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Roadblocks to affordability

Developers want to build housing. Collier's political leaders want less-congested roads. The conflict is clear, and neither seems willing to yield what they view as the right of way.

By Gina Edwards, Denise Zoldan

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Nobody wants it in their backyard: Traffic congestion, that is, even more so than affordable housing.

Efforts to solve Collier County's affordable housing crisis have stalled in the past year because county commissioners have resisted sacrificing their most sacred political cow — adequate roads.

"I voted for a road, not against affordable housing," Commissioner Donna Fiala said of her February vote against an affordable housing development off Collier Boulevard.

Roads are at the center of the affordable housing debate between Collier commissioners and developers who are clamoring for regulatory and fee relief.

Developers say Collier's checkbook-style traffic management system, which aims to make sure roads can handle new development before it occurs, is the state's toughest. Collier's building industry has gone to court to fight the county's impact fees on new development, which are among the highest in Florida.

Commissioners are expected in May to finish a round of impact fee hikes that will raise the fees on a 2,000-square-foot home from \$17,000 to \$29,000. Such steep fees are enough to put housing out of reach for teachers, firefighters and sheriff's deputies, builders say.

Impact fees, regulatory costs, zoning policies to restrict new development — all of these tangle up the debate over affordable housing and all have brought Collier commissioners and the building industry to a political standoff.

It's not just affordable housing that's on hold.

Commissioners Fred Coyle and Fiala formed a voting bloc to create a de facto halt to all new development approvals. Four of the five commissioners must vote for a rezoning approval.

Both believe Collier's building industry lobbied behind the scenes last year for state growth management legislation that undermines the county's 2-year-old traffic management system to make sure new development can't go forward on clogged roads.

Al Zichella, president of the 1,500-member Collier Building Industry Association, denies it.

Now, Coyle says he won't approve rezonings until he knows whether the Legislature will restore Collier's authority to impose stricter development rules than the state's.

The stalemate is hitting developers where it hurts. Land broker Ross McIntosh said he lost a \$20 million deal in recent months because of the uncertainty of zoning.

The stakes are high. Neither side wants to stand down.

Slowing growth

Six years into a catch-up road-building agenda, commissioners have slowed development by cutting the number of homes allowed per acre.

In government jargon, the number of homes per acre is called density. To a majority of Collier commissioners, density might as well be a four-letter word, developers complain. But to affordable housing advocates, density is a key ingredient to getting less-expensive housing to the marketplace.

Commissioner Jim Coletta said one can't be for affordable housing and against density.

"Something's got to give," he said, contending density rules shouldn't apply to affordable housing.

But more houses or condos in new developments means more drivers on gridlocked roads, Coyle counters.

Lower density has compounded the county's affordable housing problem, developers and advocates say. Housing that middle-income families could afford sprawled east and north of the Naples-area jobs, exacerbating traffic congestion.

At the same time, a regulatory bottleneck choked back thousands of new homes and condos from the market. Collier's traffic management system, called concurrency by planners, is delaying developers from building more than 3,900 homes and condos that already have zoning approvals, county estimates show.

The invisible hand

The restricted housing supply helped boost prices.

So, theoretically, an increase in the number of homes or condos allowed per acre should reduce the cost of homes, advocates say.

For example, when an acre costs \$400,000 and developers build eight homes, each home pays \$50,000 for the lot. But when only four homes are permitted, each absorbs \$100,000 of land costs.

Coyle contends increasing density only adds to the building industry's profits.

"I do not believe we should line their pockets with gold," Coyle said.

Government didn't create the affordable housing crisis — high land costs did, he said.

"Most members of the private sector are looking to government to solve this problem," Coyle said.

Zichella responds that the industry shouldn't have to apologize for profits.

"Are we a capitalist community and are people allowed to be successful?" Zichella asks.

The private sector can't solve the housing problem on its own, he said.

"Losing money's probably not an option," Zichella said.

Political jam

Zichella believes if the county eases up on its road congestion rules, new development could move forward and the free market could take over to provide less-expensive housing.

If roads are a higher priority than affordable housing, that's a policy matter, Zichella said, and "for the broader community, it may not be the best decision."

Allowing more homes when the roads aren't ready isn't what Coyle thinks people want.

"Throw concurrency out the window? How do you think the people of Collier County are going to feel?" Coyle said. "I think they'll feel very angry."

So, in February, Coyle and Fiala blocked a rezoning for Rockedge, a 400-unit community off Collier Boulevard that would have set aside 111 townhouses for residents who make 80 percent or less than the area's median income. Both cited traffic concerns.

“If they would simply approve some affordable housing projects that do come before them, and not give affordable housing developments such a hard time, they might not need linkage fees and inclusionary zoning or donations,” said Bruce Anderson, a land-use attorney who represented Rockedge’s developer.

A controversial proposal called inclusionary zoning unveiled this month would force developers to set aside 15 percent of each new development for affordable and workforce housing. Developers defeated the idea three years ago.

That was before home prices almost doubled in some neighborhoods and the area’s median single-family home price topped \$500,000.

Inclusionary zoning could be Collier’s most intense political clash in years.

As providers of housing, Zichella said, developers are essential to solutions, but right now the industry doesn’t have a seat at the table.

“Everybody needs to grab an oar and pull,” Zichella said.

Will they?

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