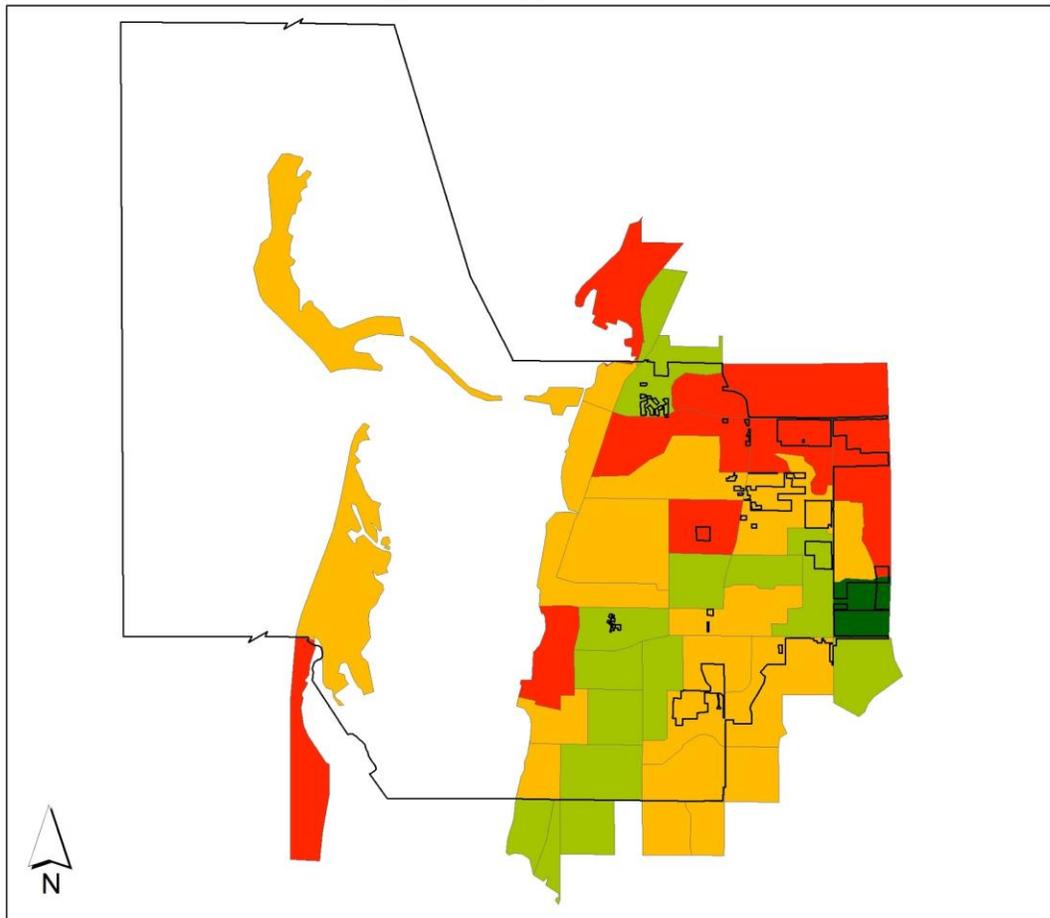
 61 - 65 percent

 66 - 70 percent

Figure 19: Low Income Individual Housing & Transportation Costs

This map shows the percentage of income spent on housing and transportation for low income individuals in Dunedin.

Low Income Individual Housing & Transportation Costs As a percentage of income



0 0.5 1 2 3 4 Miles

Assumptions in Model:

Annual income: \$11,720

Household size: 1

Workers: 1

Legend

 Dunedin city limit

Cost Ranges

 95

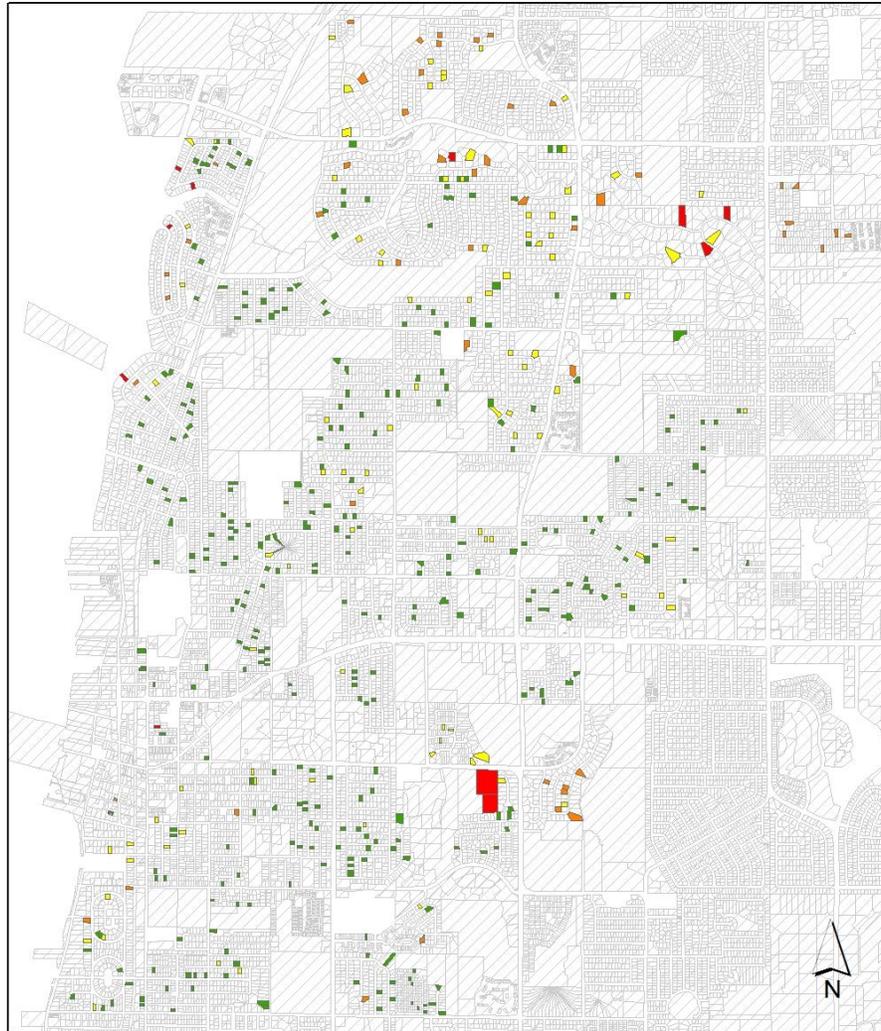
 96 - 120

 121 - 170

 171 - 234

Figure 20: Dunedin Single-Family Home Sales in 2017

Dunedin single-family home sales 2017



0 0.25 0.5 1 1.5 2 Miles

Average price: \$268,676

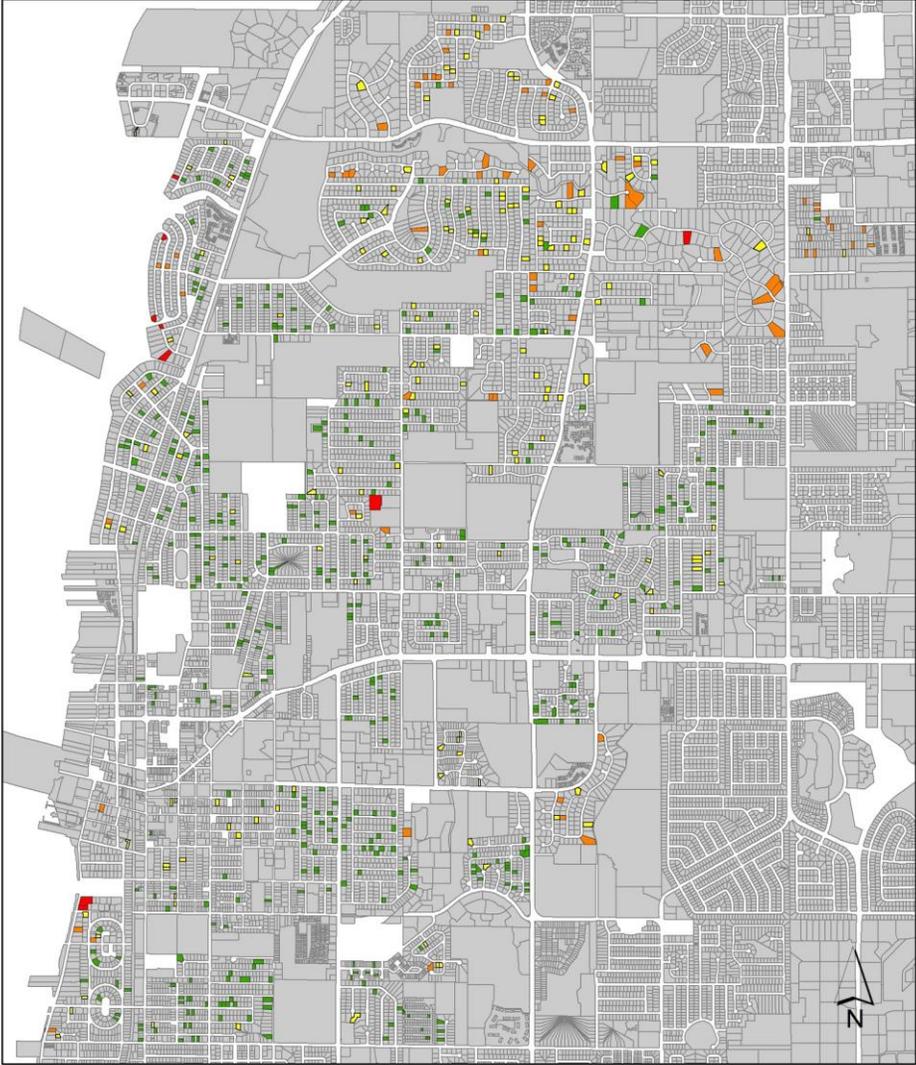
Legend

Price Ranges

- \$1,200 - \$282,000
- \$282,001 - \$400,000
- \$400,001 - \$660,000
- \$660,001 - \$1,165,000

Figure 21: Dunedin Single-Family Home Sales in 2016

Dunedin single-family home sales 2016



0 0.25 0.5 1 1.5 2 Miles

Legend

Price Ranges

- \$600 - \$262,500
- \$262,501 - \$395,000
- \$395,001 - \$705,000
- \$705,001 - \$1,400,000

Figure 22: Dunedin Single-Family Home Sales in 2015

Dunedin single-family home sales 2015

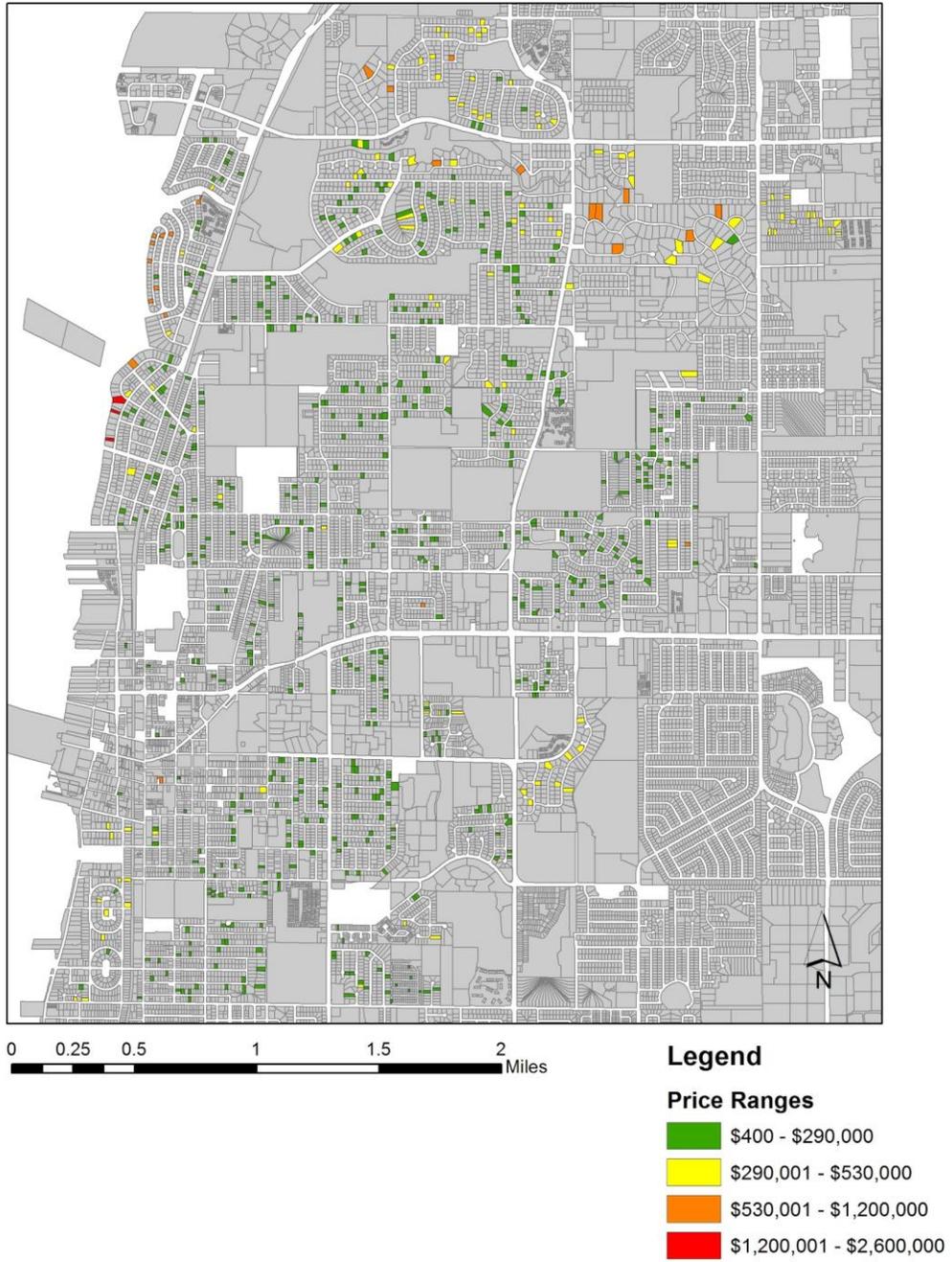


Figure 23: Dunedin Single-Family Home Sales in 2014

Dunedin single-family home sales 2014

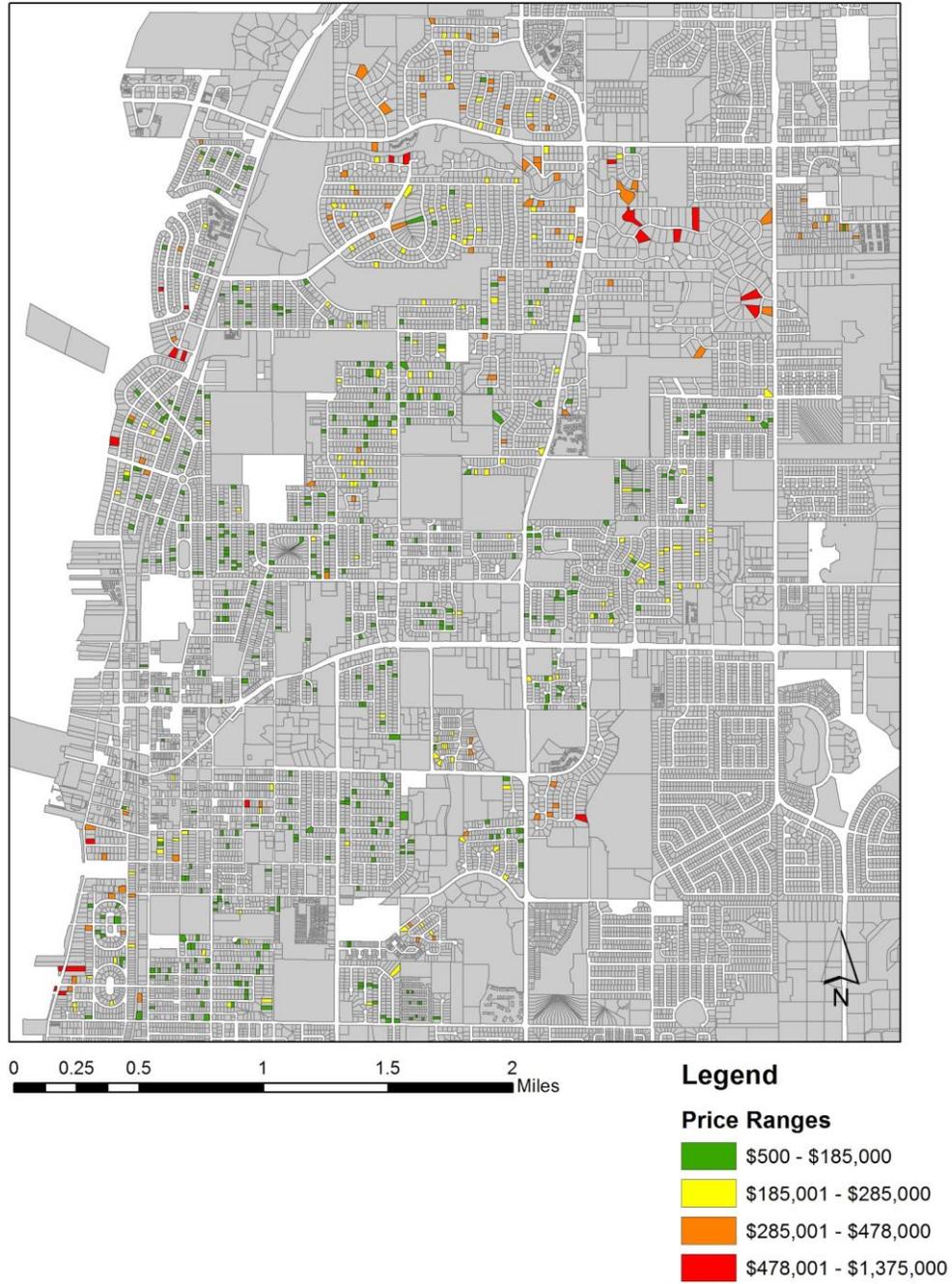
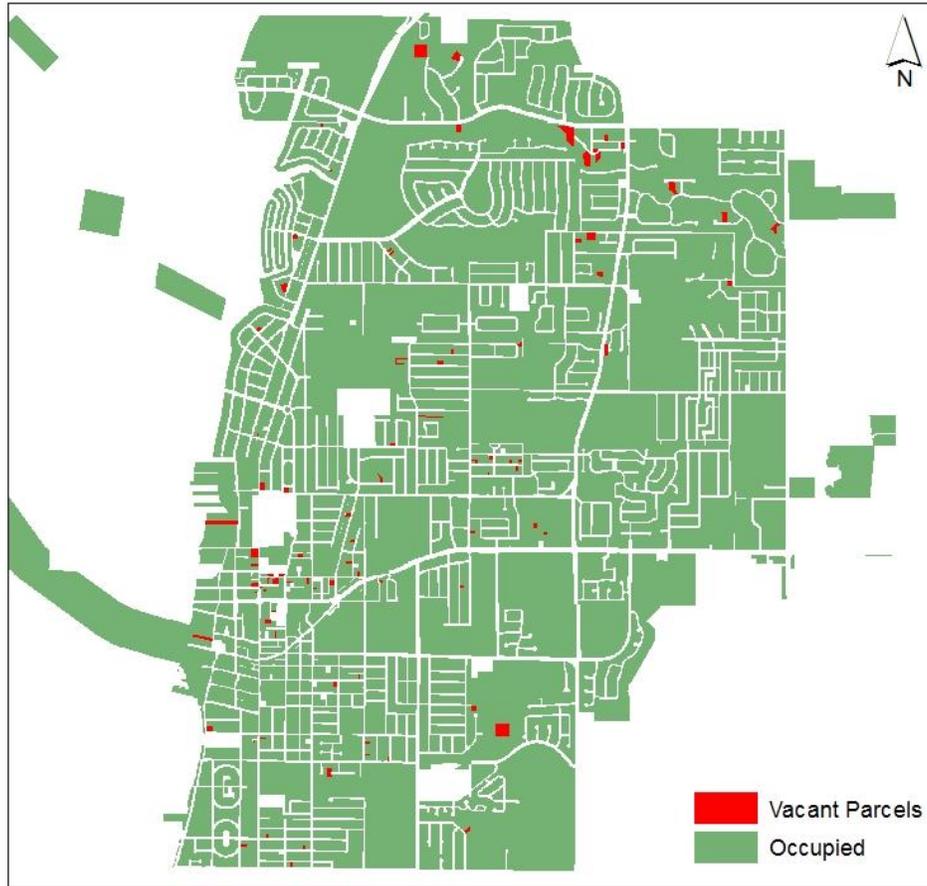


Figure 24: Vacant Parcels in Dunedin



00.125.25 0.5 0.75 1 Miles



Total vacant properties: 116

Acreage: 36.3

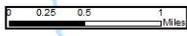
Average Price: \$81,899

Figure 25: Affordable Housing Locations in Dunedin

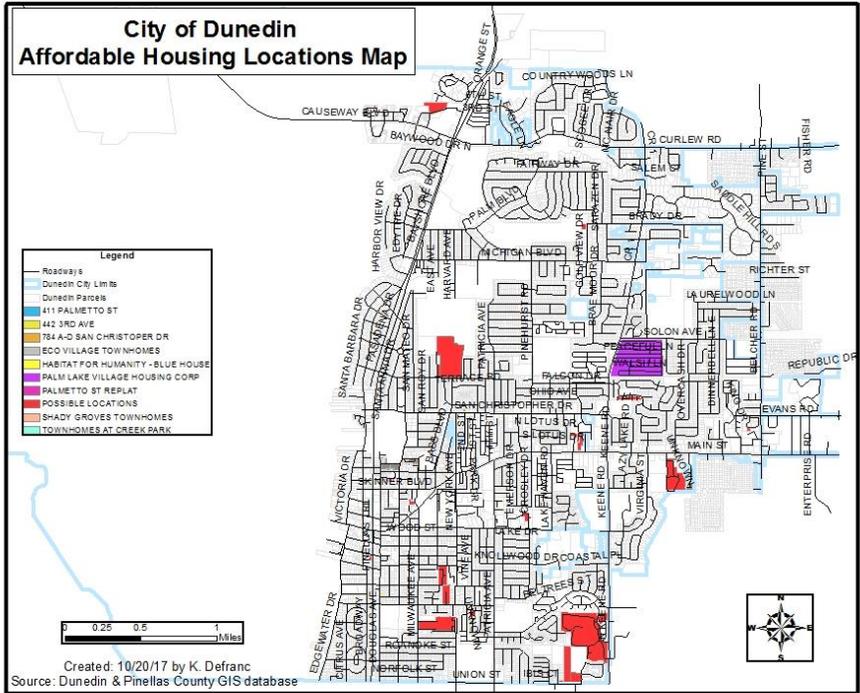
This map shows the existing and potential locations of affordable housing in Dunedin. Every color except for red represents existing affordable housing. Red represents possible housing locations.

City of Dunedin Affordable Housing Locations Map

- Legend**
- Roadways
 - Dunedin City Limits
 - Dunedin Parcels
 - 411 PALMETTO ST
 - 442 3RD AVE
 - 784 A-D SAN CHRISTOPHER DR
 - ECO VILLAGE TOWNHOMES
 - HABITAT FOR HUMANITY - BLUE HOUSE
 - PALM LAKE VILLAGE HOUSING CORP
 - PALMETTO ST REPLAT
 - POSSIBLE LOCATIONS
 - SHADY GROVES TOWNHOMES
 - TOWNHOMES AT CREEK PARK



Created: 10/20/17 by K. DeFranc
Source: Dunedin & Pinellas County GIS database



Appendix C - Programs

National Housing Trust Fund

This HUD-administered block grant program aids in the rehabilitation, preservation, building, and operation of low-income rental housing and to first-time home ownership. The Florida Housing Finance Corporation is in charge of administering the funds to local governments. For years with over \$1 billion in the fund, 75% of the funds must be received by households at or below 30% AMI and the other 25% must go to households at or below 50% AMI. For years when the fund falls below \$1 billion, 100% of the funds must go to households at or below 30% AMI. State spending on promoting home ownership is limited to 10% (National Council of State Housing Agencies).

Program Contact: Stephen Auger, (850) 488-4197, steve.auger@floridahousing.org

Community Development Block Grant (CDBG) Program

The CDBG program aims to provide affordable housing, services, and jobs to low-income individuals and communities. Cities and counties that have populations greater than 50,000 and 200,000, respectively, receive funding directly from HUD. Cities and counties with populations lower than 50,000 and 200,000 receive funds from their state. The amount that each grant is worth is determined by a formula devised by HUD that takes into account population, housing overcrowding, the extent of poverty, age of housing, and other community needs. Programs under the CDBG program include affordable housing, economic expansion, disaster recovery assistance, neighborhood stabilization against foreclosures and delinquencies, and overall community development (U.S. Department of Housing and Urban Development).

Program Contact: Robert Doherty, (850) 717-8417, roger.doherty@deo.myflorida.com

Community Development Financial Institutions Fund (CDFI)

The CDFI Fund promotes community and economic development to underserved populations by funding approved Community Development Financial Institutions. These financial institutions provide loans, investments, and technical assistance to low-income individuals and communities. The CDFI fund also contributes to the New Markets Tax Credit Program, which encourages private investments into Community Development Entities through tax credits. Some grants are also distributed through this fund for affordable housing in low-income communities (U.S. Department of the Treasury).

Community Contribution Tax Credit (CCTC)

The Community Contribution Tax Credit encourages the private sector to donate to approved community development projects by offering tax credits worth up to 50% of the donation. The Department of Economic Opportunity approves eligible organizations. Units of state and local government and non-profits can apply to become an eligible organization and receive donations through the CCTC program (Florida Department of Economic Opportunity).

Program Contact: Burt Von Hoff, (850) 487-3014, Burt.Vonhoff@myflorida.com

Low Income Housing Tax Credit (LIHTC)

The LIHTC Program provides tax credits to investors and landlords that agree to rent their units at below market rate. Participants in this tax credit program must rent out 15% of units at or below 40% AMI, 20% of units at or below 50% AMI, or 40% of units at or below 60% AMI. Compliance periods typically range from 15-30 years (Office of the Comptroller of the Currency).

Program Contact: Brantley Henderson, (850) 488-4197, Brantley.Henderson@floridahousing.org

Multifamily Mortgage Revenue Bond (MMRB)

The MMRB program provides tax-exempt and taxable bonds to developers or nonprofits that provide affordable housing units to low-income families. The program requires that either 20% of units are affordable at or below 50% AMI or that 40% of the units are affordable at or below 60% AMI. MMRB program funds are allocated to counties throughout Florida based on their size (Florida Housing Finance Corporation).

Program Contact: Florida Housing Finance Corporation, (850) 488-4197

First Time Homebuyer-Single Family Mortgage Revenue Bond

This program provides funding to lenders and lending institutions that in turn give low-interest loans and down payment assistance to first time home buyers. Applicants that aren't first time homebuyers can also be eligible if they are qualified veterans or in a federally designated targeted area. For homebuyers to participate, they must attend a day-long homebuyer education class, be able to qualify for a mortgage, and have a FICO score of 640 or higher (Florida Housing Coalition).

Program Contact: Charles White, (850) 488-4197, chip.white@floridahousing.org

Weatherization Assistance Program (WAP)

WAP provides grants to community action organization, local governments, and nonprofits to increase energy efficiency in and decrease utility costs low-income homes. To qualify, the total household income must be lower than 200% of the poverty level. Preference for these grants are given to the physically disabled, the elderly, households with a high energy burden, and households with children under 12 years old. This program saves participants an average of \$358 per household per year (Florida Department of Economic Opportunity).

Program Contact:, Pinellas County Urban League, (727) 327-2081

State Apartment Incentive Loan Program (SAIL)

The SAIL program offers low-interest loans to developers that agree to keep a percentage of their units affordable. A minimum of 20% of the development's units must be affordable to families at or below 50% AMI. If a development utilizes both the SAIL and LIHTC programs simultaneously, then 40% of the units must be affordable to families at or below 60% AMI. Interest rates for SAIL program loans are typically one percent (Florida Housing Finance Corporation).

Program Contact: Florida Housing Finance Corporation, (850) 488-4197

State Housing Initiatives Partnership (SHIP) Program

Florida Housing administers the State Housing Initiatives Partnership program (SHIP), which provides funds to local governments as an incentive to create partnerships that produce and preserve affordable homeownership and multifamily housing.

SHIP funds are distributed on an entitlement basis to all 67 counties and 52 Community Development Block Grant entitlement cities in Florida. The minimum allocation is \$350,000.

In order to participate, local governments must meet specific requirements, such as establishing a local housing assistance program by ordinance.

A minimum of 65% of the funds must be spent on eligible homeownership activities; a minimum of 75% of funds must be spent on eligible construction activities; at least 30% of the funds must be reserved for very-low income households (up to 50% of the area median income or AMI); an additional 30 percent may be reserved for low income households (up to 80% of AMI); and the remaining funds may be reserved for households up to 140% of AMI. No more than 10% of SHIP funds may be used for administrative expenses.

The SHIP program provides funding for a variety of strategies that promote both affordable rental units and affordable home ownership. Some things that the SHIP program funds support are rehabilitation, emergency repairs, acquisition of property for affordable housing, gap-financing, and mortgage buy-downs. A minimum of 65% of a local government's allocation of SHIP funds must promote home ownership. Additionally, at least 75% of funds need to be used for activities related to new construction or rehabilitation of units. To participate in this programs, local government agencies must create a Local Housing Assistance Plan and have it approved by the Florida Housing Finance Corporation (Florida Housing Coalition).

Program Contact: Robert Dearduff, (850) 488-4197, rob.deardoff@floridahousing.org

HOME Investments Partnership Program

The HOME Investments Partnership Program provides grants to municipalities and states for affordable housing needs. States and municipalities can use HOME funds for grants, loan guarantees, direct loans to promote the building, buying, and rehabilitation of affordable housing for rent or home ownership. Rental assistance can also be provided under this program. For rental housing and rental assistance programs, at least 90% of participating families must have incomes at or below 60% AMI. If a development contains more than five rental units, at least 20% must be affordable at or below 50% AMI. Overall, households benefiting from this program must not exceed 80% AMI (U.S. Department of Housing and Urban Development).

Program Contact: Alesia Scott-Ford, (904) 232-2627, FL_Webmanager@HUD.gov:

Predevelopment Loan Program

The Predevelopment Loan Program offers funding for a variety of expenses that occur before the development of affordable housing, including engineer fees, site plan approval, land acquisition, and

impact fees, among others. These loans are available to community-based organizations, public housing authorities, and nonprofits. The interest rates are set at one percent and loans payments do not begin until construction financing is complete or until the loan matures. Rental housing developers are required to keep at least 20% of units affordable to or below 50% AMI for 15 years. For homeownership developers, 50% of homes must be sold to buyers at or below 80% AMI while the remaining 50% are sold to buyers at or below 120% AMI (Florida Housing Coalition).

Program Contact: Florida Housing Coalition, (850) 878-4219, info@flhousing.org

Florida Community Loan Fund

The Florida Community Loan Fund is a Community Development Financial Institution that provides financing to nonprofits and for profit organizations that develop affordable housing, community facilities, supportive housing, and economic development projects. Loans can range from \$20,000 to \$400,000 and go to individuals at or below 80% AMI for housing development or improvement. Loans are also given for job creation and retention programs for low-income individuals at one job per \$10,000 borrowed (Florida Housing Coalition).

Program Contact: Main Office, (407) 246-0846, info@fclf.org

Tampa Area Office, (813) 223-7400

Federal Home Loan Bank Affordable Housing Program (AHP)

This program provides grants and low interest loans to Federal Home Loan Banks that are involved in funding local governments and community organizations for affordable housing projects. Rental developments built with AHP funds must contain 20% of units that are affordable at or below 50% AMI. Owner-occupied developments funded by AHP must be sold to buyers at or below 80% AMI. Each Federal Home Loan Bank has a 15-member Affordable Housing Advisory Council to ensure that AHP funding is being spent wisely (Jeffers).

Program Contact:, Sharon Cook, (404) 888-8173, scook@fhlbatl.com

Elderly Housing Community Loan (EHCL)

The EHCL program provides loans to developers that make improvements to housing for the elderly. These loans can be up to \$750,000 and are used to preserve and rehabilitate elderly housing to comply with federal, state, and local codes or for safety and security related improvements. Applicants for this program can be any organization or individual that provides elderly housing (Florida Housing Finance Corporation).

Program Contact: Florida Housing Finance Corporation, (850) 488-4197

Grants to Serve Persons with Developmental Disabilities

This program provides grants to nonprofit organizations that aid in supplying housing and services to individuals with developmental disabilities. Grants can be applied to building or rehabilitating community residential homes, individual supported living units, and apartments with permanent supported housing units. Development projects that are granted these funds must commit to serving

individuals with developmental disabilities and to keeping units affordable at or below 60% AMI. The Florida Housing Finance Corporation has a competitive selection process for these grants that includes the consideration of available employment opportunities and support for residents, additional funding from other sources to supplement grant funds, partnerships with other supportive service organizations, and plans for resident access to community service and amenities (Florida Housing Finance Corporation).

Program Contact: Robert Dearduff, Administrator, (850) 488-4197, rob.dearduff@floridahousing.org

Affordable Housing Catalyst Program

This program provides technical assistance and training programs to local governments and community organizations to aid in meeting affordable housing needs. The Florida Housing Coalition's technical assistance team is composed of highly skilled professionals capable of providing a catalyst for the development of affordable housing. Trainings include information about forming public-private partnerships, creating local housing assistance plans, crafting regulatory reforms, and financing projects (Florida Housing Finance Corporation).

Program Contact: Florida Housing Coalition, (800) 677-4548, info@flhousing.org

Appendix D: Stakeholder Interviews

City Dunedin	Dunedin Affordable Housing Dept		The main point of contact for those seeking affordable housing in Dunedin. According to their website, they do not offer Section 8 or housing vouchers, yet have other housing options available. Inquiries are handled by the Clearwater Housing Authority.
	Dunedin Development Services Development Dept		Development Services will need to approve zoning changes and opine on new land developments and if they are in compliance with the code provisions found in the Land Development Code. They also manage economic programs that increase home ownership levels, maintain existing community infrastructures, and provide financial incentives for new affordable
	Dunedin City Council	Commissioner Heather Gracy	The Dunedin City council will need to ultimately approve affordable housing projects after reviewing the proposals in a quasi-judicial and political context. Council members will need to be convinced the projects will not harm the characteristics of the community with particular regard to over-congestion and traffic and that the proposed AH project will be realistic and will require minimal municipal funding.
		Commissioner John Tornga	
		Commissioner Maureen "Moe" Freaney	
Mayor Julie Ward Bujalski			
City Manager & City Mayor	Jennifer K. Bramley & Julie Bujalski	The city management team will need to be on board any AH projects as they will make recommendations to the city council as to the viability of AH proposals and provide direction to city departments in order to implement the proposals.	
Planning	Pinellas Local Planning Agency	Chairman Regina Kardash	Appointed members that are tasked with making recommendations to the BOCC regarding development of, or changes to the Comp Plan. Review amendments to the LDC and other items to ensure consistency with the Comp Plan. The Pinellas Planning Commission will be an instrumental partner when it comes to approving comprehensive plan amendments for consistency with the plan. One example would be if developers earmarked 20-30% of their rental units below market rate, they would be allowed a higher density overall.
		Gerald Figurski	
		Bill Bucolo	
		Steve Klar	
		Susan Reiter	
Ronald Schultz			
Paul Wikle			
Forward Pinellas	Chairman John Morroni and members.	13-member board of elected regional officials representing county and municipal elements. As noted above, critical stakeholder with respect to transportation initiatives. Currently, the city of Dunedin has a representative on board: Mr. John Tornga (City of Dunedin Commissioner).	
West Central Florida MPOs Chairs Coordinating Committee	Various members	Coordinates projects "deemed regionally significant" including the Howard Frankland Bridge between Pinellas and Hillsborough Counties and U.S. 19, a principal route from Pinellas County to Pasco County. Regional transportation improvements could make AH initiatives more lucrative at the local level as such transportation improvements should generate economic benefits in the form of "improving access to regional activity centers and reducing delay." If not already strategized, AH locations would benefit from public transportation routes and stops and planned express bus routes. At the very least, Dunedin staff should be cognizant of major regional transportation improvements when scouting AH locations.	
Pinellas County	Pinellas Zoning Dept - Bruce Bussey, Community Development Manager	<p>Staff is supposed to work with the applicant to assess each and every comp plan amendment and present technical information to the Planning Commission for their approval. Housing costs are a very important factor in a community's quality of life impacting household budgets, transportation costs, school choices and many other aspects.</p> <p>The Pinellas County Board of County Commissioners has placed a high priority on affordable housing and has established innovative programs and incentives to increase affordable housing production and preservation. The Board established a community land trust program to preserve affordable housing for the long term; has allocated over \$20 million dollars to a local housing trust fund and an additional \$15 million of Penny for Pinellas funds for land assembly for the purpose of providing affordable housing. These funds, and those received from the State Housing Initiatives Partnership Program (SHIP) and Federal housing programs (HOME, CDBG, ESG), are utilized by Pinellas County to lower the cost of housing production and require units to be sold or rented to income eligible households.</p> <p>Pinellas County and the City of Dunedin have a strong partnership and have worked together to increase affordable housing with the availability of affordable housing programs that fund housing development and provide home rehabilitation loans and down-payment assistance loans. What are some current problems with affordable housing in Dunedin and Pinellas County? - High market demand for housing, influenced in part by the investment community, increases affordable housing challenges. This is impacting all of Pinellas County but has an even greater impact on the neighborhoods and communities such as Dunedin that are most attractive to buyers and investors.</p>	<p>What is your "vision" for the future of affordable housing in Dunedin/Pinellas? - To utilize Federal, State, and local housing grant funding in a way that facilitates the successful completion of projects that serve the low, moderate, and middle-income families in Pinellas; to provide financial support to projects that make a positive social impact as measured by location, quality of housing units, persons served, and other socio-economic measures; to leverage other private/public funding sources to the maximum extent possible; to be a good steward of grant funds; to assist mixed-income, high quality, aesthetically pleasing communities that enhance the neighborhoods in which they are located; assist in AH projects that are a component of mixed-use redevelopment projects that provide vibrant places & create an environment conducive for the type of residential development where services & amenities are within walking distance. To assist with AH developments that support economic development opportunities & job creation; assist developments that preserve existing housing stock through substantial rehabilitation; assist developments marketed toward mixed-income renters; Pinellas County does not require, and in fact discourages, projects with set-asides greater than 20% of units for households earning 50% or less of AMI or 40% of units for households earning 60% of AMI; exceptions can be made when the following conditions are present: a. property contains less than 50 units total, b. property is in need of major rehab to the extent that the cost of the rehab is expected to exceed 30% of the current property value, and c., property primarily benefits persons with disabilities and/or the elderly; and to encourage environmentally sustainable approaches.</p>
	Sherry Harris	Compliance Program Admin, Housing Finance Authority	<p>The Housing Finance Authority of Pinellas County (HFA) helps families and individuals in Pinellas County purchase their first home. The HFA's mission is to assure that financing for affordable housing remains available to the residents of Pinellas County. The HFA has also provided funding for the development of affordable multi-family housing for residents who desire rental opportunities.</p>

Private Sector

<p>MDH & Associates - Mr. Michael Horner, AICP - Mr. Horner is a diversified planning and zoning land use consultant who has worked in the Tampa Bay area for over 26 years and an additional 4 years as a government planner. He is certified by the American Institute of Certified Planners and has represented 1,000's of private property owners and developers in the review, filing and approval of rezonings, special use permits, alcoholic beverage licenses, variances and general land use analysis requirements for appraisers, engineers, surveyors and development industry. After being presented with some questions, he was able to give our team his opinion regarding affordable housing project feasibility in a beach community.</p>	<p>Unfortunately, the majority of our client Affordable Housing projects/approvals have been in the City of Tampa and Hillsborough County over the years with numerous target sector developments being approved and developed prior to the State/FHFC funding being significantly reduced in recent years resulting in most developers doing market rate projects. The competition for these limited funds is quite high and I am aware of only one project by our clients in Hillsborough being considered, Mango Station in Seffner for 93 villas/townhomes. I have represented the Richman Group of Florida on most of their prior affordable housing developments and they have been quite successful meeting this demand prior to funding restrictions. The last AH project we did for Richman was in Largo over 7-8 years ago which required both a Comp Plan change and Rezoning and it was limited to around 100 units as I recall.</p>	<p>I have not represented any other AH proposals in Pinellas County since then and have not represented any such proposals in Dunedin so I am sorry I cannot offer you specific guidance on this issue. Additionally, the smaller beach communities can be very difficult to work with given the myriad of specific regs and requirements as well as the 'local politics' influence which sometimes make outcomes less desirable. I do recall a recent Richman AH project being denied in Pinellas County after meeting all the requirements under the Plan and Code and they ultimately had to sue Pinellas County (and won) with a judgment of \$16 million which the taxpayers have to pay due to lack of impartiality by decision makers in the political arena.</p>	
<p>GENESIS GROUP - Mr. Kevin Mineer, AICP - Experienced developer with over 28 years of experience with land development in master planning, zoning, and the public hearing process. provides professional services related to zoning and land use issues, developments of regional impact, community planning, eminent domain, real estate due diligence, and growth management regulations.</p>	<p>What does AH project need to be politically realistic? Response: Don't call it affordable. Affordable has as much of a negative connotation as "the projects" or "section 8". In fact, in unincorporated Hillsborough County, opposition was so bad that about 15 years ago the county changed the code to circumvent the public hearing process for granting density bump ups for new affordable housing projects. I thought it was a bold move and showed commitment but the first time staff administratively approved a density bump up project next to an existing community, the outcry was so bad, the county changed the code back. I don't think they've done one since except in the poorest communities where people aren't motivated to complain. It has been my experience that the moment that approval requires a public hearing, it is opposed and dead on arrival. It's sad but true. What does AH project need to be viable in the long term? Response: By viable do you mean affordable long term? I don't think it is possible. If the housing increases in value, the market should be allowed to do its thing and the housing should be released to the highest bidder. If the neighborhood increases in value, locking a house down in value could cause it to not be maintained like other housing in the neighborhood.</p>	<p>What is the hardest thing about working with AH developments or even projects that have below market rate unit requirements? Response: In my opinion, affordable housing is used housing. New houses are very expensive per sq ft compared to retrofitting/repairing existing housing. I find it unfortunate that most grants are focused on new construction while not providing equal if not more money for repair. A one million dollar grant could build maybe 8 housing units but repair dozens of used houses that have plenty of years left but just need some TLC. Repair grants get the needy in the houses faster too and no public hearings. In comparison, if you had raw land, to rezone, design, permit, and construct, it is a two year process.</p>	
<p>Business Education American Urban Institute (Executive Director) , Klein and Heuchan Inc. (Asset Management), American Land Planning and Management (President)</p>	<p>Dr. Philippe Beau - Land Planning & Management Consultant</p>	<p>In general, what is your vision for affordable housing in Dunedin? Dunedin is an extremely attractive market, and equally desirable for tenants or buyers, but can be pricey. The city is a mix of (1) older and cheap housing, including old mobile parks, and (2) middle-market and expensive subdivisions, and new housing or apartment projects. So, there is definitely a need for more affordable housing, and maybe at some point even replace antiquated unsafe housing like mobile home parks. I developed and I currently manage a 30 home rental community in Dunedin, which is almost always 100% occupied with a 33% ratio of affordable townhomes for people at 120% of AMI. We would be interested in acquiring or developing similar projects in Dunedin.</p>	<p>What motivates you to partner with the City of Dunedin and tackle the issue of affordable housing? - I have a long and very positive history of development in Dunedin downtown, and partnership with the city; specifically with Bob Ironsmith. So, today, the clients I represent are very interested in benefiting from my excellent relationship with the city, and are not afraid of tackling affordable housing projects, because (a) it is their mission/preference, and (2) it is also one of my specialties. So, it is almost a natural and organic approach for us.</p>
<p>Do you enjoy working with the City of Dunedin? Is it a healthy and sustainable relationship? Indeed. See response to question 2 for history of relationship with Dunedin. They are the most pleasant municipality to work (with Pinellas Park which is a totally different market) in the county.</p>	<p>How are you able to profit from building affordable housing? Affordable housing is typically not developed by for-profit companies to the exception of projects that are built with tax-credits. So, profitability is not the first objective, although it is a necessary aspect of any business in order to: (a) cover overheads, and (b) obtain conventional financing. Affordable housing is typically less profitable than market housing, although, in most cases, it is more a question of controlling costs and buying properties well, rather than any other factor. It requires more effort but eventually numbers can and will work.</p>	<p>Would you recommend other for-profit organizations to come and partner with the City to address and build affordable housing in the area? Why or why not? Yes. We would be interested in sharing a large project with a mix of different zoning parts (like Encore in Tampa) if the city was to identify and manage a large site with a master plan. We like to work with Habitat for Humanity for example, or non-profits involved in the promotion of the arts, veterans, housing authorities, etc. For small projects, and mixed-used projects for example, it is better to have only one developer, but to still partner with other non-profits that are involved in occupying or promoting the project to their members.</p>	

Private Sector

	<p>Before you were partners with the city, what compelled you to look into Dunedin as a community that you wanted to impact? Very originally, when I started developing in Dunedin in 1990, the city was not yet a hot commodity, and I felt I could have an impact with more European style mixed used projects. So, although my projects were not classified as "affordable", the market, at the time, did not really command high prices. In 1998, I made a first partnership with the city and was selected in an RFP, while pricing was already moving higher, and the demand was brisk. Today, it is a much bigger challenge to develop in Dunedin, and even a greater one to develop affordable housing, although we did one 10 years ago, and we believe that there are some properties that could still be developed affordably, knowing that the extra effort is worth it because it translates into a high level of occupancy thanks to the desirability of the city.</p>	<p>What were the barriers that made it difficult to expand or begin operating in Dunedin? Were there political barriers, financial barriers, zoning regulating, lack of profit incentives, bureaucratic red taping and other government hindrances? At the very beginning, zoning regulations in downtown, and the fact that it was a sleepy town with building officials who were used to years of semi-stagnation, made it challenging to build there, and there were zoning and engineering barriers, which were fortunately eliminated later on, when the CRA and the downtown core zoning were created (mid 1990s), and more recently building was facilitated with the new form-based-code. The whole vision for downtown changed for the better when Bob Ironsmith was hired in 1993, in part because he came from the private sector, and he was a no-nonsense pro-growth advocate who was, at the same time, a community-oriented and quality of life visionary. His impact on Dunedin was considerable. He was instrumental in helping me develop several projects in Dunedin. However, Dunedin became the victim of its own success with real estate pricing going through the roof.</p>	<p>How do you want to expand you operations and involvement in affordable housing in Dunedin? We are currently looking for new sites, and opportunities to partner with the city. WE are interested in any alternatives that the city wants to bring about like Brown Fields, industrial repurposing, rehabilitation of commercial or condos into housing, etc... None of it can be done without an impetus from the city though because it will take acquisitions and focus on their part. At this point, it will be very difficult to accomplish impactful affordable projects unless the city is deeply involved in acquisitions, rezoning, partnerships with private developers, and providing incentives (financial or density bonuses), etc... Today, the city of Dunedin prides itself in being helpful to guide developers through a maze of development rules and building codes that they have to enforce but that they did not create per se (revisions of the Southern Building Code, the Fair Housing Act, and ADA) and which made building a lot more complicated over the years, regardless of municipality. The city has many very competent staff members like an ombudsman (who is a very dedicated woman) to guide developers through all the departments, and an excellent Planning Director, and very useful DRC staff meeting processes that are helpful to developers. That said, it can take several months, and up to a year, to go from concept to a building permit. The only drawback with Dunedin is that their interest in affordable housing is very recent, and until now they relied on the county and on their Housing Authority to create affordable housing in the city, and as a result, there is -for now- a very limited amount of financing, financial grants, or incentives to do affordable housing, as well as their lack of experience, but their awareness will lead to better programs. How likely are you to build more affordable housing in Dunedin within the next decade? - Very likely.</p>
<p>Eco Village Dunedin LLC - Chuck Berkett</p>	<p>Greenenergies Communities is a private developing company that has worked with the City of Dunedin to develop EcoVillage, a green energy using development that is designed to neutralize the energy output of homes and lower utility bills in order to make housing more affordable. This project is the first of its kind.</p>	<p>In general, what is your vision for affordable housing in Dunedin? Our vision is pretty simple. There is a solid demand in the marketplace for eco friendly, energy efficient, sustainable affordable housing among the mass market represented by low to moderate income homebuyers where reducing homeownership costs truly represents a significantly enhanced lifestyle.</p>	<p>What motivates you to partner with the City of Dunedin and tackle the issue of affordable housing? The only solution to being able to achieve our objective was to enter into a public/private partnership where the Pinellas County donated the land to the City of Dunedin and then the public sector donated the land to the developer free of up front costs on a 99 years lease which is passed on to the homebuyer. Having the land basically free of charge allowed us to remove the land cost from the equation and allowed us, the developer, to substitute a solar system and other energy efficient and sustainable features that provides the homebuyer with a competitively priced home that is not only sustainable but eliminates the cost of electricity forever. All features significantly reduce and stabilize the cost of home ownership. Without the City of Dunedin and Pinellas County's vision and subsequent support the project would not have materialized. Eco Village Dunedin is the for runner as to how affordable housing can and will be developed in the future. It's a win/win situation for all involved. Idle land is converted to the tax roles, homeowner benefit from owning an eco friendly sustainable home and the for profit developer is able to realize its profit goals.</p>
	<p>Before you were partners with the city, what compelled you to look into Dunedin as a community that you wanted to impact? Timing is very important is the success of any venture. About the time that we were developing our business model the City of Dunedin released a request for developers to submit a proposal (RFP) for the development of affordable housing project at their Lorraine Leland site. We seized on the opportunity and submitted a proposal that outlined our vision for our Net Zero Energy, Eco friendly, sustainable affordable housing business model. The City and County bought in to the "out of the box" approach we proposed and the rest is history.</p>	<p>What were the barriers that made it difficult to expand or begin operating in Dunedin? Were there political barriers, financial barriers, zoning regulating, lack of profit incentives, bureaucratic red taping and other government hindrances? Unfortunately when we began our development process we all underestimated the effect that the homeownership issues that occurred in the 2008 – 2013 timeframe would have on our ability to sell townhomes. Due to the fact that Eco Village Dunedin's land was placed into a 99 year land lease lenders would not loan money to homeowners for the purchase of a home so we were not able to sell units thus we couldn't obtain construction financing. This delayed our efforts for approximately 2 years until conditions in the marketplace improved and our buyers were able to obtain mortgage financing.</p>	<p>How do you want to expand you operations and involvement in affordable housing in Dunedin? Now that Eco Village Dunedin has become a reality we are anxious to expand our efforts with our City of Dunedin partners as we are also with other communities. We are currently exploring similar opportunities with the cities of Clearwater and Safety Harbor. We are confident that the business model works and can be expanded across our region and for that matter nationally. When all concerned benefit from a business model it's truly a winning concept.</p>

<p>How likely are you to build more affordable housing in Dunedin within the next decade? We hope very likely assuming there is currently unproductive land available that can be converted to state of the art affordable housing. Do you enjoy working with the City of Dunedin? Is it a healthy and sustainable relationship? Now that we have overcome the obstacles and we are off and running the relationship between all parties are excellent and we are hopeful that we can take advantage of what we have learned thru the process to develop future projects together.</p>	<p>How are you able to profit from building affordable housing? The process of our original "out of the box" thinking that was able to link up with the City of Dunedin and Pinellas County's vision has led to the development of the first of its kind affordable housing project in the nation. Being the "first mover" is an important ingredient in the success of any business. If we sustain the momentum we have achieved as the first mover in the marketplace will enhance our ability to establish our brand before others catch on. Would you recommend other for-profit organizations to come and partner with the City to address and build affordable housing in the area? Why or why not?</p>	<p>Of course we feel strongly that our affordable housing business model is the wave of the future. We welcome the competition as competition makes for a more robust healthy marketplace. Everyone would benefit from more cooperation among the public and private sectors. What are some current problems with affordable housing in Dunedin and Pinellas County? - No land left to develop and it's a small community that is established, so properties are expensive to purchase and convert into affordable rental.</p>		
<p>DUNEDIN CHAMBER OF COMMERCE The mission of the Dunedin Chamber of Commerce is to enhance the Greater Dunedin area's quality of life by promoting economic, civic, educational, cultural, and tourism development through business advocacy, leadership and support to members.</p>		<p>Total employment for the largest employers in Dunedin has increased slightly for most from previous years. The table on the next page shows the changes in employment of the major employers in Dunedin, and includes the addition of Achieva Credit Union, with their corporate headquarters and a branch on Virginia Street.</p>		
<p>Financers</p>	<p>PNC Bank</p>	<p>We take our relationships with community organizations seriously. Our Community Development Banking group is comprised of 80+ dedicated employees who work to boost the quality of life in low and moderate-income neighborhoods through financial education, consumer products, community development lending, investing and economic development.</p>	<p>Through leadership, technical know-how, strategic investments, community development loans and employee volunteerism, PNC is helping to build strong communities and create financial opportunities for individuals, families and businesses alike. At PNC, we're committed to affordable housing, community service, neighborhood revitalization and economic development.</p>	<p>We provide loans and investments to parties that develop and build affordable housing and community facilities. These parties include community development financial institutions, community development organizations, for-profit developers, faith-based organizations and any group serving low and moderate-income individuals and communities. We can also assist groups in working with government agencies and locating other sources for technical, financial or investment support.</p>
	<p>JP Morgan Chase</p>	<p>Provides financing for community development organizations that invest in the development of affordable housing and economic development projects in low- and moderate-income communities.</p>	<p>Construction financing: Construction, bridge and permanent financing for development of affordable rental properties using low-income-housing tax credits. Credit enhancements: Letters of credit and other products to support bond financing and other third-party transactions</p>	<p>New Markets Tax Credit financing: Loans and tax credit equity investor for eligible projects, with a focus on small business, not-for-profit and for-profit real estate projects, community development financial institutions, NMTC loan funds and more</p>
	<p>David Kelly</p>	<p>VanDyke Mortgage Corporation</p>		
	<p>Banc of America</p>	<p>Eileen Pope, senior VP</p>	<p>Operates as a subsidiary of Bank of America, which also engages in community development financing and has worked in the development of homes and businesses.</p>	<p>They partnered with the city of Tampa and the Tampa Housing Authority to create the Encore mixed income apartment complexes. Thus, they could be a potential partner for Dunedin in providing guidance related to community development finance solutions.</p>

Non-Profits	Bright Community Trust	Frank Wells, Board Director	What is your "vision" for the future of affordable housing in Dunedin/Pinellas? - Every city needs to have a good house of housing that includes housing for people that work in the city. We strive to partner with the City of Dunedin to provide affordable housing for people who live in the city and even in the periphery of the city limits & Additional units acquired or developed in small portions (10-50 units at a time) scattered throughout city for rent that are affordable to low income households.	2. What motivates you to partner with the City of Dunedin and tackle the issue of affordable housing? Dunedin is a good example of a thriving city. Its highly desirable. People loves the quality of life there. This compounds the housing crisis. It is a small scale example of the affordable housing issues faced in large desirable cities.	
			3. Before you were partners with the city, what compelled you to look into Dunedin as a community that you wanted to impact? Bright Futures has a regional vision for Tampa Bay. They want to support affordable housing for everyone in the area. They wanted to focus on the more challenging areas of the Bay area like Dunedin.	4. What were the barriers that made it difficult to expand or begin operating in Dunedin? Were there political barriers, financial barriers, zoning regulating, lack of profit incentives, bureaucratic red taping and other government hindrances? The biggest issue is the lack of availability of developable land that provide space to develop homes on a large enough scale that will have a sustainable impact on affordable housing in the community. NIMBYs and community resistance are often echoed by the city officials. High prices for limited land available ad that would require higher levels of subsidies. Zoning changes that are needed often incite a negative NIMBYs reaction and resentment.	
			5. How do you want to expand you operations and involvement in affordable housing in Dunedin? We'll continue to look for opportunities that may come up from private people. More subsidies may come into access as housing situation worsens. May take regional look at community and foster projects in Clearwater or other areas in other to make impact – building affordable housing in communities where people live and commute to Dunedin.	6. How likely are you to build more affordable housing in Dunedin within the next decade? Likely to do some affordable housing projects in Dunedin, even though it might be easier to do something like Eco Communities for moderate income level workers and build working class housing. Perhaps building housing that's one step up the housing ladder would be a big jump for residents in small, cramped housing. This would also free the other house as well.	7. Do you enjoy working with the City of Dunedin? Is it a healthy and sustainable relationship? Yes. They are good to work with, like working each other. Wish there were more opportunities to work together. 8. Would you recommend other non-profit organizations to come and partner with the City to address and build affordable housing in the area? Why or why not Yes. Other non-profits know how to serve certain income AMI ranges like Habitat for Humanity serves 30-80% of AMI while we serve 50-150% AMI. The more the merrier.
	Tampa Community Development Corp	The Tampa CDC is a nonprofit specializing in rendering financial tools, guidance, and services that stabilize home owners. For example, they provide mortgage reinstatement monies, help reduce principals in underwater mortgages, assist with credit restoration, help with down payment funds, and provide classes and counseling.			
	Beneficial Communities	Beneficial Communities is a developer that is dedicated to building high quality units and communities for various groups of people. Many of the people helped by this developer are able to afford high standards of living. But Beneficial Communities also seeks to serve groups of people who are underserved in their community. Beneficial Company have an assortment of projects under their belt including communities build for seniors, working class residents, and middle to higher middle class residents. Beneficial Communities has a desire to help communities with pressing housing needs and is experienced in turning "former steel mills and designated brown fields into cherished senior communities" - Beneficial Communities website	Beneficial Communities has benefitted from its almost 30 years of experience and its network of financial and political resources.	Beneficial communities has 8 senior apartments in Florida, Pennsylvania, and Alabama. 6 of the 8 are in Florida.	
	Housing Trust Group	Housing Trust Group (HTG) has recently started developing quality affordable apartments and housing communities in Avon Park and Belle Glade in Florida. The Avon Park project was mixed income development with 35 units being set to "high home rents" and 9 for "low home rents." The Belle Glade project involved massive rehabilitation of existing property and resulted in 144 affordable housing units.			
	Habitat for Humanity - Mike Sutton	Incentives. Other municipalities are working to assist and help offset the high cost of construction for builders and developers. Some of those ways are reduced permitting fees, shorter wait times for permitting, relaxing zoning requirements, and potential help with land sources, one of the biggest obstacles in Dunedin.	As mentioned above, the availability of affordable land. Dunedin is a small community and land cost is extremely high, therefore making it unaffordable to build there. Housing costs. The average cost to purchase a new home in Dunedin is higher than other more affordable neighborhoods in Pinellas County. To go along with our mission, "A place where everyone has a decent, affordable, place to live"		

Federal	CDBG & HOME	HOME investment Partnership Program is the largest federal block grant used in buying, rehabilitating, and building affordable housing for state and localities that are identified by the grants formula. This grant money can also be used in low income renters assistance.	
	ESG	Emergency Solutions Grants Program	Helps alleviate burden of housing for homeless people, funds are available annually and are awarded by the Dept. of Children & Families through a grant application.
	US Department of Housing and Urban Development	Cabinet Office in the Executive Branch of the USA.	
	SHIP	Secretary Ben Carson	While geared towards assisting with rental payments rather housing ownership, the federal government's HUD program assists low-income applicants with their housing needs through housing choice vouchers. Real estate transaction doc stamp taxes fund 70% of SHIP in Florida.
		FL061 (Public Housing Agency	USA HUD works through local public housing agencies to manage such programs as the Low Rent Public Housing and Housing Choice Voucher Programs
		Miami Field Office - Bob W. Cook, Acting Field Office Director	The designated public housing agency for the city of Dunedin is the St. Petersburg Housing Authority, which is located at 888 Executive Center Drive West, Suite 100, Saint Petersburg. They can be reached at (727) 323-3171.
		Jacksonville Field Office - Alesia Scott-Ford, Field Office Director	While HUD has little to do with affordable housing infrastructure maintenance, it may be helpful to obtain data from the local offices regarding affordable housing assistance requests emanating from the city of Dunedin and surrounding cities in order to measure the needs of the region.
State	HPRP	Homeless Prevention & Rapid Re-Housing Program - Made available to state and local governments participating in the ESG Program. Formula grant that provides short- and medium-term rental assistance to families currently housing but at a risk of becoming homeless, and individuals and families that are homeless.	
	NSP	Federal program created in 2008 with the Housing & Economic Recovery Act of 2008, in response to foreclosures and property abandonment. The program seeks to stabilize neighborhoods negatively impacted by foreclosure. Counties administrates grants in order to acquire, renovate, and sell foreclosed properties to eligible families.	
	State Apartment Incentive Loan Program	Provides low interest loans on a competitive basis to affordable housing developers each year. The funds "bridge the gap between the development's primary financing and the cost of the development." SAIL dollars are available to individuals, public entities, non-profits, and for-profits that "propose the construction of substantial rehabilitation of multi-family units. Applicants apply for funding through the Florida Housing Finance Corp's RFA process. Funded by doc stamp taxes on real estate transactions.	
	Sadowski Housing Trust Fund	Coalition of 30 statewide organizations, whose goal is to obtain dedicated revenue sources for Florida's affordable housing programs.	

This Page Intentionally Left Blank

