

\$25 million in affordable housing recommendations to be reviewed by Sarasota County

[Saundra Amrhein](#) Sarasota Herald-Tribune

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Six hundred and twenty-three affordable homes. That's what the Sarasota County Commission could help create by allocating \$25 million in federal COVID-19 relief funds to affordable housing, according to recommendations from a group of community experts.

The commission will consider the recommendations at its meeting Tuesday. The recommendations came after community business leaders, residents and nonprofit advocates [spoke out in December against county staff suggestions](#) to allocate just \$5 million to the problem out of an allotted \$84.2 million from the federal American Rescue Plan Act, or ARPA. The commission [later agreed to increase the amount to \\$25 million](#), while the county asked the Gulf Coast Community Foundation to spearhead a group to formulate recommendations on how best to spend the funds.

The money, leveraged with about \$137 million from outside investments, would focus on increasing the low-income housing stock through eight development projects in all parts of the county for many types of households – working families, individuals and people on the brink of homelessness, according to the recommendations.

While some of the units wouldn't be ready for occupancy until possibly 2024 or 2026, the working group zeroed in on projects that could bring units online as fast as possible.

The goal was to accomplish the biggest and longest-lasting impact possible with these one-time federal funds, using partner providers and focusing on capital investments like buildings as opposed to rent assistance, said Jon Thaxton, Gulf Coast's senior vice president for community leadership. "We wanted to come away from this with hundreds of units, not tens of units," Thaxton said.

The projects and the partners on the list include: the nonprofit CASL and its New Trail Plaza in Sarasota; three projects of the Sarasota Housing Authority, including Lofts on Lemon Phase II, Cypress Square and Central Gardens, all in Sarasota; two projects of the nonprofit Family Promise for homes in South County and Venice; the Atlantic Housing Foundation's The Waters at North Port; and nonprofit Harvest House's Home Again II in Sarasota.



Lofts on Lemon, at 851 N. Lemon Ave. in Sarasota, is expected to be finished later this year. The complex consists of 76 affordable housing units for families earning up to 60% of the area median income, and 52 units for families earning up to 100%. The project was funded by a variety of stakeholders, including the Florida Housing Finance Corporation, the city of Sarasota, the Charles & Margery Barancik Foundation, the Community Foundation of Sarasota County, Bank of America, Freddie Mac, Walker & Dunlop, the Sarasota Housing Authority and the U.S. Department of Housing & Urban Development.
Mike Lang / Herald-Tribune

“I mean, to be honest with you, I think it should be even more,” said William Russell, head of the Sarasota Housing Authority, alluding to other communities around the country that have used greater shares of their ARPA funds for affordable housing.

The city of St. Petersburg recently agreed to devote more than 75% of its ARPA funds to affordable housing.

'The need has been with us for decades'

For years Thaxton and Gulf Coast Community Foundation have advocated for affordable housing, including pushing for the adoption of the [Blueprint for Workforce Housing action plan](#), prepared by the Florida Housing Coalition in 2018.

Promoting a comprehensive approach, it called for, among other things, the creation of a recurring Community Land Trust to help pay for affordable housing. It also advocated for the designation of an ombudsman or liaison to oversee the implementation of measures for the city and county.

Long before the current emergency – years before [restaurant owners, the hospital, schools and private industry were reporting a crisis](#) in recruiting and retraining workers due to the lack of affordable housing – Thaxton was sounding the alarm, trying to persuade local governments to invest in affordable housing as infrastructure.

“This need has been with us for decades,” he said. “We frankly haven’t been paying attention to it until it started impacting our economy in a severe way.”

In 2015, inquiries from Thaxton and Gulf Coast Community Foundation helped prompt a review by the County Commission on the implementation and effectiveness of county policies in producing enough affordable housing.

Asking for measurable outcomes, Thaxton’s questions pushed beyond plans on the books for things like "overlay districts" and expected building projections.

Instead, they bore down on the number of affordable housing units that had actually been produced the previous decade as a direct result of implementing policies from the county's growth plan.

This – based on his questions – was separate from developments by community entities, like the Sarasota Housing Authority or the Office of Housing and Community Development, which largely draw on state and federal funds, as well as local contributions.

After a review of units resulting from 18 policies from the county’s Comprehensive Plan, the answers from county staff were not encouraging.

According to the county staff report, many responses were the same: “No units have been constructed.”

The answer was repeated throughout the report, including in response to questions on the growth plan’s policies to use zoning amendments to help increase affordable housing.



Jon Thaxton Gulf Coast Community Foundation

The Herald-Tribune recently reached out several times to Matthew Osterhoudt, the Sarasota County director of planning and development services, to discuss updated efforts and outcomes of county policies to bring about affordable housing.

Osterhoudt declined to comment or return phone calls. Instead, through communications staff, he sent a map to a list of nine developments in unincorporated Sarasota County that had an affordable housing requirement the last decade.

The number of projected affordable housing units expected to result from the nine developments was 3,158.

The county acknowledged that progress had only been made on three of those nine developments.

- One was for 100 townhomes of Palmer Place, developed alongside the overall plan for the Artistry resort-style single-family home community. The townhomes, built and unveiled by Highland Homes in 2017, featured starting [prices](#) in the \$170,000s. They quickly sold out, said Jim Harvey, president of Kolterland, the developer. Deed restrictions called for those units to remain affordable only five years from the original sale date, according to the county.
- The second development was for 41 units at Springs at Bee Ridge. However, a year after the 360-unit apartment community was built, a new company purchased it, renaming it Longitude 82. At the time, the average household income for tenants was \$100,000, according to the [Business Observer](#). Currently, no units are slated as "affordable," property manager Jennifer Paden told the Herald-Tribune. Rent for a one-bedroom apartment at Longitude 82 runs from a little more than \$1,800 a month to almost \$2,100.
- The third was for 2,037 units at Waterside at Lakewood Ranch. 489 have been constructed so far, according to a report provided to the county by the developer last year.

'It's really tough for them to build and charge an affordable rent'

Beyond the question, though, of the number of affordable units that actually are built and remain affordable, is the matter of who they are intended for in the first place.

Fewer than half of the overall 3,158 units the county approved for affordable housing – or 1,072 – were slated for households that make 80% of the Area Median Income (AMI), the rest for households at 100% and 120% of AMI – all three levels beyond the reach of many working families, experts note.

As a point of comparison, Sarasota Memorial Health Care, the county's largest employer, is struggling to fill nursing positions with annual salaries between \$40,000 and \$50,000 – the candidates turning down offers because they can't find an affordable place to live, according to Laurie Bennett, the hospital's vice president of human resources.

For this region, 80% of AMI for a family of four is \$61,750. A household is considered to be living in "affordable housing" when it spends no more than 30% of its income on rent or mortgage payments, according to the Florida Housing Coalition.

"The units we built at 60% – trust me, they are in the workforce," Russell said. "I think it's very difficult and very rare for the housing market to build or provide housing that is affordable for people below 80%. You just don't see it."

That's where government, working with nonprofits and builders, can play a forceful role. "I keep hearing people say that the market will address it, that we'll build our way out of this if it is supply and demand," Russell said. "But in this market, without some subsidy or some significant density bonuses that give them a better economy of scale, it's really tough for them to build and charge an affordable rent."

'There is a cost when a community has people living in crisis

Moving forward, the crisis needs far more than a one-time infusion of federal funds, said Jennifer Johnston, director of community leadership at Gulf Coast Community Foundation. It requires a multipronged approach supported by a local, recurring source of revenue, like that called for in the Blueprint for Workforce Housing.

"There is a cost when a community has people living in crisis and unable to find stable, affordable housing," Johnston said. "Truly to meet this need over years to come, we will need additional investment and a funding source at the county level."

Russell at the housing authority agreed that it was time for the county to revisit the Blueprint recommendations.

He notes that some communities he studies around the country are weathering this storm differently – having adopted measures years earlier to require and guarantee affordable housing units with all developments.

While being an advocate for affordable housing can be a lonely endeavor, he is encouraged by the groundswell of support.

"This is a major and severe issue that does need the county's attention and investment," he said. "It's probably good we start getting more aggressive about it."

This story comes from a partnership between the Sarasota Herald-Tribune and the Community Foundation of Sarasota County. Sandra Amrhein covers the Season of Sharing campaign, along with issues surrounding housing, utilities, child care and transportation in the area. She can be reached at samrhein@gannett.com.