

24. HOUSING

- A. 1. If the proposed development contains residential development, provide the following information on Table 1 for each phase of the development.**

**Table 24.A.1
Dwelling Units
Riverbend DRI
(2008 Constant Dollars)**

Number of Dwelling Units						
Housing Cost*	Single-Family	Apartment	Condominium	Mobile Home	Townhouse	Total
<u>Owner-occupied</u>						
\$200,000 – 280,000	0	0	197	0	0	197
\$250,000 – 350,000	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>30</u>	<u>30</u>
Subtotal	<u>0</u>	<u>0</u>	<u>197</u>	<u>0</u>	<u>30</u>	<u>227</u>
<u>Renter-occupied</u>						
\$1,350 – 1,950	0	200	0	0	0	200
Total	0	200	197	0	30	427

* Housing Cost refers to the rent and price ranges shown below.

** Other refers to townhouse (single-family attached) units.

- 2. What number and percent of lots will be sold without constructed dwelling units? What is the extent of improvements to be made on these lots prior to sale?**

The project will involve only the sale or rental of finished units. No lot sales are anticipated to residents will be made.

- 3. What will be the target market for the residential development (break down by number, percent and type the number of dwelling units to be marketed for retirees, families, etc.) What portion will be marketed as second or vacation homes?**

The residential program for the Riverbend DRI is comprised of 427 units. It is anticipated that the project will be primarily marketed to permanent residents of Broward County; however, it is possible that a portion of the units, likely small, will be used as second homes by people, including those who may ultimately use them as their primary residence during retirement. Given the types of units that will be offered, it is anticipated that the proposed units will have their greatest appeal to households without children or with very young children. These will include both younger households, inclusive of singles and couples, as well as those whose children are grown and no longer living with their parents.

- B. Indicate and discuss the availability or projected availability of adequate housing and employment opportunities reasonably accessible to the development site. Housing opportunities should be described in terms of type, tenure, and cost range and location within the following circumscribed areas: adjacent, two miles, five miles, ten miles, and within the local jurisdiction or county. Employment opportunities should be described in terms of two digit SIC code numbers located within the local jurisdiction with estimated distances or transit times to the development site.**

The Housing Demand, Supply and Need Methodology for Assessing the Affordable Housing Impact of Developments of Regional Impact (the "Methodology"), developed by the East Central Florida Regional Planning Council and amended June, 1999, was used as the basis for evaluating the adequacy of the affordable housing supply that will be available to people working in the new non-residential space that would be built at Riverbend DRI that will require very low, low and moderate income housing.

The four specific components of the Methodology are as follows:

- Estimating the Demand for Affordable Housing
- Estimating the Supply of Affordable Housing
- Estimating the Need for Affordable Housing
- Mitigating the Deficit of Affordable Housing

Estimating the Demand for Affordable Housing

The Riverbend DRI provides for 3,381,000 square feet of office space, 550 hotel rooms and 1,146,000 square feet of retail space inclusive of food and beverage outlets and personal service establishments. It is estimated that a total of 13,492 people work at the project when it is completely developed based on the following assumptions:

- According to discussions with commercial realtors and property managers, private sector office space is typically occupied by 4 people per 1,000 square feet, a figure supported by the 7th Edition of the ITE Manual. The analysis further assumes that occupied space will account for 82 percent of the total space, with the result that 11,087 office workers will be employed at the Riverbend DRI.
- According to discussions with hotel operators as well as the American Hotel & Motel Association, a full-service property will employ 0.75 employees per room while limited service properties employ 0.35 workers per room. Assuming 1 full-service property of 250 rooms each and 2 limited service hotels of 150 rooms, a total of 293 hospitality sector workers will be employed at the Riverbend DRI when fully developed.
- The project will contain 1,146,000 square feet of retail space including 100,000 square feet that will be occupied by food and beverage establishments and 50,000 square feet that will be occupied by personal service establishments. It is estimated that approximately 667.7 percent of the retail space will be occupied by "big box" stores. A recent survey of a group of such businesses that will be locating in a new retail center being constructed in Homestead indicates that they employ 1.5 workers

per 1,000 square feet. The survey, which is summarized in Table 24.B.1, is contained in Appendix 24.B. 1. The employee population within the remainder of retail space as well as the space occupied by restaurants and personal services are expected to employ 2.5 workers per 1,000 square feet, a figure supported by the 7th Edition of the ITE Manual and used in a number of approved DRI's including those for Village of Merrick Park and Kendall Town Center. On this basis, the 1,146,000 million square feet of retail space will be occupied by 2,109 workers.

**Table 24.B.1
Employment by Selected Tenants
Homestead Pavilion**

NAICS Code	Retailer	Square Feet	Employees *
443	Circuit City	20,304	40
448	Ross	30,186	40
451	Michael's	21,300	32
451	Sports Authority	42,124	60
452	Kohl's	88,904	120
453	Staples	20,388	30
	Total	223,156	322

* Includes full-time and part-time workers.

As shown in Table 24.B.2, it is further estimated that between 4,132 and 4,276 of the future workers at the Riverbend DRI will require housing affordable to households of very low, low and moderate income, depending on the method used to distribute the workers by income category. The first method, specified in the Methodology, distributes the workers in manner consistent with a bell curve. The second method adjusts the bell curve distribution so that the total estimated earnings of the workers approximate (within 3%) the total wages that will be paid to the workers at the Riverbend DRI. The total wage amount, referred to as the "control number", is the figure calculated by multiplying the average income of the workers as reported in the 4th quarter 2007 ES-202 Report issued by the Florida Agency for Workforce Innovation by the number of workers that will be employed at the project.

**Table 24.B.2
Demand for Affordable Housing
Riverbend DRI**

Land Use	Very Low Income	Low Income	Moderate Income	Total
Bell Curve Approach				
Office/Banking	58	95	142	295
Office/Securities	52	87	134	273
Office/Insurance	58	95	142	295
Office/Real Estate	64	99	152	315
Office/Professional Services	125	283	390	798
Office/Health Care Services	87	125	187	399
Office/Communications	83	262	264	609
Office/Construction	30	57	79	166
Office/Computer Manufacturing	27	54	73	154
Office/Transportation Manufacturing	30	57	79	166
Hotel	14	38	49	101
Retail/Furniture & Home Furnishings	9	30	28	67
Retail/Electronics & Appliances	7	17	22	46
Retail/Food & Beverage	10	23	30	63
Retail/Health & Personal Care	3	8	15	26
Retail/Clothing & Accessories	21	26	35	82
Retail/Sporting Goods, Hobby, etc.	8	9	16	33
Retail/General Merchandise	35	90	98	223
Retail/Miscellaneous	8	9	17	34
Retail/Restaurant	10	39	39	88
Retail/Personal Services	8	14	21	43
Total	747	1,517	2,012	4,276
Control Number Approach				
Office/Banking	33	116	148	297
Office/Securities	5	13	191	209
Office/Insurance	10	75	177	262
Office/Real Estate	64	113	148	325
Office/Professional Services	39	181	509	729
Office/Health Care Services	39	195	172	406
Office/Communications	21	85	415	521
Office/Construction	6	33	100	139
Office/Computer Manufacturing	0	16	101	117
Office/Transportation Manufacturing	7	50	89	146
Hotel	65	33	16	114
Retail/Furniture & Home Furnishings	24	27	30	81
Retail/Electronics & Appliances	8	13	18	39
Retail/Food & Beverage	54	20	7	81
Retail/Health & Personal Care	15	12	12	39
Retail/Clothing & Accessories	67	24	7	98
Retail/Sporting Goods, Hobby, etc.	32	15	2	49
Retail/General Merchandise	195	66	23	284
Retail/Miscellaneous	21	16	8	45
Retail/Restaurant	84	14	3	101
Retail/Personal Services	35	12	3	50
Total	824	1,129	2,179	4,132

Appendix 24.B.2A shows the distributions of prospective workers at the Riverbend DRI using the bell curve approach. Appendix 24.B.2B shows the distributions formulated using the control number approach. As will be demonstrated below, a supply of affordable housing exceeding the demand estimated using either method exists.

The distributions of workers by wage category provided in Appendices 24.B.2A and 24.B.2B for the retail, restaurant space and personal service space reflects the Applicant's anticipated merchandise mix. The distributions for the office space with respect to the industry sectors represented are also based on the leasing plans of the Applicant.

In preparing the distributions of workers by wage category presented in Appendices 24.B.2A and 24.B.2B, the key assumptions were made:

- All workers at the project will earn at least minimum wage, currently \$6.79 per hour. A minimum wage worker would earn \$14,123 annually if employed 40 hours per week, 52 weeks per year.
- The average wage and salary data by NAICS used in the analysis will be based on ES-202 Report for the 4th quarter of 2007 (2007-4) compiled by the State of Florida's Agency for Workforce Innovation, which does not take into consideration the income earned by restaurant, hotel and some personal service workers in the form of gratuities.

As discussed above, two alternative methods for distributing the future workforce at the Riverbend DRI by wage category were used in this analysis. The Applicant believes that the control number method provides a more realistic estimate of affordable housing demand because under the bell curve method for distributing the workers in the various industry sectors that will be represented at the Riverbend DRI, the average wage of all the workers at the project is the \$40,000 to \$45,000 range. Review of the ES-202 wage data for the retail, restaurant and personal services sectors shows that their average workers make considerably less than that figure. In so doing, it also understates the demand for very low income housing, which is the hardest to accommodate. Conversely, the bell curve method understates the average income of workers in the proposed office space. Accordingly, while the two methods produce estimates of overall demand that are not distinctly different, the Control Number method more accurately segments that demand.

Estimating the Supply of Affordable Housing

In order to estimate the supply of affordable housing units in accordance with the Methodology, it is necessary to perform several tasks that will be discussed below.

Housing Supply Area

The first task in estimating the affordable housing supply is to define the Housing Supply Area. The Methodology requires that the relevant housing be "reasonably accessible" to the place of employment. Reasonably accessible is further defined as a commutation distance of no greater than 10 miles or a commutation time of no more than 20 minutes

at peak travel times, whichever is less. Owing to the excellent accessibility that the site of the Riverbend DRI provides to the regional highway network, nearly the entire area defined by a 10-mile radius comprises the Housing Supply Area. Only to the west is the housing supply area defined by a 20-minute drive time, as shown in Figure 24.B.1. The housing supply area depicted in the figure is based on field tests conducted during both the AM and PM peak travel times, the results of which are provided in Appendix 24.B.3.

HUD Housing Income Categories

The Riverbend DRI is located in Broward County. Table 24.B.3 shows the income characteristics of very low, low and moderate income households in the County based on the median income level reported by the U.S. Department of Housing and Urban Development, which is currently \$64,000.

**Table 24.B.3
HUD-defined Housing Income Categories
Riverbend DRI**

Income Category	Definition	Income Threshold Range
Very Low Income	Up to 50% of median	<= \$32,000
Low Income	50 – 80% of median	\$32,001 – 51,200
Moderate Income	80 – 120% of median	\$51,201 – 76,800

Source: U.S. Department of Housing and Urban Development

Affordable Housing Cost Threshold Amounts

Rule 9J-2.048, FAC (Adequate Housing Uniform Standard Rule) defines housing to be affordable when the total annual payments for rent or mortgage payments, taxes, insurance and utilities do not exceed 30 percent of the gross annual income of very low, low and moderate income households. Table 24.B.4 illustrates the affordable housing threshold amounts for each of these income categories based on the definition cited.

**Table 24.B.4
Monthly Household Cost Threshold Amounts
Riverbend DRI**

Income Category	Annual Income	Monthly Income	Monthly Cost Thresholds
Very Low Income	<= \$32,000	<= \$2,666	<= \$800
Low Income	\$32,001 – 51,200	\$2,667 – 4,267	\$801 – 1,280
Moderate Income	\$51,201 – 76,800	\$4,268 – 6,400	\$1,281 – 1,920

Affordable Monthly Rent Threshold Amounts

Apartment rents are typically quoted on a “net” basis, hence excluding utilities. Accordingly, an adjustment to the affordable housing cost threshold is necessary to define the affordable monthly rent payment threshold for use in compiling the available inventory of affordable rental units.

The utilities cost allowances used in the analysis, shown in Table 24.B.5 for Broward County, are based on the Broward County Housing Agency’s most recent HUD Form

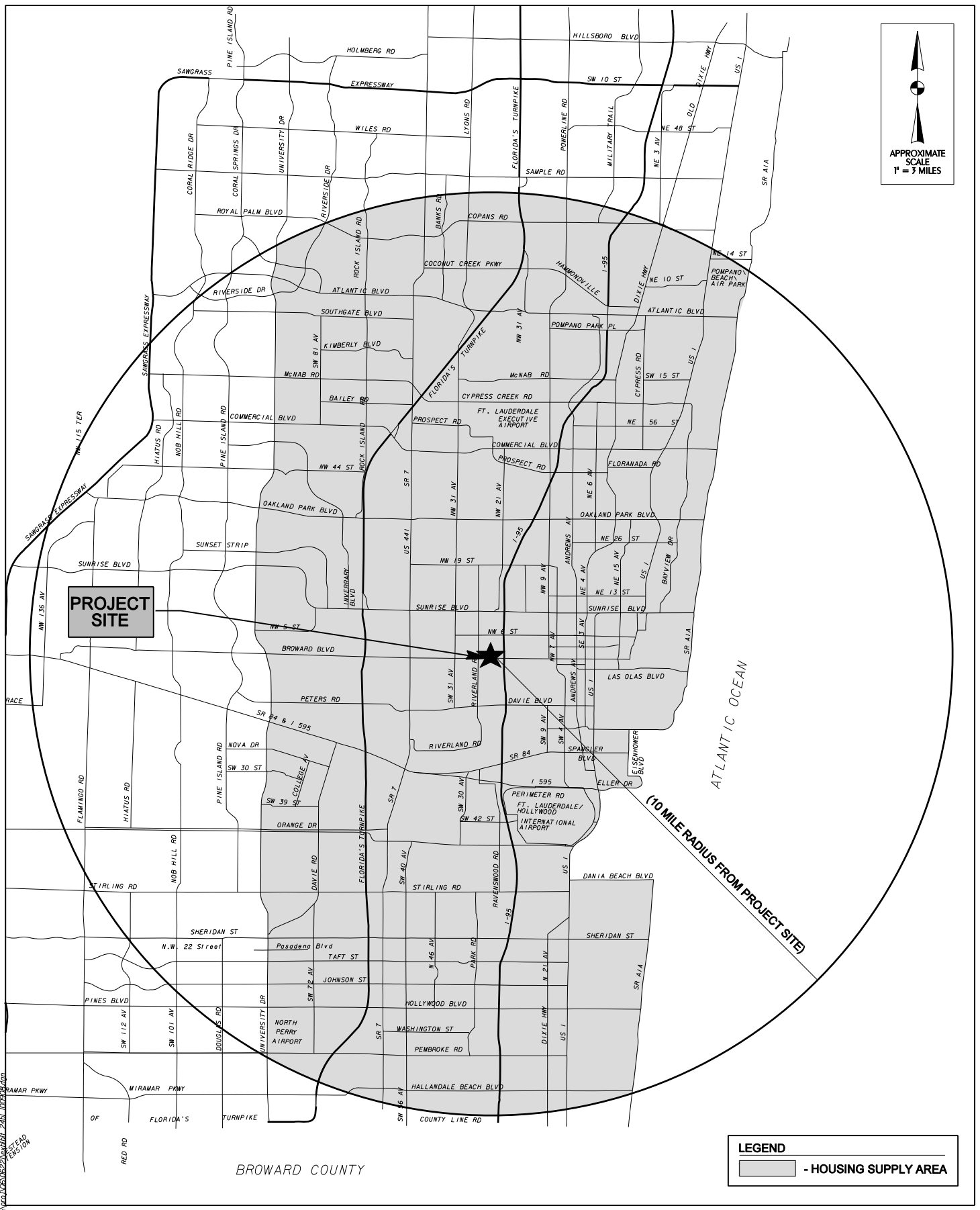


FIGURE 24.B.1
 Housing Supply Area
 Riverbend DRI
 October 2008

Source: Miami Economic Associates, Inc.

#52667. The calculations performed to determine utility costs by unit type shown are contained in Appendix 24.B.4.

**Table 24.B.5
Utility Cost Allowances
Riverbend DRI**

Unit Type	Allowance
Efficiency	\$32
1-bedroom	\$37
2-bedroom	\$41
3-bedroom	\$48
4-bedroom	\$53

The monthly rent thresholds by income category shown in Table 24.B.6 were calculated by using the utility allowances shown above. The calculations performed to prepare the table below are provided as the third item in Appendix 24.B.4.

**Table 24.B.6
Affordable Monthly Rent Threshold Amounts
Riverbend DRI**

Income Category	Monthly Cost Threshold Amount	Monthly Rent Threshold Amount
Very Low Income	</= \$800	</= \$763
Low Income	\$801 – 1,280	\$764 – 1,239
Moderate Income	\$1,281 – 1,920	\$1,240 – 1,867

Affordable Home Price Threshold Amounts

The determination of home price threshold amounts for owner-occupied (for-sale) housing requires a similar, but somewhat more complex, process of adjustments than that described for rental payments. The basis for compiling available for-sale housing is gross “sale” or “offering” price. In the case of for-sale housing, adjustments must be made for purchase financing terms (down payment, interest rate, and term of loan) as well as taxes, liability insurance and mortgage insurance. Assumptions associated with each of these adjustments are derived from various market-based factors that are described below.

Estimated average insurance and taxes for each household/housing price category were deducted from the affordable housing cost thresholds to determine the net monthly income available for mortgage payments shown in the second column of Table 24.B.7. The derived net monthly income available for mortgage payment was then used to calculate the maximum affordable amounts for each respective household income category.

**Table 24.B.7
Affordable Home Price Threshold Amounts
Riverbend DRI**

Income Category	Monthly Cost Threshold Amount	Mortgage Payment	Affordable Home Cost
Very Low Income	<= \$800	<= \$533	<= \$92,198
Low Income	\$801 – 1,280	\$534 – 819	\$92,199 – 141,829
Moderate Income	\$1,281 – 1,920	\$820 – 1,200	\$141,830 – 208,004

The key assumptions used in this calculation included the following mortgage finance terms:

- 30 year amortization
- 6.125 percent (fixed) interest rate
- 5.0 percent down payment

The mortgage interest rate assumption is based on the average rate reported by the National Association of Realtors on June 15, 2008.

The down payment assumption, which is based on the Methodology, would necessitate the purchase of mortgage insurance. The mortgage brokers interviewed indicated that such insurance would cost 0.8 percent of the unit price on an annual basis.

For the purpose of this analysis, an insurance rate of \$21 per \$1,000 was assumed. It was further assumed that the insurance rate would be applied to replacement cost, which we have estimated to be 80 percent of total value since the land underlying the units would not need to be replaced even if the unit was completely destroyed. The rate of \$16.80/\$1,000 of total value equates to \$21/\$1,000 of replacement value. The rate assumption used in this analysis is based on the data contained in Appendix 24.B.5 which was obtained from a website mounted by the state of Florida named shopandcomparerates.com. It provided comparative rates from 26 companies active in Broward County for a home with a replacement value of \$150,000 under certain assumptions regarding deductibles documented on the first page of the Appendix. The average rate for companies was \$3,208.50, which equates to \$21 per \$1,000 of replace value.

Finally, for the purpose of this analysis, it was assumed that all for-sale units would qualify for the \$50,000 Homestead Exemption and that the applicable millage rate would be 22.0000 per \$1,000 taxable value, which is the average rate in the Housing Supply Area.

Further discussion of the method used to calculate the affordable housing costs shown in Table 24.B.7 is provided in Appendix 24.B.6. The Appendix also describes the calculations performed to calculate the insurance and real estate tax amounts shown in Table 24.B.8. The mortgage payment figures shown above in Table 24.B.6 are net of real estate taxes and insurance, which were estimated as shown in Table 24.B.8.

**Table 24.B.8
Estimated Monthly Insurance and Tax Payments
Riverbend DRI**

Income Category	Property Insurance	Mortgage Insurance	Taxes
Very Low Income	\$129	\$61	\$77
Low Income	\$199	\$94	\$168
Moderate Income	\$291	\$139	\$290

Rental Housing Supply

The demand for affordably-priced units that will be generated as a result of the development of the Riverbend DRI will materialize over a period of ten years, commencing in 2009 when the first non-residential buildings within the project are completed through 2018 when the last non-residential buildings are completed. In order to determine how many rental units will be available on an annual basis, the survey of rental apartment projects in the Housing Supply Area conducted by McCabe Research & Consulting at the end of the 1st Quarter of 2008 was reviewed. The survey focuses on rental apartment projects with 100 or more units. The projects surveyed that had vacant units are identified in Appendix 24.B.7.

Data compiled by the Division of Hotels and Restaurants of the Florida Department of Business and Professional Regulation indicates that there are considerably more rental apartment projects within the Housing Supply Area. However, in order to determine their size, rental rate structure and occupancy status would have required a telephonic or physical survey to be performed that did not appear necessary in the context of this analysis given the substantial inventory of affordable housing units found available from the analyses performed.

According to the McCabe survey reviewed, there are a total of 1,022 vacant apartment units within the Housing Supply Area in projects that would be affordable to households of very low, low and moderate income. The Methodology requires that adjustment be made to the total number of vacant units to limit the number of efficiency and one-bedroom units included in the available housing supply. The establishment of these limits is designed to preclude the possibility that the available supply be disproportionately weighted toward the smaller units, thereby failing to satisfy the housing requirements of households in the income categories being considered in this analysis that are larger than two people in size.

According to the Methodology, in Broward County at least 33.6 percent of the units in the available supply must be 2-bedroom units. The annual available supply shown in Table 24.B.9 below was calculated by reducing the estimated number of vacant units to reflect the caps by unit type described above. As shown in Table 24.B.9, all 1,015 of the vacant units affordable to low and moderate income households qualify for inclusion in the annual available supply after application of the unit size parameters outlined in the Methodology, which means that over the 10-year development period a total of 10,150 units will be available.

**Table 24.B.9
Rental Apartment Supply
Riverbend DRI**

Income Category	Monthly Rent Thresholds	Annual Supply of Vacant Units	Annual Available Supply	Total Available Supply 2009 – 2108
Very Low Income	<= \$763	7	0	0
Low Income	\$764 – 1,239	744	744	7,440
Moderate Income	\$1,240 – 1,867	271	271	2,710
Total		1,022	1,015	10,150

Sources: McCabe Research & Consulting; Miami Economic Associates, Inc.

Owner-occupied (For Sale) Housing Supply

A summary inventory of owner-occupied (for sale) housing occupied units that will be available within the Housing Supply Area on an annual basis by income category is presented in Table 24.B.10. The inventory shown in the table was determined, in accordance with a procedure described in the Methodology, by reviewing data compiled by the Broward County Property Appraiser with respect to recent arm's-length transactions in the Housing Supply Area during the 12-month period ending March 31, 2008.

As shown in Table 24.B.10, the Broward County Property Appraiser recorded 5,329 arm's-length transactions in the Housing Supply Area for units that meet the affordability requirements during the 12-month period that ended March 31, 2008. The transactions included 823 units affordable to very low income households, 1,402 units affordable to low income households and 3,104 units affordable to moderate income households. These transactions, which are enumerated in Appendix 24.B.8, include single-family detached, single-family attached and condominium units. Mobile homes were not included. The listings are separated by income category.

**Table 24.B.10
Distribution of Available Units
By Number of Bedrooms**

Income Range	Units	Percent
Very Low Income		
Efficiency	0	0.0
1-bedroom	363	44.0
More than 1 bedroom	460	56.0
Total	823	100.0
Low Income		
Efficiency	0	0.0
1-bedroom	432	30.8
More than 1 bedroom	970	69.2
Total	1,402	100.0
Moderate Income		
Efficiency	0	0.0
1-bedroom	294	9.5
More than 1 bedroom	2,810	90.5
Total	3,104	100.0

Sources: Broward County Property Appraiser; First American Real Estate Solutions; Miami Economic Associates, Inc

As with rental units, The Methodology requires that units with 2 or more bedrooms constitute at least 33.6 percent of the available for-sale supply. Accordingly, all of the units identified in Appendix 24.B.8 are considered available supply in Table 24.B.11 below, resulting in an annual supply of 5,329 units. Over the 10-year development, the total available supply will total 53,290 units.

**Table 24.B.11
Owner-occupied (For-sale) Housing Supply
Riverbend DRI**

Income Category	Home Price Threshold Amount	Annual Available Supply	Total Available Supply 2009 – 2108
Very Low Income	<= \$92,198	823	8,230
Low Income	\$92,199 – 141,829	1,402	14,020
Moderate Income	\$141,830 – 208,004	3,104	31,040
Total		5,329	53,290

Sources: Broward County Property Appraiser; First American Real Estate Solutions; Miami Economic Associates, Inc.

It should be noted that the methodology allows that units proposed for development within the DRI project seeking its approval can be considered part of available supply. No such units have been considered in this ADA even though, as shown in response to Question 24.A, a portion of the proposed condominium units may qualify as moderately priced units.

Available Affordable Housing Summary

Table 24.B.12 which is based on information contained in Tables 24.B.9 and 24.B.11 calculates the total net available affordable housing units in the Housing Supply Area regardless of tenure. In calculating net available units, a permanent vacancy rate in the rental apartment segment of 5 percent was assumed. It was also assumed that 3 percent of the units are substandard based on data compiled by the Shimberg Center on Affordable Housing that shows that 3 percent of the units within Broward County do not use home heating fuel and/or lack full kitchens and/or bathrooms.

**Table 24.B.12
Net Available Affordable Housing Units
Riverbend DRI**

Income Category	Rental Units	For-Sale Units	Total Units
Available Units			
Very Low Income	0	8,230	8,230
Low Income	7,440	14,020	21,460
Moderate Income	2,710	31,040	33,750
Additions/(Reductions)	(5% Permanent Vacancy Rate)	(3 Percent Substandard Rate)	
Very Low Income	(0)	(247)	(247)
Low Income	(372)	(421)	(793)
Moderate Income	(136)	(931)	(1,067)
Net Available Units			
Very Low Income	0	7,983	7,983
Low Income	7,068	13,599	20,667
Moderate Income	2,574	30,109	32,683
Total Net Available	9,642	51,691	61,333

Estimating the Need for Affordable Housing

Table 24.B.13 compares the demand for affordable housing by income category resulting from the development of the Riverbend DRI with the net available supply. It shows that a substantial number of available units exist.

**Table 24.B.13
Estimated Surplus (Deficit) of Affordable Housing
Riverbend DRI**

Income Category	Demand	Supply	Surplus (Deficit)
Very Low Income	824	7,983	7,159
Low Income	1,129	20,667	19,538
Moderate Income	2,179	32,683	30,504
Total	4,132	61,333	57,201

Mitigating the Need for Affordable Housing

No mitigation will be required.

- C. If displacement or relocation of existing residents will occur due to the proposed development, identify the number of people that will be affected, any special needs of these people, and any provisions for addressing the effects of the relocation or displacement of these people, particularly in regards to their ability to find suitable replacement housing.**

There will be no displacement or need for relocation of existing on-site residents.