



**TAMPA BAY
CHAMBER**

Workforce Housing Caucus Report

November 2019



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Introduction and Summary of Key Findings

The Tampa Bay Chamber Workforce Housing Caucus Report was prepared for the Tampa Bay Chamber Board of Directors by the Workforce Housing Caucus. The report focuses on defining workforce housing, identifying opportunities to understand workforce housing needs and solutions in Tampa Bay, and presents advocacy recommendations for the Chamber's consideration.

Our economic success and continued growth in the Tampa Bay region over the last twenty years has resulted in rising housing costs and forced families to live further away from employment centers. This has led to urban sprawl, lengthy commutes, increased stress on infrastructure, and a significant impact on citizens' quality of life.

Workforce housing is important to the economic vitality of Tampa Bay. Not only will this attract and retain talent, a selling point and competitive advantage for employers, but it also means that with a shorter commute, the community benefits from a reduction in traffic congestion, air pollution, and expenditures on our roadway system.

Workforce housing is defined as housing that is affordable to households with incomes between 80 and 120 percent of the area median income (AMI). The Caucus acknowledges that there is a significant gap between the 61 and 79 percent of AMI demographic and should be further considered as an extension of the Caucus's scope. For the purpose of this report, there is no distinction between home ownership and rentals in regard to recommendations.

In total, there are 285,540 workers in the Tampa-St. Petersburg-Clearwater MSA whose annual wages qualify for workforce housing. The top three occupational categories that have the most employees in that range are sales (56,480), business and financial operations (44,030), and office and administrative support (36,680). The median income for a one-person household in the 80 to 120 percent of the AMI for the Tampa-St. Petersburg-Clearwater MSA is \$46,865; the 80 to 120 percent annual compensation range \$37,450 - \$56,280.

Significant economic growth in the area has led to increased land prices and limited availability, higher cost of materials, a misunderstanding of workforce housing, and government regulations and fees; all considered to be barriers to workforce housing development. Unlike Affordable Housing, which has long been the recipient of Federal, State, and local funding, Workforce (or as some refer to it as "Attainable") Housing, does not qualify for funding. Local governments and cities across the country are faced with a growing need for workforce housing. With economies dependent on service sector employment, critical workers are challenged with finding housing within reasonable proximity to their places of employment at a rate that does not exceed 30% of their annual wages.

The "gap" is continuing to grow and we, as a community, cannot afford to wait for the construction of new housing inventory. In order to address our needs, there must be incentives in place for developers of both new construction and renovation of existing property. Incentives for developers can include waiver of license and permit fees, expedited permitting, impact fee credits, and tax abatement.

Throughout the course of the year, the Caucus heard from Bank of America-Community Development Banking, Catalyst Asset Management, Mayor Jane Castor, Mike Merrill, Hart, and the Urban Land Institute Tampa Chapter.

Upon completion of the Caucus' research, it is recommended that the Tampa Bay Chamber approve a subcommittee of the Policy Council that will be responsible for developing policy recommendations that address workforce housing, evaluating private funding solutions, and further studying the existing workforce housing inventory in Tampa Bay; develop a pilot program that educates members and local elected officials on the economic impact of workforce housing; partner with the City of Tampa and Hillsborough County

governments, as well as the Planning Commission, to update their respective comprehensive plans to include workforce housing goals, objectives, and policies and the associated land development regulations to implement these goals; and the inclusion of a workforce housing guiding principle on the Chamber’s local, state, and federal legislative agendas.

Defining Workforce Housing

While no universal definition of workforce housing exists, it is typically defined as an income range from 80 to 120 percent of the Area Median Income. This range can vary by city and be as low as 60% or as high as 180% in some U.S. markets¹. Also known as attainable housing, the Urban Land Institute (ULI) defines it as for-sale housing serving families with household incomes between 80-120 percent of the area median income².

The Caucus has defined workforce housing as housing that is affordable to households with incomes between 80 and 120 percent of the area median income (AMI)³. The AMI is an income figure used to help determine eligibility for housing programs and is calculated on an annual basis by the U.S. Department of Housing and Urban Development (HUD).

HUD focuses on the region rather than just a city because families searching for housing are likely to look beyond the city itself to find a place to live. With respect to that, HUD and housing agencies use the Metropolitan Statistical Area (MSA) to define the region. The Tampa-St. Petersburg-Clearwater MSA includes the principal cities of Tampa, St. Petersburg, Clearwater, Largo and Hernando, Hillsborough, Pasco, and Pinellas Counties.

An MSA consists of one or more counties that contain a city of 50,000 or more inhabitants or contain a Census Bureau-defined urbanized area (UA) and have a total population of at least 100,000. Counties containing the principal concentration of population—the largest city and surrounding densely settled area—are components of the MSA. Additional counties qualify to be included by meeting a specified level of commuting to the counties containing the population concentration⁴.

For the purpose of this report, all information is based on the Federal HUD and State Income Limits 2019 for 1 person.

Workforce Housing Demographic

According to the 2019 Income Limits and Rent Limits released by HUD in April 2019, the median income for a one-person household in the 80 to 120 percent of the AMI for the Tampa-St. Petersburg-Clearwater MSA is \$46,865; the 80 to 120 percent annual compensation range \$37,450 - \$56,280⁵. In cooperation with the U.S. Department of Labor, Bureau of Labor Statistics, Labor Market Information conducts the Occupational Employment Statistics and Wages (OES) program to produce employment and

¹ Bank of American CDB Workforce Housing Initiative

² Ducker, Adam, Kelly Mangold, and Lorry Lynn. *Attainable Housing: Challenges, Perceptions, and Solutions*. Washington, DC: Urban Land Institute, 2019.

³ The AMI is the “middle” number of all incomes for the given area; 50% of people in that area make more than that amount, and 50% make less than that amount.

⁴ U.S. Census definition of a Metropolitan Statistical Area (MSA)

⁵ Refer to Appendix A on page 8

wage estimates for over 800 occupations⁶. In total, there are 285,540 workers in the Tampa-St. Petersburg-Clearwater MSA whose annual wages qualify for workforce housing. These positions include electricians, licensed practical nurses, teachers, police and sheriff's patrol officers, and paralegals⁷.

Hillsborough County is home to the largest employment base in the region and many commuters travel to Hillsborough County either for work or school. Of the 670,981 jobs in Hillsborough County, 42.1% of the workforce works in Hillsborough County but lives somewhere else and 57.9% work and live in Hillsborough County⁸.

Families who pay more than 30 percent of their income for housing are considered cost burdened and may have difficulty affording necessities such as food, clothing, transportation and medical care⁹. This means total household expenses for workforce housing should be between \$11,235 - \$16,884 annually or \$936 - \$1400 monthly¹⁰. In Hillsborough County, median monthly owner costs are \$1,458 and the median monthly rent is \$1,100. These median costs are not inclusive of utilities, property taxes, insurance, and fees. Currently, 53.4% (109,425) of all renters in Hillsborough County are spending 30 percent or more of their income on rent¹¹. This rule of thumb does not include transportation; the further out people must go to find attainable housing, the more they pay to commute to a job center.

Differences between Workforce and Affordable Housing

Often Workforce Housing and Affordable Housing are used interchangeably but doing so only further perpetuates the problem. Distinguishing between the two is not meant to segregate but instead to clearly outline the missing middle problem; that is, that there is an insufficient inventory of housing opportunities available to the defined workforce housing demographic. Resources available for affordable housing are not applicable for the workforce housing demographic because of income restrictions.

Subsidies for affordable housing include tax credits, vouchers or rental assistance, Community Development Block Grants (CDBG), and housing trust funds. Eligibility for these programs are targeted at those who make 60 percent of the AMI or less with some programs focusing specifically on very low-income workers who make 30 percent or less of the AMI.

An example of a local dedicated funding source includes the Hillsborough County Board of County Commissioners approval of \$10 million a year to be designated for low-income affordable housing. This dedicated local revenue is intended to serve households at and below 50% of the AMI with a focus on the creation, rehabilitation, and preservation of safe, decent, and affordable apartments and single-family homes for working families and seniors with low incomes.

⁶ Based on the 2018 Wage Estimates (OES): <http://www.floridajobs.org/workforce-statistics/data-center/statistical-programs/occupational-employment-statistics-and-wages>

⁷ Refer to Appendix B on pages 9-11

⁸ *Facts and Figures 2018 Plan Hillsborough* <http://www.planhillsborough.org/wp-content/uploads/2016/03/2018-Facts-Figures-FINAL-rev-1.pdf>

⁹ https://www.hud.gov/program_offices/comm_planning/affordablehousing/

¹⁰ For renter households, the 30 percent rule should include the contract rent and utilities; homeowners should include mortgage payments, property taxes, insurance, utilities, and home fees.

¹¹ *Facts and Figures 2018 Plan Hillsborough* <http://www.planhillsborough.org/wp-content/uploads/2016/03/2018-Facts-Figures-FINAL-rev-1.pdf>

Other funding sources include HOME funds for families at 80 percent or less of the AMI, SHIP funds through the State of Florida which provides assistance to families who are at 120 percent or less of the AMI, and the City of Tampa’s Community Heroes Program through the Federal Home Loan Bank of Atlanta which provides assistance to first responders who are within the 80 to 120 percent AMI demographic.

	Percentage of AMI	Annual Wage Bracket	Monthly Wage Bracket	Annual Home Affordability	Monthly Home Affordability
Workforce	80-120%	\$37,450 - \$56,280	\$3,120.83 - \$4,690	\$11,235 - \$16,884	\$936 - \$1400
Affordable	At or below 60%	< \$28,140	< \$2,345	< \$8,442	< \$703.5

Workforce Housing Barriers

Barriers to workforce housing development include land prices/availability, cost of materials, misconceptions of what workforce housing is, and government regulations and fees¹².

- Rising land and construction costs: Over the last five years, construction costs have been increasing at a rate of .5-1% per month, and sites zoned for multifamily have been in high demand, causing rents to increase at an equal pace.
- Insufficient funding available: Florida has several financing programs available to assist in the development of affordable housing. There are currently no state or federal programs available to finance workforce housing. More specifically, the local government has set aside funding for affordable housing but the workforce housing demographic would not qualify due to income restrictions.
- Zoning, other land use regulations, and unnecessarily lengthy development approval processes: The rezoning process can be cumbersome and inefficient, often making it infeasible for developers to pursue projects, thereby reducing the ability of many housing markets to respond to growing demand. The increasing severity of undersupplied housing markets is jeopardizing housing attainability for working families, exacerbating income inequality by reducing workers’ access to higher-wage labor markets, and stifling GDP growth by driving labor migration away from the most productive regions.

Workforce Housing Opportunities

New construction alone will not solve this problem. In order to address the lack of workforce housing inventory available, both new developments and existing properties will need to incorporate below market rates for workforce housing. Ideal areas for development should be near employment and transportation options.

Opportunity zones are an untapped asset in which new regulations now allow for affordable and workforce housing developments. Because the regulations were recently implemented, not much has been done with workforce housing. Incentives for developers can include waiver of license and permit fees, expedited permitting, impact fee credits, and tax abatement.

The Caucus acknowledges that inclusionary zoning is often recommended to provide affordable housing units. Inclusionary zoning is defined as a technique in which the local government mandates that for

¹² Catalyst Community Capital presentation

every “X” number of units of conventional housing a developer wants to build, they must build a certain percentage of those in the “affordable” range.

Workforce Housing Caucus Recommendations

After careful consideration of all aspects of workforce housing, the Workforce Housing Caucus presents the following recommendations to the Tampa Bay Chamber’s Board of Directors:

1. Formation of a subcommittee under the Chamber’s Policy Council that will be responsible for developing policy recommendations that address workforce housing, evaluating private funding solutions, and further studying the existing workforce housing inventory in Tampa Bay.
2. Develop and launch a pilot program that educates our membership and local elected officials on the economic impact of workforce housing.
3. Partner with the City of Tampa and Hillsborough County governments, as well as the Planning Commission, to update their Comprehensive Plans to include workforce housing goals, objectives, and polices and the associated land development regulations to implement these goals.
4. Inclusion of a Workforce Housing Guiding Principle on the Chamber’s legislative agendas.

2019 Workforce Housing Caucus Members

John DeLaVergne, DeLaVergne & Company

Abbye Feeley, Stearns Weaver Miller Weissler Alhadeff & Sitterson, P.A.

Maryann Ferenc, Mise en Place, Inc.

Bill Goede, Bank of America

Jamie Harden, Creative Sign Designs

Marilyn Mullen Healy*, Akerman LLP

Derek C. Holmes Sr., Tec-Link, LLC

Robert K. Ledford II*, Baker Barrios Architects

Tim Marks, Metropolitan Ministries, Inc.

Yvette Segura, USAA

Ryan J. Toth, The Beck Group

Lauren Valiente*, Foley & Lardner LLP

John D. Wakefield, VW Multifamily

Randall Woods, Florida Blue

**Caucus Chairs*

Appendix A

The annual median wage for Hillsborough County listed below is based on various household income levels and household sizes. For the purpose of this report, the Caucus has defined the workforce housing annual compensation range based on a one-person household.

HUD release: 4/24/2019
 FHFC Posted: 5/15/2019
 Effective: 4/24/2019

**2019 Income Limits and Rent Limits
 Florida Housing Finance Corporation
 SHIP Program**

County (Metro)	Percentage Category	Income Limit by Number of Persons in Household										Rent Limit by Number of Bedrooms in Unit					
		1	2	3	4	5	6	7	8	9	10	0	1	2	3	4	5
Hendry County Median: 46,700	30%	12,490	16,910	21,330	25,750	27,950	30,000	32,100	34,150	Refer to HUD		312	367	533	671	750	828
	50%	18,100	20,700	23,300	25,850	27,950	30,000	32,100	34,150	36,190	38,258	452	485	582	672	750	828
	80%	28,950	33,100	37,250	41,350	44,700	48,000	51,300	54,600	57,904	61,213	723	775	931	1,075	1,200	1,323
	120%	43,440	49,680	55,920	62,040	67,080	72,000	77,040	81,960	86,856	91,819	1,086	1,164	1,398	1,614	1,800	1,987
	140%	50,680	57,960	65,240	72,380	78,260	84,000	89,880	95,620	101,332	107,122	1,267	1,358	1,631	1,883	2,100	2,318
Hernando County (Tampa-St.Petersburg-Clearwater MSA) Median: 66,900	30%	14,050	16,910	21,330	25,750	30,170	34,590	39,010	43,430	Refer to HUD		351	387	533	699	864	1,030
	50%	23,450	26,800	30,150	33,450	36,150	38,850	41,500	44,200	46,830	49,506	586	628	753	870	971	1,071
	80%	37,450	42,800	48,150	53,500	57,800	62,100	66,350	70,650	74,928	79,210	936	1,003	1,203	1,391	1,552	1,712
	120%	56,280	64,320	72,360	80,280	86,760	93,240	99,600	106,080	112,392	118,814	1,407	1,507	1,809	2,088	2,331	2,571
	140%	65,660	75,040	84,420	93,660	101,220	108,780	116,200	123,760	131,124	138,617	1,641	1,758	2,110	2,436	2,719	2,999
Highlands County Median: 46,300	30%	12,490	16,910	21,330	25,750	27,950	30,000	32,100	34,150	Refer to HUD		312	367	533	671	750	828
	50%	18,100	20,700	23,300	25,850	27,950	30,000	32,100	34,150	36,190	38,258	452	485	582	672	750	828
	80%	28,950	33,100	37,250	41,350	44,700	48,000	51,300	54,600	57,904	61,213	723	775	931	1,075	1,200	1,323
	120%	43,440	49,680	55,920	62,040	67,080	72,000	77,040	81,960	86,856	91,819	1,086	1,164	1,398	1,614	1,800	1,987
	140%	50,680	57,960	65,240	72,380	78,260	84,000	89,880	95,620	101,332	107,122	1,267	1,358	1,631	1,883	2,100	2,318
Hillsborough County (Tampa-St.Petersburg-Clearwater MSA) Median: 66,900	30%	14,050	16,910	21,330	25,750	30,170	34,590	39,010	43,430	Refer to HUD		351	387	533	699	864	1,030
	50%	23,450	26,800	30,150	33,450	36,150	38,850	41,500	44,200	46,830	49,506	586	628	753	870	971	1,071
	80%	37,450	42,800	48,150	53,500	57,800	62,100	66,350	70,650	74,928	79,210	936	1,003	1,203	1,391	1,552	1,712
	120%	56,280	64,320	72,360	80,280	86,760	93,240	99,600	106,080	112,392	118,814	1,407	1,507	1,809	2,088	2,331	2,571
	140%	65,660	75,040	84,420	93,660	101,220	108,780	116,200	123,760	131,124	138,617	1,641	1,758	2,110	2,436	2,719	2,999
Holmes County Median: 49,400	30%	12,490	16,910	21,330	25,750	27,950	30,000	32,100	34,150	Refer to HUD		312	367	533	671	750	828
	50%	18,100	20,700	23,300	25,850	27,950	30,000	32,100	34,150	36,190	38,258	452	485	582	672	750	828
	80%	28,950	33,100	37,250	41,350	44,700	48,000	51,300	54,600	57,904	61,213	723	775	931	1,075	1,200	1,323
	120%	43,440	49,680	55,920	62,040	67,080	72,000	77,040	81,960	86,856	91,819	1,086	1,164	1,398	1,614	1,800	1,987
	140%	50,680	57,960	65,240	72,380	78,260	84,000	89,880	95,620	101,332	107,122	1,267	1,358	1,631	1,883	2,100	2,318
Indian River County (Sebastian-Vero Beach MSA) Median: 65,000	30%	13,650	16,910	21,330	25,750	30,170	34,590	39,010	42,900	Refer to HUD		341	382	533	699	864	1,023
	50%	22,750	26,000	29,250	32,500	35,100	37,700	40,300	42,900	45,500	48,100	568	609	731	845	942	1,040
	80%	36,400	41,600	46,800	52,000	56,200	60,350	64,500	68,650	72,800	76,960	910	975	1,170	1,352	1,508	1,664
	120%	54,600	62,400	70,200	78,000	84,240	90,480	96,720	102,960	109,200	115,440	1,365	1,462	1,755	2,028	2,262	2,496
	140%	63,700	72,800	81,900	91,000	98,280	105,560	112,840	120,120	127,400	134,680	1,592	1,706	2,047	2,366	2,639	2,912

Florida Housing Finance Corporation (FHFC) income and rent limits are based upon figures provided by the United States Department of Housing and Urban Development (HUD) and are subject to change. Updated schedules will be provided when changes occur.

Appendix B

Occupational Employment Statistics and Wages (OES)

Listed below are the major occupational groups and the total number of workers in that category whose annual wage is between 80 and 120 percent of the Tampa-St. Petersburg-Clearwater AMI. Next are the

top three occupations, if applicable, in that category along with the greatest number of workers in descending order by number of workers.

	Number of Workers	Median Annual Wage
Sales and Related (56,480 workers)		
Sales Representatives	14,140	\$43,987
First-Line Retail Supervisors	12,580	\$39,648
Insurance Sales Agents	7,560	\$41,932
Business and Financial Operations (44,030 workers)		
Business Operations Specialists	12,270	\$56,889
Market Research Analysis	6,590	\$55,296
Human Resources Specialist	6,520	\$51,379
Office and Administrative Support (36,680)		
First-Line Supervisors	17,300	\$49,149
Executive Secretaries & Administrative Assistants	4,480	\$46,118
Legal Secretaries	1,300	\$41,337
Installation, Maintenance, and Repair (22,480)		
First-Line Supervisors	4,590	\$53,798
Heating, Air Conditioning, and Refrigeration Mechanics and Installers	4,330	\$38,553
Telecommunications Line Installers and Repairers	3,540	\$39,974
Construction and Extraction (20,460)		
Electricians	6,930	\$37,363
First-Line Supervisors	6,580	\$51,974
Plumbers, Pipefitters, and Steamfitters	3,580	\$40,569
Healthcare Practitioners and Technical (17,450)		
Licensed Practical and Licensed Vocational Nurses	7,990	\$40,396
Clinical Laboratory Technologists and Technicians	3,710	\$46,675
Radiologic Technologists and Technicians	1,880	\$54,086
Educational Instruction and Library (12,370)		
Middle School Teachers, Except Special and Career/Technical Education	2,540	\$51,510
Kindergarten Teachers, Except Special Education	1,870	\$55,064
Instructional Coordinators	1,420	\$40,012
Production (11,510)		

First-Line Supervisors	4,300	\$54,163
Welders, Cutters, Solderers, and Brazers	2,590	\$37,152
Machinists	1,770	\$38,092
Protective Service (10,690)		
Police and Sheriff's Patrol Officers	5,720	\$56,102
Firefighters	2,480	\$43,219
Correctional Officers and Jailers	1,890	\$40,492
Computer and Mathematical Operations (9,250)		
Computer User Support Specialists	9,250	\$43,027
Community and Social Service (6,890)		
Educational, Guidance, School, and Vocational Counselors	2,940	\$45,350
Substance Abuse, Behavioral Disorder, and Mental Health Counselors	1,730	\$38,342
Healthcare Social Workers	1,000	\$50,227
Management Occupations (6,680)		
Property, Real Estate, and Community Association Managers	3,520	\$46,694
Food Service Managers	2,460	\$43,641
Lodging Managers	450	\$42,278
Art, Design, Entertainment, Sports, and Media (6,620)		
Graphic Designers	2,140	\$42,412
Public Relations Specialists	1,930	\$51,360
Editors	700	\$40,435
Legal (5,810)		
Paralegals and Legal Assistants	4,640	\$41,798
Title Examiners, Abstractors, and Searchers	950	\$37,094
Legal Support Workers, All Others	170	\$50,764

Architecture and Engineering (4,880)		
Architectural and Civil Drafters	1,140	\$49,497
Electrical and Electronics Engineering Technicians	930	\$50,342
Civil Engineering Technicians	610	\$44,544
Transportation and Material Moving (3,880)		
First-Line Supervisors	2,610	\$46,540
Captains, Mates, and Pilots of Water Vessels	360	\$53,568
Crane and Tower Operators	280	\$53,184
Life, Physical, and Social Science (2,990)		
Environmental Scientists and Specialists, including Health	730	\$44,390
Life, Physical, and Social Science Technicians, All Other	450	\$43,852
Chemical Technicians	400	\$42,105
Healthcare Support (1,560)		
Medical Transcriptionists	1,120	\$36,480
Occupational Therapy Assistants	440	\$56,102
Personal Care and Service (380)		
Morticians, Undertakers, and Funeral Directors	380	\$45,139
Farming, Fishing, and Forestry (40)		
First-Line Supervisors	40	\$39,379