

Study: Cape Coral needs more multi-family housing

Posted: Jan 04, 2017 7:14 PM EST Updated: Jan 04, 2017 7:14 PM EST

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A study shows Cape Coral needs more multi-family housing options to keep up with its growing population.

The study, done by Cape Coral Housing Development, shows the city needs 1,490 units a year by 2019.

In an effort to try and attract developers, Housing Development is working on a three-year pilot program proposal that would give developers a break if they provide apartments with reasonable rent.

Right now, more than 85 percent of rental housing options in the city are single family homes, condominiums, duplexes and mobile homes.

Amy Yearsley, Cape Coral's housing coordinator, said the lack of apartments in the city is a major factor why many households are unable to afford rent.

"When you are looking at an average monthly rent here in Cape Coral of \$1,600 a month, someone coming in making a decent amount may not still be able to afford to live here," said Yearsley.

According to the study, they estimate there is a total of 3,696 multi-family apartments in the city.

"The majority of our housing stock is in our rental market, in our single family or complexes with less than 12 units," said Yearsley.

There are only eight developments in Cape Coral that have 20 or more units in them. The amount of vacancy in Lee County and Cape Coral sits at 3.9 percent, with most of Cape Coral's population living in single family homes.

They are targeting the Cape workforce, which means anyone who makes between 80 to 120 percent of the area median.

Singles who make between \$31,600 to \$47,400 a year and couples who make \$36,160 to \$54,240 a year would qualify for workforce housing. Yearsley said they would have to verify their salaries when applying for housing and they are considering checking your income down the road to see if you still qualify.

The rent would be similar to HUD standards.

"When you're looking at affordability, you're looking at someone who shouldn't pay more than 30 percent their monthly income on their housing costs."

Yearsley said they have to attract more developers and hopes the program would help. She said it would refund developers up to 60 percent on impact fees like money for roads, police protection, sewers and other services.

"It's not an impact fee waiver; it's not an impact fee deferral. The impact fees are paid over time from the tax increment generated on that site," said Yearsley.

Joe Bonora, managing director for Aileron Capital Management, said he would consider using the program for future projects. His company is currently building 90 units on SE 17th Place and 320 units off Pine Island and NE 24th.

Bonora also is behind Channelside in south Fort Myers. He said a program like this would be a big boost.

"I can tell you that when you try to base on where construction figures are right now, the cost to construct plus land fees, it's tough to make a project work if you're getting too far below where current rents are, so a program like this could help that."

Some developers could opt not to use a program like this because of rent prices.

"Developers may consider it something they don't want to utilize because it could put a collar on what they could rent the apartment for," said Bonora.

Why aren't developers building in Cape Coral? Bonora said it could be because the city isn't as big as cities like Tampa and Miami.

"There's not a lot of product being built because a lot of developers shy away from tertiary markets, so we've been attracted to it because it's an underserved market that will probably continue to be underserved for the immediate future," said Bonora.

Yearsley said housing development is actively working on the program. It is still in the early stages and will have to go before council for approval before being offered to developers.

She said because it's a pilot, it can also change or be cancelled at any time during the three years.

Link: <http://www.nbc-2.com/story/34186068/study-cape-coral-needs-more-multi-familyhousing>