October 26, 2017

Members of the Affordable Housing Workgroup
c/o Florida Housing Finance Corporation

Re: Comments for Workgroup

Dear Workgroup Members:

Monroe County, better known as The Florida Keys, has long been challenged to find adequate affordable housing for our workforce. Strict development regulations due to our sensitive environment, limited housing permits allocated by the State of Florida to assure safe evacuation, limited land size, desirability as a vacation destination, the high cost of materials and labor, and the additional expense of complying with stringent building codes drive up the cost of housing beyond what even middle-class members of the workforce can afford.

This problem was vexing for years. With the damage from Hurricane Irma, it has indeed become an indisputable crisis.

Preliminary estimates indicate that the Keys have lost, or have substantially damaged, nearly 5,000 residential structures due to the storm. The hardest hit areas, Marathon and the Lower Keys, are also the areas where many of the members of our workforce live. The modest houses and mobile homes in these neighborhoods housed our teachers, police officers, service industry workers and fishermen.

These are the very vital individuals that make our community livable and make it an economic powerhouse for the State. The Keys' robust tourism industry contributes $2.5 billion annually to the Florida economy. With only 77,000 full-time residents, the Keys generate over $200 million in sales tax revenue alone for the State each year.

We are already seeing the impact Hurricane Irma is having on our workforce. Businesses are forced to operate with limited hours because there is simply not enough staff to remain open for a normal work day. We are losing very valuable and productive workers because they have lost their homes, cannot afford to rebuild or cannot find new rental homes they can afford. Without a viable workforce, our economy simply cannot be restored.

Because the cost of construction is so high in the Keys, homeowners need additional funding sources to rebuild existing properties. Because the costs of construction and land acquisition are so high, subsidies are necessary to build new workforce housing units for monthly payments (mortgage or rent) that workers can actually afford. The math for affordable housing in the Keys simply does not work without subsidies.
As you know, Florida Housing currently provides Monroe County one allocation of approximately $1 million in Low Income Housing Tax Credits along with SAIL funds for construction of one affordable workforce housing development per year. This has been helpful, but due to the hurricane devastation of our rental housing stock, our housing needs have changed dramatically. We would urge the Legislature and Florida Housing to provide $3 million in housing tax credits coupled with $25 million in workforce housing money this year to help us rebuild affordable housing in the Florida Keys.

Please urge the Legislature to fully appropriate all of the funds in the State and Local Housing Trust Fund in support of our effort to rebuild the Florida Keys and to address other housing needs throughout the State. This is a critical time for Florida, and your leadership on this fundamental issue is needed and appreciated.

Cordially,

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