



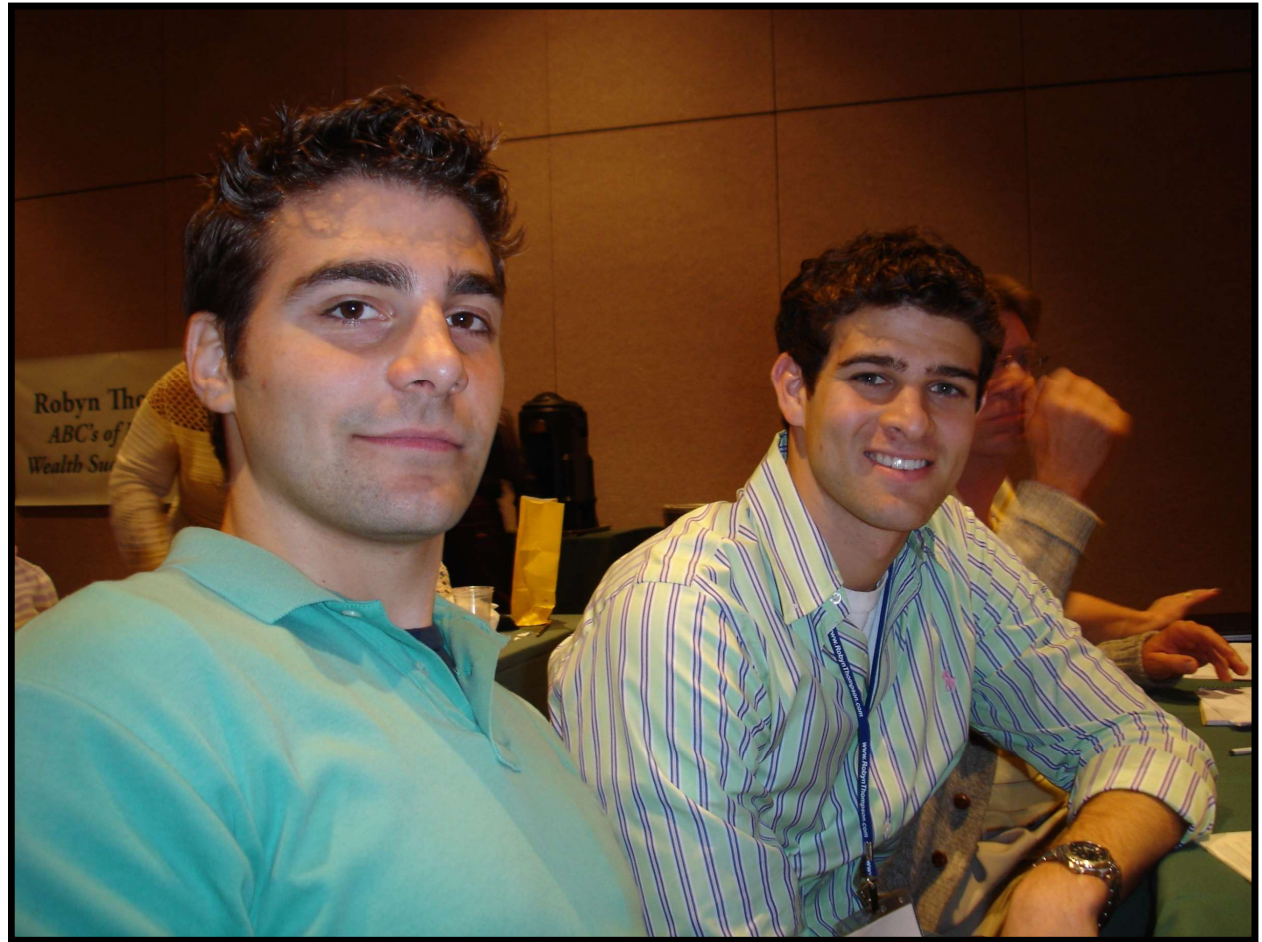
# Affordable Housing Solutions

Alex Sifakis

1/22/2023



- Founded 2006
- Survived Great Recession
- Started growing business exponentially in 2010





Focus on company culture and our local community



GMJ  
'A mini Motown': Historic Eastside Cultural Center opens with big goals



K9s For Warriors graduate presented with new house





# Affordable Housing Experts

- In 2017 was presented NEFBA's Affordable Housing Developer of the Year Award
- Jacksonville leader in creating affordable housing units **WITHOUT** taxpayer dollars
- Probably the largest current creator of workforce rental housing in Jacksonville?
  - **71% of JWB's new construction properties (200-300/year) are affordable to someone who makes 80% of the Area Median Income (AMI)**
  - % of the ~6,000 units that JWB manages which are affordable to a household in a particular AMI bracket
    - **80% AMI = ~90%** of units JWB manages are affordable
    - **60% AMI = ~52%** of units JWB manages are affordable





# Affordable Housing Experts

In 2023 :

- 405 single family new construction homes sold for less than 300K in Duval county (MLS data)
- 169 of those were sold by JWB – ~42% of the market!
  - Only one large builder – DR Horton, 65 sales
- 65 of those sales went to owner-occupants
  - ~38% of those new home sales
- 104 of those sales went to investors
- JWB also sold 36 houses to JHA (not included in MLS data)



**CITY OF JACKSONVILLE  
INFRASTRUCTURE TRANSITION COMMITTEE**

.....  
**AFFORDABLE HOUSING SUBCOMMITTEE  
RECOMMENDATION REPORT**

AUGUST 2023



## AFFORDABLE HOUSING SUBCOMMITTEE MEMBERSHIP

Joshua Hicks, City of Jacksonville - Chairman

Alex Sifakis, JWB Real Estate Companies - Vice Chairman

Damita Chavis, Community Member

Dr. Melissa Chester, First Coast Association of Realtist (FCAR)

Dr. Irvin Cohen, LISC Jax

Chris Crothers, Jessie Ball duPont Fund

Diana Galavis, Northeast Florida Association of Realtors

Steve Gilbert, Beaches Habitat for Humanity

Curtis Hart, Hart Resources

Michael Hodges, National Association of Residential Property Managers

Shaun Jones, Monumental Realty Services LLC

Patrick Krechowski, Balch & Bingham, LLP

Angie McKee, Watson Realty Corp and National Association of Residential Property Managers

Bryan Moll, Gateway Jax

Shannon Nazworth, Ability Housing

Robin Pfalzgraf, Jacksonville Community Land Trust

Jessie Spradley, Northeast Florida Builders Association

Garrett Dennis, Infrastructure Transition Committee Chairman (Observer)

# Density is Critical!!!

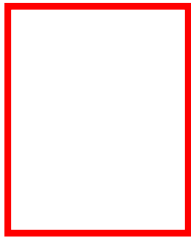
Strategy B: Promote the construction of **Missing Middle Housing** and increase the allowed density of future development through zoning reform: 1) Development Department policy changes, and 2) Ordinance changes.

**Economics 101: supply and demand affect pricing.** When only considering apartment rental units in the Jacksonville MSA, data suggest the apartment unit supply gap is projected to be as high as 61,000 units by 2030<sup>11</sup>. This and similar indicators suggest that the City can expect continued high housing demand for the near future. **If increased housing affordability is the goal, the supply of housing must be significantly increased. To this end, higher density housing development is a key element in the affordability equation.** A housing unit situated on a large piece of land is usually more expensive for the market to produce than on a small plot. Similarly, rising land costs make housing density a viable solution for developers to distribute the land expenses among multiple units, thereby increasing affordability in cases where it would otherwise be challenging to achieve.



# Economics of Density

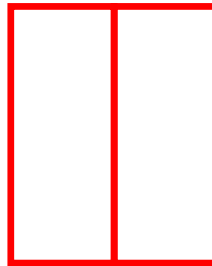
40x100 lot  
SFR



Lot Cost: \$50,000  
Build one ~2,000 sqft 3 bed house  
Build Cost: \$125/ft = \$250,000  
Soft Costs (20%): \$50,000  
All-in Costs: \$350,000

**Rent Needed to Achieve 5%  
return: \$2,429**

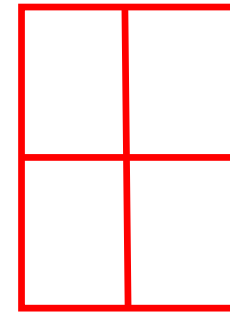
40x100 lot  
TH/Duplex



Lot Cost: \$50,000 (\$25,000/unit)  
Build two ~1,500 sqft 3 bed townhomes  
Build Cost: \$125/ft = \$187,500/unit  
Soft Costs (20%): \$42,500  
All-in Costs: \$255,000

**Rent Needed to Achieve 5%  
return: \$1,769**

40x100 lot  
Quad



Lot Cost: \$50,000 (\$12,500/unit)  
Build four 900 sqft 2 bed apartments  
Build Cost: \$150/ft = \$135,000/unit  
Soft Costs (20%): \$29,500  
All-in Costs: \$177,000

**Rent Needed to Achieve 5%  
return: \$1,227**

## Executive Summary: Recommendations at a Glance

### Overarching Goals:

**GOAL 1:**  
Improve Housing Ecosystem:  
Efficacy, Coordination, and  
Oversight

### Short-term Strategies (0-2 years)

- A. Update the Housing Element of the *2045 Comp Plan* with subcommittee recommendations and develop clear policy goal directives with benchmarks and timelines
- B. Institute a Housing Oversight Committee
- C. Streamline the horizontal and vertical permitting process
- D. Scrutinize City policies and regulations that would decrease housing supply

### Medium- & Long-term Strategies (2+ years)

- A. Code enforcement reforms
- B. Create a Landlord Registry
- C. Create technical assistance programs for landlords / property managers

**GOAL 2:**  
Increase Attainable  
Housing Construction and  
Rehabilitation  
(*Low- and moderate-income  
housing supply*)

- A. Expand and commit local recurring, dedicated funding aimed at filling identified capital stack gaps
- B. Promote the construction of *Missing Middle Housing* and increase the allowed density of future development through zoning reform (both development department internal policy changes and ordinance changes)
- C. Prioritize government resources to create housing affordable to those with the greatest need, including persons experiencing homelessness
- D. Provide incentives to developers and community housing partners to produce more attainable housing
- E. Address tap and connection fee barriers to affordability

- A. Raise awareness of available incentives
- B. Allow multiplexes on all properties within the Urban Area
- C. Convert city-owned commercial buildings to residential
- D. Understand capacity of non-profit development community and work to increase that capacity

**GOAL 3:**  
Strengthen Housing and  
Resident Stability  
(*Keep people in their homes /  
hedge against loss of affordability*)

- A. Support eviction prevention programs
- B. Launch a Housing Resource Center to coordinate and promote housing opportunities, resources, and protections
- C. Support homeownership preservation strategies

- A. Support and coordinate with Jacksonville Transportation Authority (JTA) on transit-oriented community developments

# Early Wins!



- \* Allow dense, small lot single family properties to be built in MDR zoned areas.

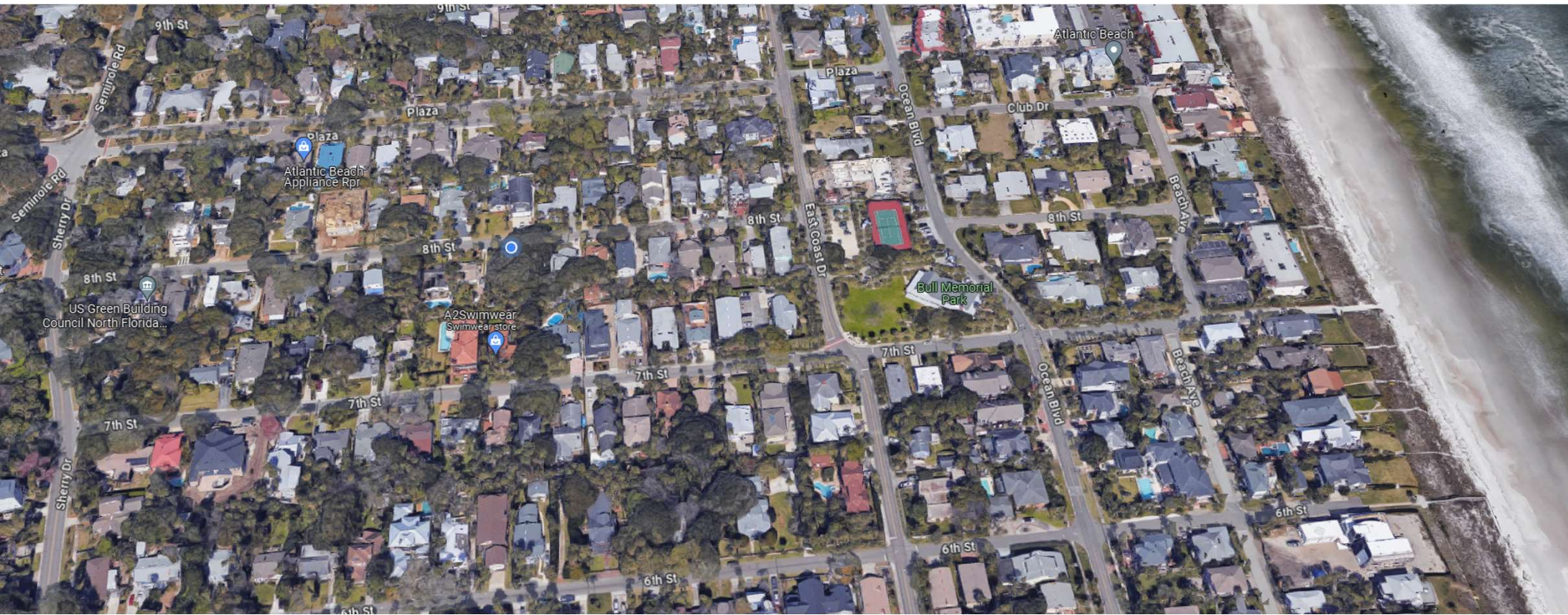


- \* Change the side setbacks from ten feet to five feet for duplexes, triplexes, quadruplexes, and townhomes in MDR areas.

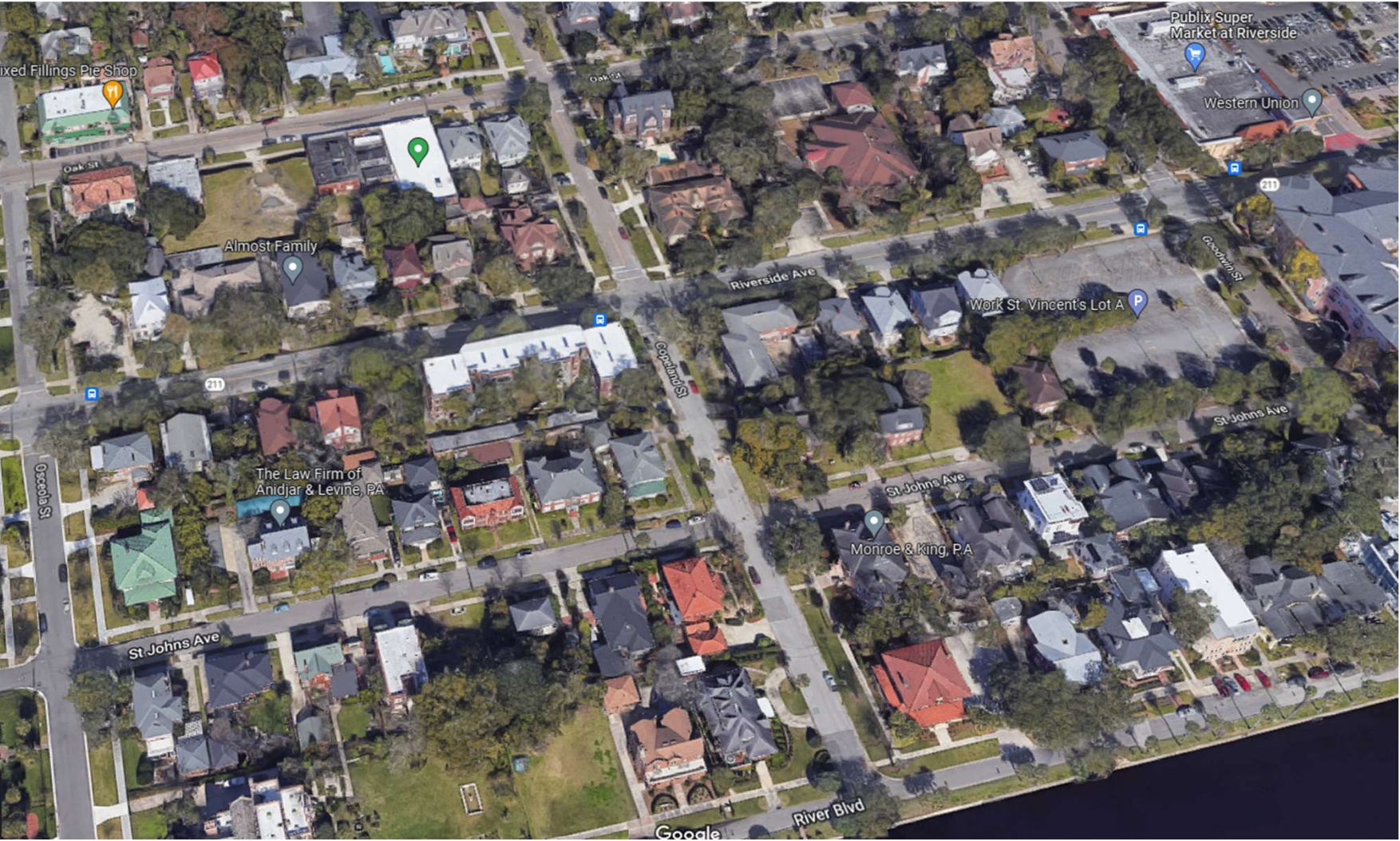
**Missing Middle Housing** is a range of house-scale buildings with multiple units—compatible in scale and form with detached single-family homes—located in a walkable neighborhood.



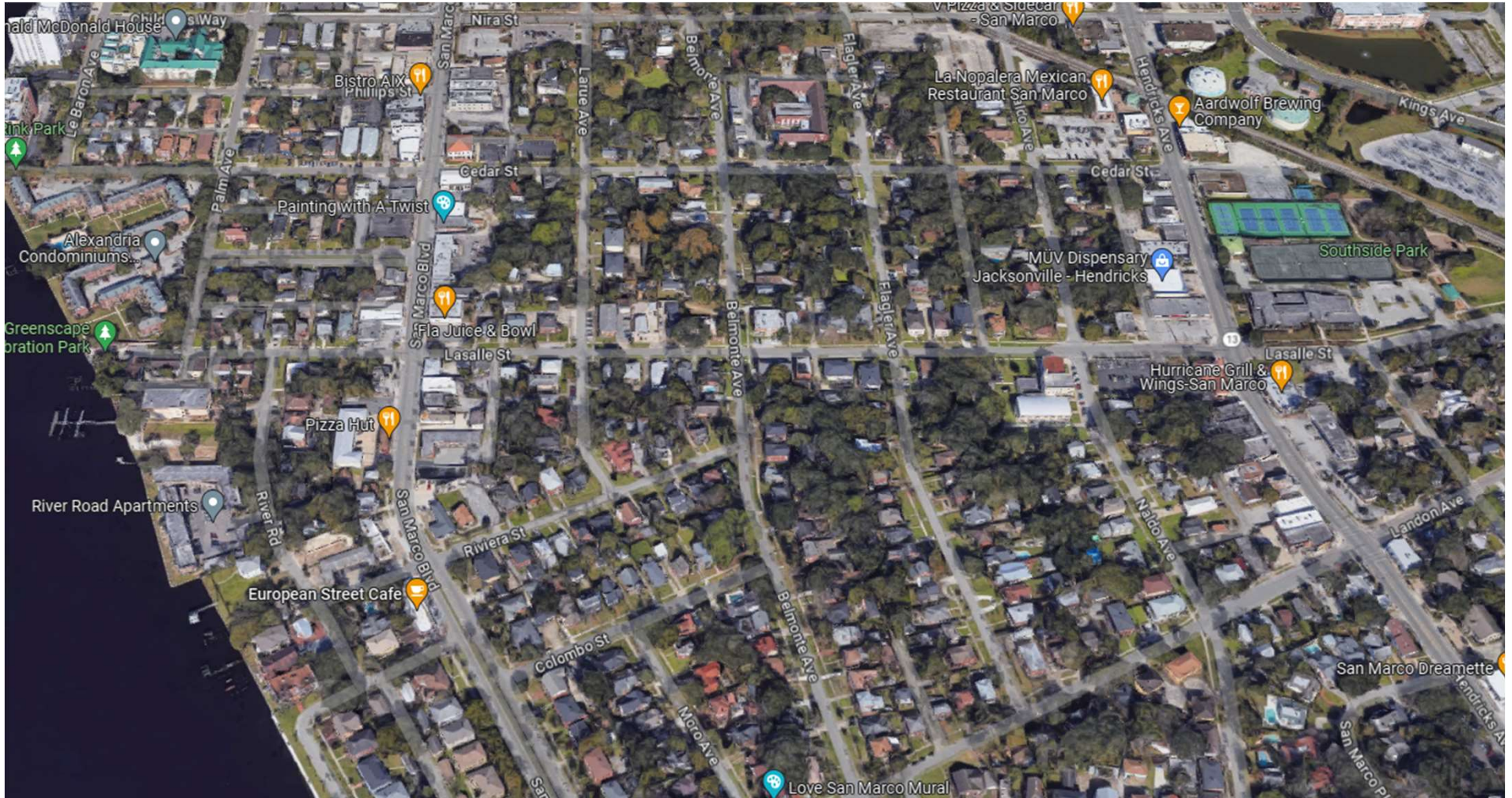
# Missing Middle Housing – Atlantic Beach



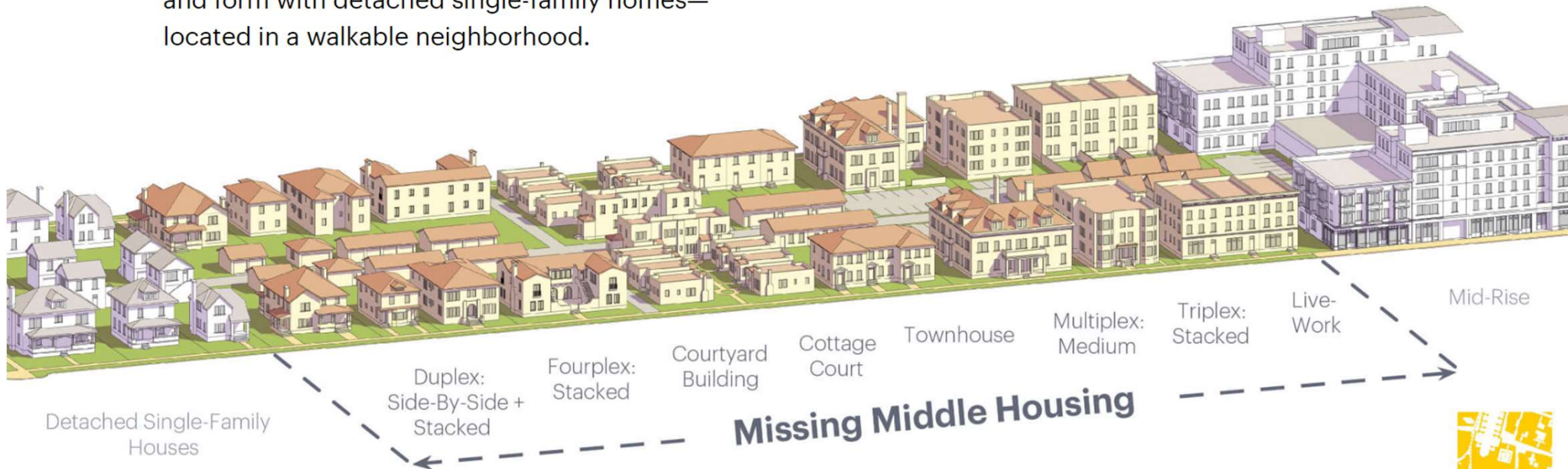
# Missing Middle Housing – Riverside Ave and Copeland St



# Missing Middle Housing – San Marco



**Missing Middle Housing** is a range of house-scale buildings with multiple units—compatible in scale and form with detached single-family homes—located in a walkable neighborhood.





## Next Priorities:

1. Amend planning department POLICY to recommend approval for projects having double the density of surrounding developments (not to exceed the density allowed by existing land use).
2. Double the amount of multifamily zoned land in Duval County.
3. Allow ADU's on all properties, not just owner-occupied properties.
4. Allow duplexes, triplexes, and quadplexes on properties within the Urban Area.

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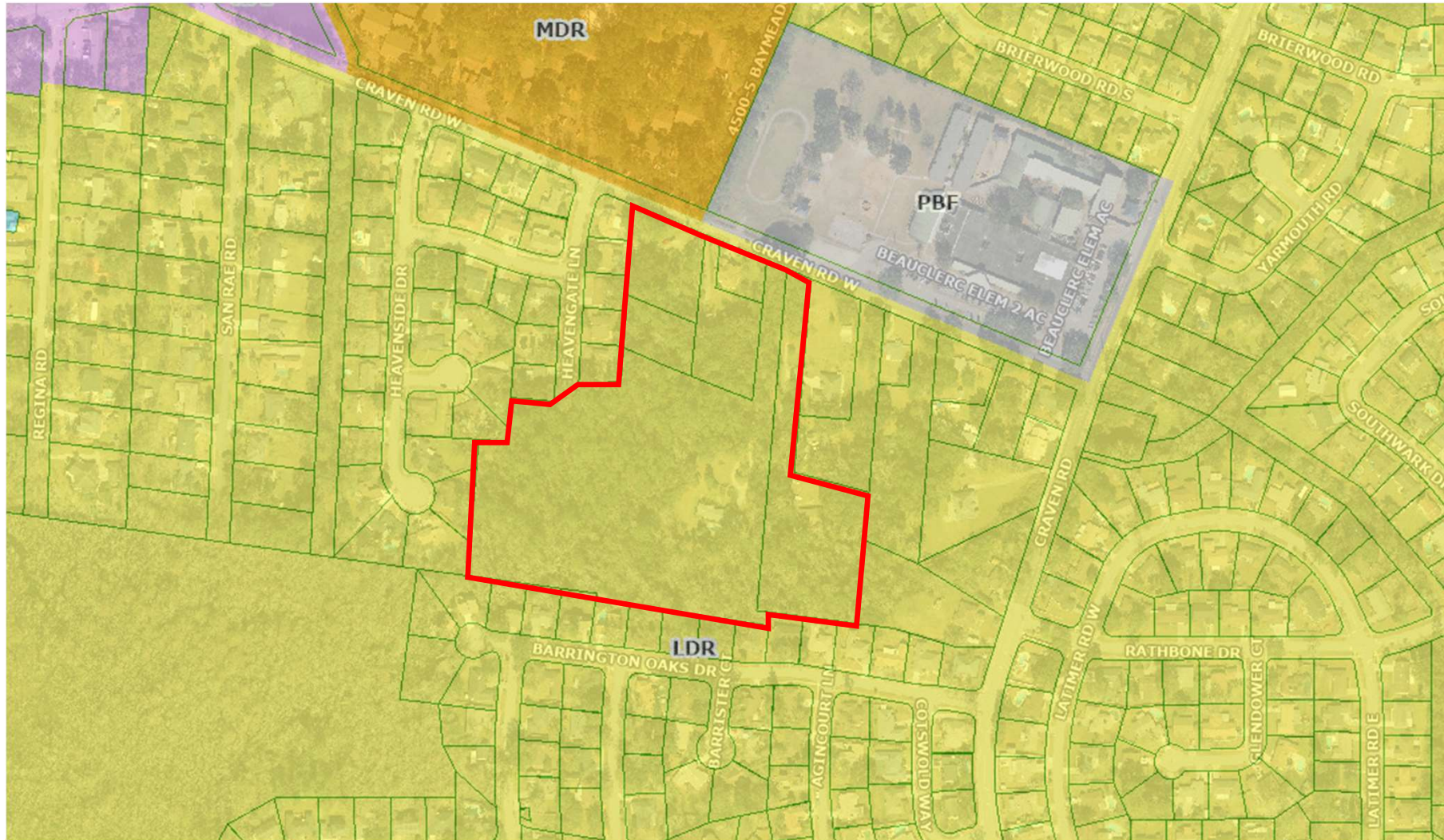
## Priority #1:

- \* Create a planning department policy to support new development density twice that of the surrounding area but not to exceed the maximum density allowed in the land use area.
  - The current COJ Low Density Residential (LDR) land use area allows up to seven (7) units per acre. However, most new developments are restricted to lot sizes that correspond to the area surrounding the new development, which compounds the existing unaffordability problem. For example, a new development in an LDR land use area surrounded by 90 foot lots—about two lots per acre—will likely be limited to 90 foot lots by planning department recommendation, although the LDR land use area allows a maximum of seven (7) units per acre.

Hypothetical Scenario of a property In Mandarin

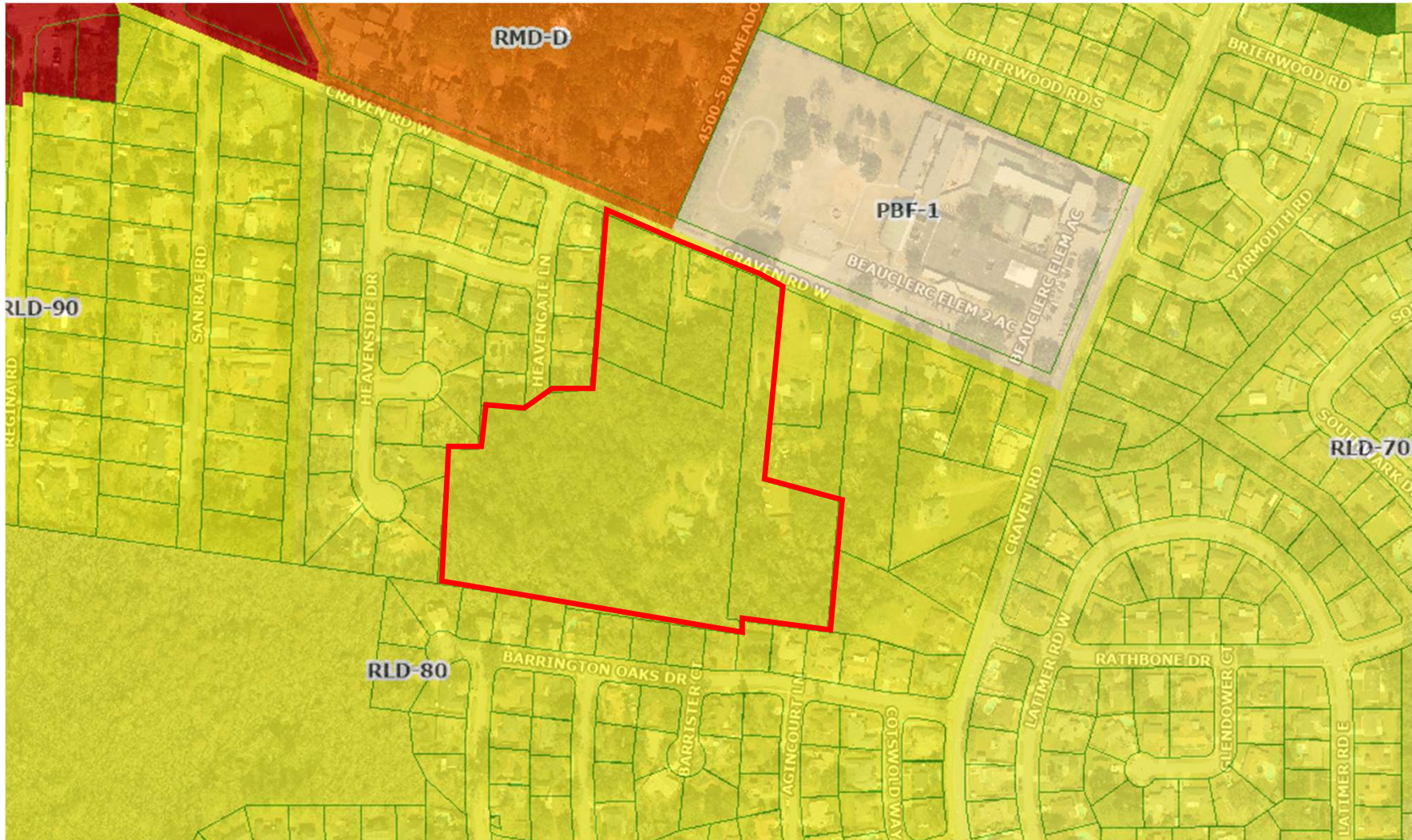


Land Use:  
LDR  
  
Allowed  
Units Per  
Acre in LDR:  
7



Zoning:  
RLD 80

Approx Units  
Per Acre  
Possible  
with 80' lots:  
~2



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## Priority #2:

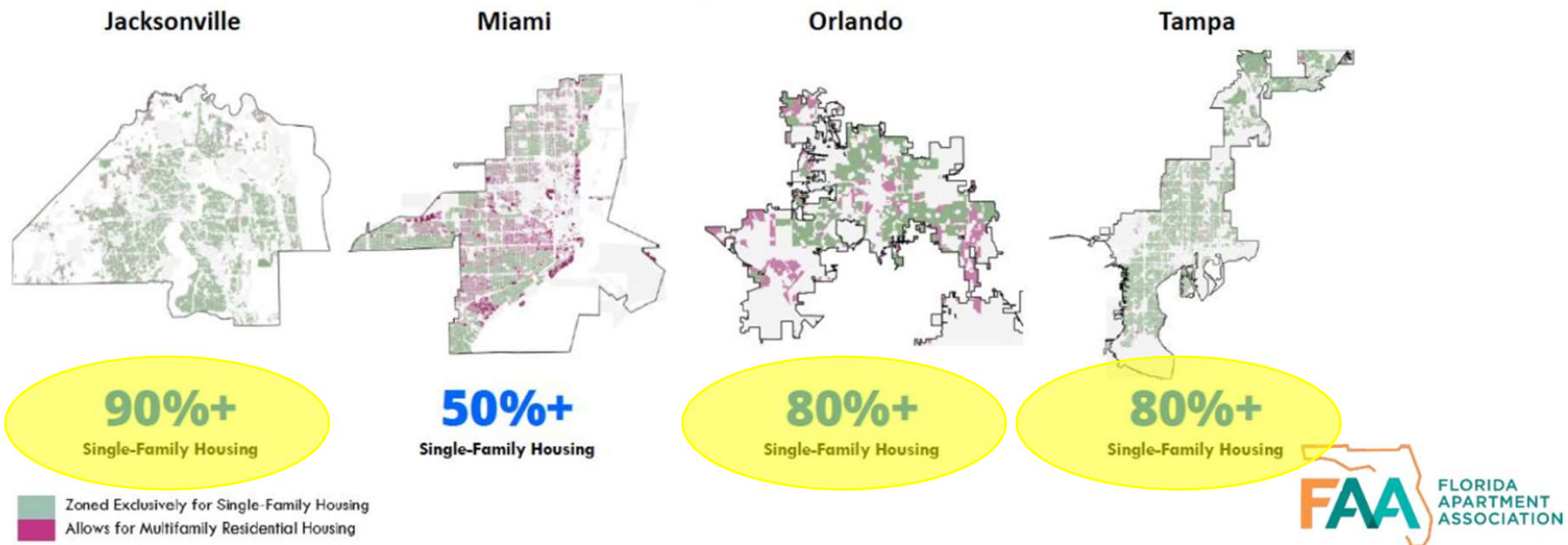
- \* Double the amount of land zoned for multifamily housing in Jacksonville in the next two years. Currently, 91% of Jacksonville residential land is zoned for single family homes<sup>16</sup>, whereas comparable cities, such as Tampa, are zoned ~80% for single family homes. The subcommittee recommends: 1) this multifamily land be close to or along heavily trafficked corridors; and 2) the City hire a consulting firm to recommend approaches about how to achieve this goal.

## FAA 2020 Cost Drivers Study

### Exclusionary Zoning and Historic Disparities

Except for a few neighborhoods in denser cities in south Florida, most residential land in Florida's cities is zoned exclusively for single-family residential housing.

### Residential Land Use





## Priority #3:

- \* Extend the existing Accessory Dwelling Unit (ADU) ordinance from only owner-occupied properties to all properties.
  - ADUs exist throughout Riverside, San Marco, Springfield, among others, and are a critical component of Missing Middle Housing.



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## Priority #4:

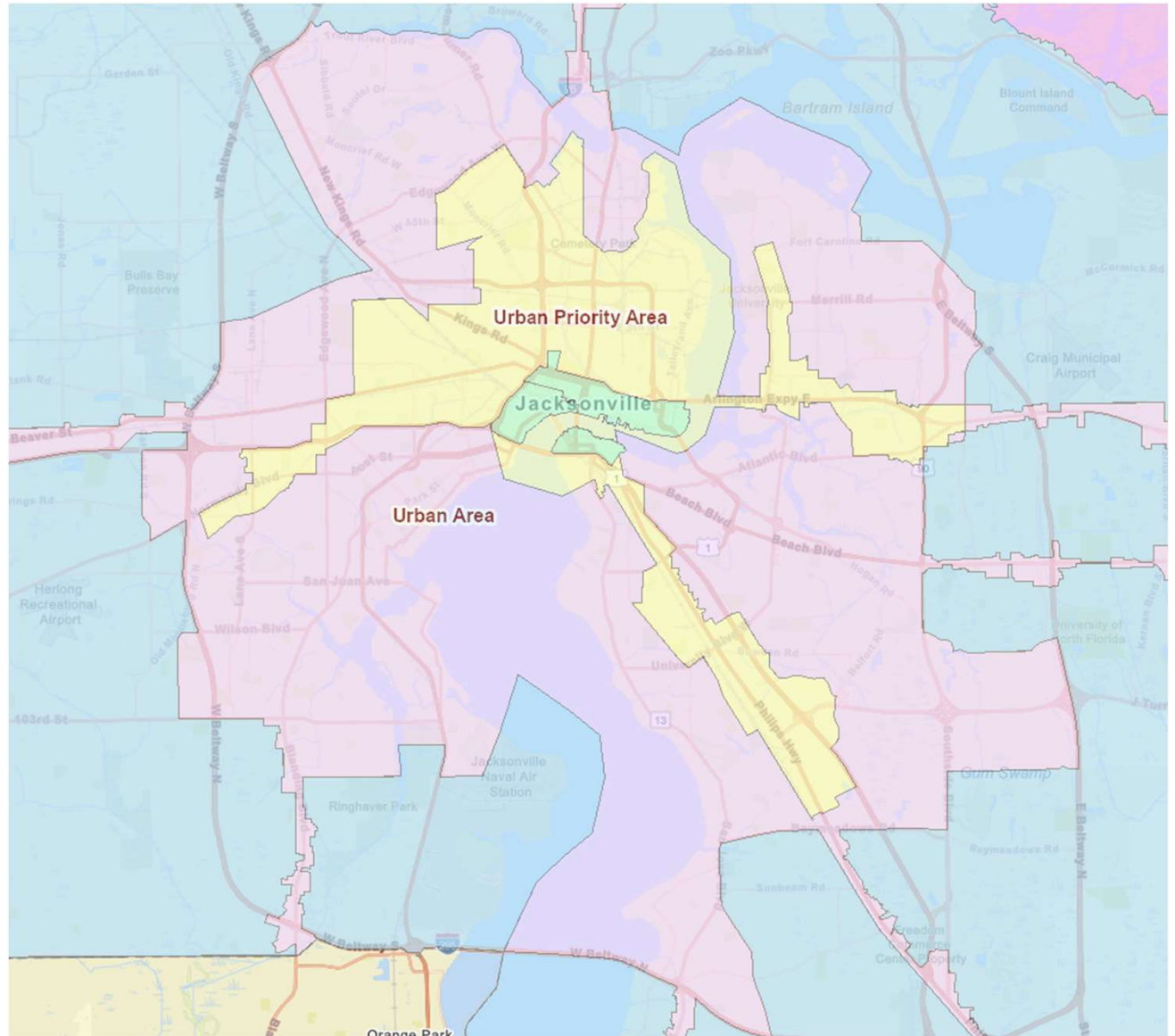
### Strategy B: Allow multiplexes on all properties within the Urban Area.

- \* A number of cities—Minneapolis, MN; Arlington, VA; Gainesville, FL; and Charlotte, NC—and states—Montana, Maine, Oregon, Washington, and California—have legalized Missing Middle Housing zoning. In Jacksonville, a more moderate proposal that would allow multiplex development on all properties within the Urban Area could have a large positive impact on supply and affordability.

# 2030 Mobility Plan

Pink = Urban Area

Yellow = Urban Priority Area



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# Affordable Housing Solutions

INSIDER

## Austin is copying Houston's playbook for making housing more affordable

The capital city has built a significant amount of new housing in recent years, but its restrictive land use laws have prevented it from building enough, said Jenny Schuetz, an expert on urban economics and housing policy at the Brookings Institute.

"They've also had just huge amounts of in-migration in the last couple of years, and so the population growth has overwhelmed the supply response," Schuetz told Insider.

But the city government is making a new push for building even more housing. The Austin city council last month approved a resolution that cuts the minimum lot size for a single-family home from 5,750 square feet to 2,500 square feet and allows at least three homes on a single lot.

Austin's [upzoning measures](#) are designed to incentivize "gentle density" — also known as infill housing or missing-middle housing. They would allow townhomes, duplexes, and triplexes to be built on single-family lots, offering denser, more diverse housing options.

Reducing minimum lot sizes has worked elsewhere in Texas to boost housing construction. Houston has significantly increased its housing supply since cutting its minimum home lot size from 5,000 to 1,400 square feet in 1998. The policy change has allowed [almost 80,000 new homes](#) to be built on these smaller lots.