

March 15, 2004

Affordable Housing: Facts and Rumors

COBWRA supports the laws of the State of Florida, Palm Beach County and the Federal government. The plans to build affordable housing on the Winsberg property near Jog and Flavor Pict Roads comply with the Florida Sadowski Affordable Housing Act of 1982, the US Fair Housing Act and resolutions and approved plans by the Palm Beach County Board of County Commissioners. Plans comply with the 1989 Comprehensive Plan of PBC as amended. When the Winsberg PUD was rezoned on March 26, 1998, it was found consistent with the West Boynton Community Plan.

The Situation. There is confusing misinformation and many false rumors. Concerned parties created a political issue which this should not be. It is COBWRA's goal for this Facts and Rumors paper to help people understand what is planned, what has been approved, and why affordable housing is needed by the people of Palm Beach County. COBWRA believes it is good for concerned citizens to ask questions and discuss issues with elected officials, land owners and developers. Citizens also have a responsibility to research the information available and evaluate it before determining their positions on issues. Personal attacks and anger accomplish nothing positive. COBWRA asks that citizens review carefully the information contained in this report. It is as accurate as possible at this time and it has been checked by those mentioned. Sources are cited where possible.

The Background

Mr. Winsberg owns the property between Jog and Hagen Ranch Roads opposite Flavor Pict Road known as Green Cay Farms. In 1997, he sold 175 acres to the PBC Water Utilities at a bargain price (about one-third of market value) to create Green Cay Wetlands. Green Cay will be four times the size of the Wakodahatchee Wetlands and return reclaimed water back to the Florida Aquifer and provide a place where residents and visitors can enjoy nature and exercise safely. He specified that an educational center (currently under construction off Hagen Ranch Road) be built by the County for nature programs for school children and the public benefit.

Residential Pods. Two other pods were approved in a series of hearings between Feb 28, 1997 and March 28, 1998. Only two letters of opposition were received. 90 acres were approved for HR-8 (High Residential—8 units to the acre) and 15 acres were approved for CL-8 (Commercial Low—8 units to the acre.) The 90 acres included two parcels: 50 acres north of the extension of Flavor Pict Road and 40 acres south of Flavor Pict Road extension. The 40-acre parcel is where Mr. Winsberg and his daughter have residences and currently operate a tree farm. They say they plan to live there as long as possible. This 40-acre parcel can be used for new housing at some point in the future. The 50-acre parcel is where affordable housing is planned.

Affordable Housing: Facts and Rumors

Commercial Pod. The 15-acre commercial parcel is located along Jog Road between Flavor Pict and the canal south of Lakeridge Greens community. It is approved for up to 120,000 SF of commercial space but, at the request of Coral Lakes residents, no single store can exceed 20,000 SF (this means no supermarket.) The following are prohibited: gas stations, convenience stores, fast food restaurants, adult entertainment enterprises and communications towers. At the request of residents of the Coral Lakes Community, the following was written into the 1998 **Conditions of Approval for the commercial pod:**

“A six-foot high earthen berm shall be constructed along the northern and eastern borders of the commercial area. Sufficient landscaping shall be installed at the top of the berm to effectively screen the commercial buildings.” [Palm Beach County Planning, Zoning & Building]

Other Conditions of Approval for the Winsberg property:

“The property owner shall construct Flavor Pict Road as a 3-lane section (expandable to 6 lanes) from Hagen Ranch Road to Jog Road. This construction shall be concurrent with the platting of the residential POD’s within the PUD or construction of the commercial site. Any and all costs associated with the construction shall be paid by the property owner. No impact fee credit shall be given for this construction.

“The maximum height for all structures measured from finished grade to highest point shall not exceed 35 feet.” [Palm Beach County Planning, Zoning & Building]

The Approved Affordable Housing

Mr. Winsberg signed a contract with the Housing Trust Group of Florida, in Coconut Grove, to build affordable housing on the 50-acre parcel immediately south of the canal and behind the commercial pod. Their business is to build and manage properties. Housing Trust built and still manages 15 affordable housing projects in Florida. Three are in Palm Beach County: Colony Park on Belvedere Road west of the Turnpike, Venetian Isles on Congress Avenue south of Northlake Blvd. and Marina Bay on Lantana Road east of Congress Ave. (If they were to sell to a new owner, all conditions of approval transfer to the new owner.) Housing Trust Group of Florida is affiliated with Housing Trust of America and several other similar companies. Housing Trust pays property taxes and corporate income taxes.

Housing Trust wants to construct **320 apartments for rent and 100 townhouses for sale.** 10-15% of the apartments will have one bedroom and about 30% will have 3 bedrooms with 55-60% built as 2-bedroom units. Buildings will be three stories but no higher than 35 feet. The apartments will be called Heritage at Green Cay.

Where are the Funds Coming From?

The Sadowski Affordable Housing Act of 1982 created a tax on all real estate transactions. A state trust receives 30% of these funds and 70% of the monies collected are shared by all 67 Florida counties. A 2004 legislative letter from the Sadowski Act Coalition (posted on their web site) claims over \$620 Million has been collected so far for affordable housing and has helped over 150,000 families with ownership or rental of

Affordable Housing: Facts and Rumors

affordable housing since 1982. Heritage at Green Cay will be constructed using funds from the Palm Beach County Affordable Housing Trust Fund. Guidelines say that, while some funds can be disbursed as grants, the majority of the funds must be provided as below market loans with interest and principal repaid to ensure a permanent source of funds. On Dec. 16, 2003, the Palm Beach County Board of County Commissioners approved issuance of not-to-exceed \$24 Million in bonds from the Housing Finance Authority of Palm Beach County for construction of Heritage at Green Cay. Trust funds cannot be used to subsidize rents.

Rental Rates. The rental rates and income limits are set by the Department of Housing and Urban Development. For Palm Beach County the 2004 rates are based upon the 2003 four-person family average median gross income determined to be \$60,800.

Family Size	Maximum Income
1 Person	\$24,600
2 Persons	\$30,120
3 Persons	\$33,900
4 Persons	\$37,680
5 Persons	\$40,680
6 Persons	\$43,680

Rents are set as follows:

Apartment	Rent Limits
1 Bedroom	\$706
2 Bedrooms	\$847
3 Bedrooms	\$979

Minimum income is 2.5 X the rent rate.

Rental applicants are screened with civil and criminal background checks, a credit check and a previous landlord check. The rental application clearly states: “Any applicants with a Civil Record, Criminal Record or debt from a previous landlord must be rejected in accordance with our criteria.” Further, applicants who were late with rent more than 3 times over the past 2 years or forfeited a security deposit or were ever evicted are rejected. Employment and salary must be verified by employers. Applicants on welfare or rent subsidy are not accepted. Leases are for one year. After one year, renters can sign up to have 5% of rent put into an escrow account and returned upon leaving to help with a home purchase. If a renter’s income outgrows their apartment limit, they must move within 4 years. There can be only two people per bedroom. If a couple with a one-bedroom unit has a baby, within one year they must move to a larger apartment.

Seniors and Students. Seniors may apply if they can verify an income stream fitting within the income limits or by savings of at least a year’s rent. College students are also eligible but income and source must still be verified. Senior citizens are expected to be interested in first floor rentals and the townhouses.

The Purpose of Affordable Housing. The purpose is to provide good housing to young couples, families and singles starting out in jobs that do not pay high salaries. Typical people are nurses, lab techs, firefighters, police, bank clerks, teachers, custodians, data processors, secretaries, recent college graduates and others who cannot afford commercially available housing. Commercial housing rates are much higher and a March 9, 2004 COBWRA survey of rental rates found very few vacancies in 14 Boynton Beach area rental communities. All have rental rates higher than affordable housing rates. The commercial rental rates COBWRA found are attached in Appendix I.

Affordable Housing: Facts and Rumors

Rumor: Police, firefighters, teachers, and nurses earn too much for affordable housing.

Fact: COBWRA surveyed a number of area employers and found these starting salaries:

Employer	Position	Starting Salary
PBC Fire-Rescue	Firefighter/EMT	\$37,370
PBSO	Sheriff's Deputy	\$32,952
	Clerks	\$25,620
JFK Medical Center	Registered Nurse	\$35,000
	Respiratory Therapist	\$32,000
	Administrative Assistant	\$30,000
	Licensed Practical Nurse	\$29,140
Bethesda Memorial Hospital	Registered Nurse	\$36,000
	Medical Technologist	\$25,000
	Licensed Practical Nurse	\$28,000
	Administrative Assistant	\$24,000
	PGA (nurses assistants)	\$18,000
	Housekeepers	\$14,500
Odyssey Middle School	Teacher	\$32,500
	Custodian	\$16,752
	Data Processor (206 days/yr)	\$19,445
	Secretary/clerical	\$15,882
SunTrust Bank	Bank Teller	\$22,000
Publix	Grocery Clerk	\$10,920

The Townhouses. The plan is for 100 townhouses for sale at \$170,000 called Villas at Green Cay. The end units will be one-story with two bedrooms and two story units have 3 bedrooms. To discourage speculators, owners must live in the units and cannot sell for one year. Townhouse re-sales are not subject to income limits.

Rumor: There will be 700 to 1,000 children who will overwhelm our schools.

Fact: The Palm Beach County School demographer estimates children as follows:

320 Apartments: Between 145 and 185 children for grades K – 12

100 Townhouses: Between 25 and 35 children for grades K – 12

Estimates are based upon his experience with affordable housing in Palm Beach County and elsewhere in Florida. (The developer estimates a maximum of 250 children babies through age 18.)

Rumor: There will be so many school buses, traffic on Jog Road will be deadlocked.

Fact: School bus trips will be staggered to correspond with schools hours. An appreciable increase in traffic volume is not anticipated.

Is This a Done Deal?

The short answer is “Yes.” Mr. Winsberg has the right to sell his property. The plan satisfies the laws and all approvals required. A memo from Palm Beach County Attorneys Tammy K. Fields and Robert P. Banks, dated March 11, 2004, documents the required approvals, dates and the two letters of opposition received. The memo states:

“Provided that the current proposed affordable housing development meets the conditions of the above approvals, no further action is necessary or appropriate by the Board of County Commissioners. There are no conditions which would restrict the property from use as affordable housing.”

“Any action taken at this point by the Board of County Commissioners to restrict the use of the property for affordable housing may expose the County to claims under the federal, state and local fair housing laws, if such restriction would have a disparate effect on any of the protected classes under such fair housing laws including, but not limited to, families with children.”

Rumor: The County Commissioners could stop this project if they wanted to.

Fact: According to the attorneys, the Board of County Commissioners is not a position to do anything else on this project and could be sued if they stopped the project:

“Further if the County attempted to take away any approvals already granted on the property, a potential claim under the Bert J. Harris Jr. Private Property Rights Act (Chapter 70, Florida Statutes) may be raised.”

Why Allow Children in an All-Senior Area?

It is not all seniors. Of the ten communities in Westchester Country Club, three not are age restricted and include school-age children. Two of these communities border Coral Lakes on the north: Pipers Glen Estates and Starlight Cove. Also, Colony Preserve, under construction east of Coral Lakes, is a family community and children can be expected.

Rumor: The children from this project have no place to play.

Fact: Heritage at Green Cay plans over 10 acres for recreation with a large lighted athletic field big enough for football and soccer. There will be a swimming pool and a heated kiddie pool. There will be 3 tot play lots and a volley ball court. The clubhouse includes a library, an exercise room, a computer room and a recreation program for kids with a kid’s activity room with video games, after school arts & crafts and TV.

The contract requires other amenities tailored to the young families expected to live here:

- Swimming lessons for kids. Flu shots
- Classes on child care for new mothers and home economics
- Home buyer education classes.
- Classes on IRS tax preparation and financial planning
- Yoga, weight training, health, nutrition, CPR classes.
- Other amenities include a gazebo and several barbecue areas.

What is Going in the Commercial Pod?

Nothing is set yet. Mr. Winsberg has not accepted any developer's proposal to purchase and develop the property. On page 2 we list what cannot go in this development.

When is Flavor Pict Road Going to be Built?

It must be built soon because no housing or commercial development can open unless the road is completed and accepted by the County. In 1997, Mr. Winsberg gave the County 10 acres to extend Flavor Pict Road.

Rumor: Commissioner Burt Aaronson pledged \$800,000 toward the road construction.

Fact: Commissioner Aaronson did offer \$800,000 to help build the road but this was for another development. He says he did so to make it easier for Coral Lakes residents to get to the new supermarket proposed at Flavor Pict and Hagen Ranch Roads. But since the conditions of approval require the Green Cay land owner to pay for the road construction in its entirety—plus impact fees—his offer was no longer needed.

What Happened to Senior Housing?

Good question. It was originally Mr. Winsberg's intention to develop senior housing on the 50-acre parcel. But he found no developers willing to undertake the risks although he tried to market the property for 5 years. Landowners can't be forced into economically impossible deals. He realized there was not only a desperate need for affordable housing, there were laws and funds available specifically for affordable housing—but not specifically for senior housing.

The Florida State Constitution says people cannot stop landowners from developing their property. When Mr. Winsberg realized affordable housing fell under the current approvals, he saw the opportunity to achieve his goal of helping seniors and young people at the same time. As stated, seniors within the income rules may qualify. Mr. Winsberg wishes to sell his property for affordable housing and has set his conditions. He is within his legally guaranteed rights.

Why Didn't Mr. Winsberg Just do Another Housing Project?

Mr. Winsberg decided he wanted to leave a legacy for the people of Palm Beach County. It was his idea to create Green Cay Wetlands. He knew the kind of housing being built in West Boynton was too expensive for many people—seniors included—to afford. He says a legacy is more important to him than having more money than he could possibly spend for the rest of his life.

—Ken Lassiter, COBWRA Communications