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Building political drama

They saw it coming nearly four years ago and did little. Now, prices in south Lee have pushed workers farther north, and leaders are scrambling to come up with a solution to the crisis.

By Deirdre Conner

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Don't be fooled by the recent attention. Affordable housing isn't a new concern.

After all, it was nearly four years ago when Lee County officials learned that a shortage of work force housing cost the community \$250 million a year in lost jobs, taxes and economic opportunity.

It was a wake-up call, some say.

Others say the alarm didn't rouse anyone.

But most now agree on one thing: Little progress was made on what Commissioner John Albion in 2002 called Lee County's "dirty little secret."

Then, in the blink of an eye, something happened that no one fully expected. Something seismic. Suddenly, instead of steadily increasing, home prices started skyrocketing, spiking especially in the south end of Lee.

In just two years, the housing market in Bonita Springs, Estero and San Carlos Park radically shifted. The number of single-family homes priced under \$200,000 dropped 71 percent. Once-affordable neighborhoods evaporated into a northern extension of high-priced Collier County.

The housing crisis is no secret now. Whether it's called affordable housing or work force housing, it's on the lips of every Southwest Florida resident and, nowadays, every politician in the state.

As the market sprinted ahead, the political landscape in Lee County has remained largely static. Will a new tidal wave of publicity and discontent be enough to spur leaders to action — action that may put them at odds with developers and businesses?

The most important factor in addressing what is now widely regarded as an affordable housing crisis,

experts say, is political will and leadership. But the real question may be this: How close are we to the tipping point in the affordable housing debate? When will the politics in Lee County and Southwest Florida center on the disappearing employees and gridlocked roads that are crippling the community? It's anyone's guess.

The bad news is this: There's no easy solution, and in a political climate like Lee County's, the solutions that do exist are not popular.

But there is good news: Public opinion on affordable housing is turning, and some are scrambling to jump on the bandwagon.

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See that beat-up minivan parked in the back of the strip mall? It's been there a while. Makes you wonder. Does someone live there?

Someone might.

Joan Gerber knows. She's seen first-hand what happens when the poorest workers among us are driven out, unable to scrape up the rent. They leave town. Or worse.

"We have to do something to make sure those families don't become homeless and sleep in their car, which is what happens down here," Gerber said.

You see, not everyone agrees in the often-acrimonious debate over who needs the most help as the cost of housing reaches for new heights. Gerber, who had to downsize her cleaning business, says there's one group of people who are suffering most: Low-income workers.

The dearth of housing for them is staggering. The Bonita Springs Housing Development Corp. has 300 people on its waiting list and turns down new applicants for upcoming projects. Lee County's Housing Authority has a 2- to 4-year waiting list for public housing. It doesn't accept applications for Section 8 rental assistance, nor does the city of Fort Myers.

On the other hand, the middle class is struggling more than at any other time. They are the households that earn \$43,400 to \$81,150 a year but still cannot buy a median-priced house in Lee. They make up almost two-fifths of the work force here, according to a 2005 study commissioned by the county. And they don't qualify for down-payment assistance.

"Before we were focusing on the low and very low (income), and now we see a lot of moderate income people who can't find housing," said Gloria Sajgo, principal planner for Lee County.

They are the group that may change everything.

A middle-class housing crunch alters the political dynamics, said Gerrit Knaap, director of the National Center for Smart Growth at the University of Maryland.

“When it’s only the very poor, everybody pretends to be concerned but isn’t really concerned. When it’s the middle class, there’s more genuine concern,” he said.

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In 2003, the cost of housing here was a deepening furrow in the brow of county leaders. Now it’s causing genuine alarm, in part because Lee County’s average home is now many times more expensive than what a median income can afford.

And despite an expected cooling in the real estate market, it may be too late to significantly ease worker shortages and unsnarl the traffic jams that result when home prices force people to live many miles from where they work.

“(The tipping point) is hard to identify, because the majority of people tend to own their own house, so they tend to benefit from this. It rarely occurs that a political majority becomes opposed to rising house prices,” Knaap said.

But that may be just what’s happening.

In 2002, the Bonita Springs City Council quickly dismissed the notion of charging an occupational license tax to help pay for housing. Recently, though, challengers Martha Simons and Richard Ferreira defeated incumbents in part on affordable housing platforms. And the city may again consider a business tax or impact fee to help with affordable housing efforts.

Lee’s explosive growth only adds to the complex web that leaders must untangle. It seems opportunities for affordable housing vaporize daily.

Witness Glade Haven, a trailer park in east Bonita, just off Terry Street and across from the new YMCA. The park, with about 70 trailers, is considered by most an eyesore, with run-down single-wides and dusty, unpaved roads.

Soon, the new owner will evict everyone in the park to make way for new townhouses that will sell for prices well beyond the reach of current residents, who might pull down \$400 a week in landscaping, construction or farm jobs. Will they crowd into the cramped houses of family or friends? Will they leave town, vacating jobs so few clamor to fill? Will they become homeless?

Another symbol of the changes in southern Lee County is the Centex Homes housing development.

Hawthorne, as the 500-unit community is known, rises from the last large piece of empty land west of the interstate in Bonita Springs, off Old 41 Road just north of Rosemary Park. It is the first phase of a project that could eventually contain 1,500 homes.

When Centex announced plans for Hawthorne in January 2005, it said prices would start between \$200,000 and \$300,000. It was then that Paul Rondeau, director of sales and marketing in the company's Naples office, said the project would offer "affordable housing for families or preretirees," and was "altruistic on Centex's part."

What a difference one year makes.

Local statistics show that even well-paid professionals couldn't afford to buy into the neighborhood these days. The cheapest model, a carriage home, now starts at \$372,000.

Models suggest an income of \$83,000 — on average, that's the combined income for a paralegal and budget analyst in Lee County — would be able to buy a home of no more than \$300,000.

Rondeau declined repeated requests for comment.

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What if the government required a certain percentage of large new developments like Hawthorne to include units affordable for low or moderate incomes? It's an idea known as inclusionary zoning.

Inclusionary zoning is a well-known idea, one that academic researchers agree on as an effective tool to address an affordable housing crunch. Collier County is considering a policy that would require developers to devote 15 percent of housing in a new development to low- and moderate-income housing or pay their way out. In Lee County, though, that idea has met with cool reaction.

To say builders don't like it is an understatement. The city of Tallahassee has already been sued for its inclusionary zoning ordinance.

There's a simple reason that builders don't like inclusionary zoning policies, said Michael Reitmann, executive director of the Lee Building Industry Association.

"The reason they're not building affordable housing is because it's not profitable. If you can't make a profit, you're not going to build it," he said.

The unanswered question is this: If government makes it less profitable to build in paradise, will the construction stop? Or if governments take steps to make affordable housing more profitable — say, by drastically increasing allowable density or permitting affordable housing in areas now off limits to development — will environmentalists and slow-growthers fight those solutions?

No one seems willing to find the answer.

Building industry groups throughout Florida have vowed to fight some affordable housing measures, and their political clout is strong both here and in the state Legislature.

A key feature in the political landscape is balancing growth with the work force housing crunch. One of the biggest obstacles can be facing down current residents concerned about traffic, growth and the environment.

“The last one in always wants to close the door after them,” Knaap said. “But if you have a housing affordability problem, one of the best ways to address it is to build more houses.”

That’s why developers have to be part of the solution, Reitmann said.

“Only the private sector can solve this problem,” Reitmann said. “It cannot just be builders and developers, it cannot just be government, it cannot be just employers.”

Still, Reitmann said, he thinks developers “are doing everything they can.”

He pointed to dramatic impact fee increases, especially in Bonita Springs, as well as spiking costs for land and construction materials as factors making it tough to build moderately priced homes.

Developers aren’t the root cause of the problem, most agree. That doesn’t always mean they enthusiastically embrace solutions.

“Their role is to make money That’s why they’re in business,” Knaap said. “They’re just responding to market forces. They’re not the cause, but they could do more.”

For now, the cost of housing is driving Collier and south Lee workers farther north, or out of the area altogether. Unemployment dropped to 2.2 percent in March, not far from the lowest point experts say is possible, as the work force flees.

They won’t be able to run away much longer. Even Lehigh Acres, the last bastion of sub-\$200,000 single-family houses and home of the two-hour commute, is getting pricey.

“The problem was apparent four or five years ago,” Reitmann said. “Now, people are commuting from Charlotte County. That is not solving the problem.”

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