

Overview of Affordable Housing in Key West

Snapshot of The Affordable Housing Need

- **Stock of Public & Affordable Housing:** There are currently 1,655 affordable/workforce units in Key West managed by KWHA (13% of total housing units in KW). There are 3,654 people on the waiting list. While turnover is low, we have more public and affordable housing than most communities. Many units are in grave need of repair, and may be in flood zones.
- **Types of Housing We Need:** There are 3 types of housing we need in KW:
 - A. Supportive Housing: for Special Needs and the Elderly
 - B. Affordable Home Ownership: Via Land Trusts or other means
 - C. Affordable Rental Housing: 10,000 jobs pay under \$40K per year
- **Most needed Housing:** The greatest need is for low-income renters. It takes \$33/hr. to live in KW without a cost burden. Affordable housing is the number 1 thing residents want to see in Key West, according to the 2021 Survey. There is also great interest in promoting home ownership.

Major City Initiatives Underway

- **104 Units on College Road:** In process
- **Exploration of 3 Options:**
 - A) Accessory Dwelling Unites (ADUs)
 - B) Expanded housing in the City's shopping Centers in New Town
 - C) The 3.2 acres in Bahama Village
- Private Development (Eg., Marty's Place)

Major Challenges

- A. BPAS Units: We will have only 578 by the end of 2021 (Approx 372 are for affordable housing) We can't build what we need.
- B. City Charter: 20 years, but developers often seek a 50-year commitment.
- C. Lack of Capacity: We currently do not have a comprehensive affordable housing plan or a person/department designated for this purpose. No one is responsible to move it forward.
- D. Funding Plan: There are funds available at the Federal, State and County Levels, (see below), but we haven't yet explored when and how to access them
- E. Zoning: Some of our current zoning laws need to change to accommodate additional housing options
- F. Transient rentals: Much of the housing inventory is dedicated to short term rentals/second home owners
- G. Preserving HA Properties: floodplain/coastal risk may be a problem, and we may need to shift funding mechanisms

Funding Sources

There are numerous untapped funding opportunities including: SHIP Funds, (County) - \$297 million; State Apartment Incentive Loan (SAIL) - \$127 million; Community Work Force Housing Initiatives; Monroe County Land Authority; FHFC Tax Credits (Set aside for April 13th, 2021); 811 PRA (People with Disabilities); Housing First (Homeless, DV Survivors and Substance Abuse)

IN SUM: The Housing problem in Key West isn't something we can build our way out of, and it isn't only about dwellings. We must also consider long term economic efforts to increase wages, and increase the available supply of inventory that is currently used for transient rentals.

Recommendations

From KW Planning Director Katie Halloran, Anne Ray from the Shimberg Center for Housing Studies/FIU, AHI Executive Director Scott Pridgen and Housing Workshop Participants, January 2021

- 1. Staff and Strategy:** Hire a director (and perhaps another planner to focus on Economic Development) to deliver a Housing Plan for KW
- 2. City Charter and Zoning:** Modify the City Charter to modify site rule from 20 to 50 years, and explore zoning changes to rebuild and redevelop
- 3. Redevelop & Preserve KWHA properties:** 1) Coastal risk/flood plain analysis; 2) Shift to help KWHA leverage federal/state funding; 3) Decide on properties to redevelop and expand if possible
- 4. Build New (As BPAS units permit): 3.2 acres, ADUs, New Town Shopping Centers, College Road, Sigsbee/Navy Property**
- 5. Regulatory and Legislative Measures:** Explore Tax Abatements, Taxing Second Home Owners