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## Broward County commissioners struggle on affordable housing issue

By Scott Wyman  
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If the Super Wal-Mart opens as planned at Hillsboro Boulevard and State Road 7, the company will pay a fee of about \$275,000 that Coconut Creek will use to help create more affordable housing, the first tax of its kind in South Florida.

The city began imposing the fee on new businesses this year.

While Coconut Creek found a workable formula, Broward County commissioners last week derailed two of the top ideas they had to respond to real estate prices that have left even middle-income families unable to buy an average home.

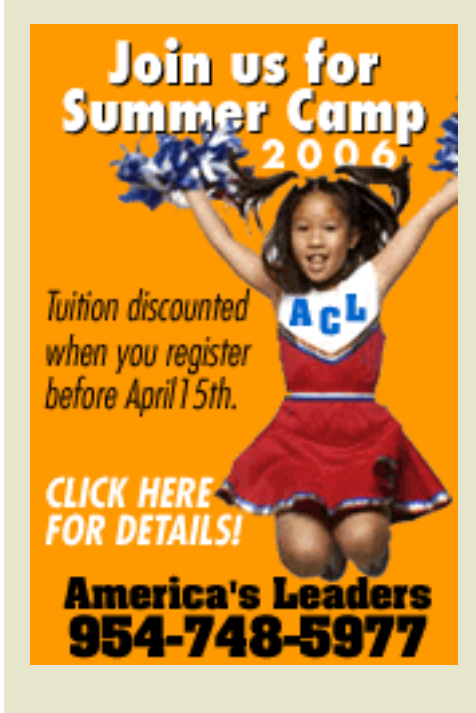
County commissioners refused to pay for a study needed before they can establish a housing impact fee. They also questioned resale price restrictions their staff and their affordable housing task force want to impose on people whose homes are built using county incentives.

"I am so frustrated because we are in the middle of a crisis and we have to act," said Commissioner Kristin Jacobs, the head of the housing task force.

Those who challenged the proposals at Tuesday's commission meeting said they are not against affordable housing aid, but think the direction was wrong. They charge that the impact fee smacks of being anti-business and that the restrictive covenants could create slums by keeping prices low.

"If we come out with an affordable housing policy that goes well beyond affordable housing and talks about taxation or creates depressed zones, we will get into a situation where people are resistant," Mayor Ben Graber said.

Broward took the first concrete steps on the problem last month when it asked the state to review a proposal requiring cities to address affordable housing anytime they seek approval for major residential developments. The fee study and the restrictive covenants were to be the second phase.



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Affordable housing impact fees have been common since the 1970s in cities facing escalating real estate prices, including San Francisco, Boston and Seattle. New Jersey imposed the fees statewide this year.

The fee is usually charged on new commercial, industrial and luxury home developments because they create a need for low-paying workers who will need housing. It's similar to other fees charged on new businesses to address the impact on schools and roads.

The idea faces opposition in the development industry.

"If we believe it should be a communitywide effort to ensure housing for police officers, firefighters, nurses, teachers and clerks at Winn Dixie, then we should find a way to get those industries to participate rather than shouldering the burden on the development community," said Skeet Jernigan, president of the Community and Economic Development Council.

The restrictive covenants would have been placed on any development where homes would be offered at prices affordable to middle-income families because of help from the county.

The county would cap the resale price of the property for 30 years, allowing the owner to seek only their original investment and an adjustment for inflation. They also could recoup only the value of improvements that expanded the living space of the home and were approved in advance by the county.

Graber and Commissioners John Rodstrom and Josephus Eggelletion charged that the proposal was too restrictive and went against the notion of a home being a family's main investment. People who owned those homes would have no incentive to keep up their home or make other improvements, like better landscaping or new flooring and cabinetry, they said.

While Jacobs defended the restrictions as necessary to ensure there is affordable housing for decades and to prevent people from pocketing the county's investment, other commissioners said the restrictions would devalue surrounding property.

Those on both sides said the waffling at the county was inevitable given the complexity of the issue. One key player in the affordable housing debate, Pembroke Pines City Commissioner Angelo Castillo, suggests doing simple solutions first, such as creating a fund for cities to tap for home construction.

"What I think is we are over-thinking it," Castillo said. "We need momentum to show people affordable housing can be done correctly and won't harm their community. If we keep talking and talking, it will be too late."

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