



## Collier leaders continue to work toward housing solutions

By I.M. STACKEL

Tuesday, March 4, 2008

---

A slowing economy is freeing up several affordable housing options for Collier County workers, but not enough.

A presentation was made Tuesday to Collier County commissioners by county employees using figures from Collier County Property Appraiser Abe Skinner's office. But as Commission Chairman Tom Henning pointed out, some of those numbers are more than a year old.

There could be even more available housing than noted.

Some commissioners asked if affordable housing needs can be based on median wage rather than median income, a \$20,000 difference in the Naples area because of so many wealthy retirees.

The answer was no, because of federal and state guidelines, but illustrates an interesting point about the Naples-area housing market.

The median wage is in the \$34,000 range. The median income is around \$54,000.

That's an important distinction because of how much should -- or could -- be set aside to buy a house or condominium.

Lisa Carr, a county housing outreach coordinator, presented three scenarios to commissioners Tuesday of people she managed to help get into homes, as a way of illustrating some of the difficulties prospective buyers could face.

The first example was a single 28-year-old mom, holding down two jobs for a total income of \$41,000 a year. She purchased a home for \$185,000. However, her challenge was that she had to live with her mother for a year in order to save money for a down payment.

The second profile Carr presented was a teacher, 24, single, with a \$38,000 income. She bought a house for \$250,000, but had obtained down payment assistance from a family member.

The third example was a family. The couple, ages 42 and 35, have five children, and are living on a combined income of \$47,000. In addition to trying to find the money for a down payment, the couple had to pay off several medical bills that had been turned over to a collection agency.

With the help of a state bond, they bought a \$200,000 home, Carr said.

"These are just some of the success stories," Carr said.

County, state and private-sector programs have been working very well, especially since prices have been coming down.

One of these programs is the Collier County Loan Consortium.

Collier Housing Director Marcy Krumbine said lenders are willing to work with prospective buyers, but that is after those clients have been counseled and attended classes on financial health. They are shown how to clean up their credit, as well as save money, not just for a down payment, but for repair and maintenance, Krumbine said.

"Not everyone is willing to take those steps for home ownership," she said.

There also is a rehabilitation program if someone wants to buy a less expensive home that is in disrepair and needs upgrading and maintenance.

"We are looking at a new program for fall to invest in current stock," Krumbine said.

That would involve placing the units in a sustainable program, meaning that if the home is resold, it goes to another person who is in need of affordable housing.

Generally speaking, housing that could be considered affordable would conform to the following formula: the person's annual income multiplied by 3 or 3.5 percent would be the range of price for the home.

That means that someone earning \$69,200 should purchase a home for \$207,600 to \$242,000.

That may sound inexpensive to those who watched the real estate market for the past five years, but it is still unobtainable for someone earning around \$35,000, who shouldn't spend more than \$100,000 to \$120,000.

There aren't many condos or homes for sale in Collier County in that price range.

"A couple of years ago, there was nothing under \$250,000 for sale," said Sam Durso, president and chief executive officer of Habit for Humanity of Collier County.

Durso asked county leaders to revise their impact fee deferral program so that the process is faster.

The county has approved 4,500 condominiums or houses that haven't been built yet, and "a lot of those aren't going to be built," Durso said.

"Not without impact fee deferrals. We have 40 or 50 houses that we can't close on" because of the way the county approves impact fee deferrals, Durso said.

It would help tremendously if county government would find a speedier way to approve those deferrals, he said.

County leaders agreed, in concept, to allocate the balance of their impact fee deferral dollars to development projects that are geared to those with very low incomes.

---

© Naples News