



Inspector General Insights

Background: The issue of Area Median Income (AMI) is often highlighted as a component of any discussion and/or policy decision regarding affordable housing in Collier County. Examples include the following:

- (1) Agreement (BCC Agenda on November 10, 2020; #11C) with Rural Neighborhoods, Inc. to develop Essential Services Personnel (ESP) Housing at the former **Golden Gate Golf Course**; followed by
- (2) A developer presentation on May 10, 2021 at the Golden Gate Community Center regarding affordable housing project to be located on the **Golden Gate Golf Course** previously purchased by Collier County; and
- (3) September 28, 2021, Board of County Commissioners (BCC) agenda item #9A; a rezoning petition for **Blue Coral Apartments** permitting up to 234 multi-family rental units, of which 70 would be rented to ESP, with 35 of those units income-restricted.

At issue is the confusion created when discussions focus on AMI without the corresponding translation into the income limitations by household size. This AMI issue was specifically discussed during the Blue Coral Apartments agenda item. When addressing Essential Services Personnel, the focus needs to be on the entry level salaries and whether they meet the income eligibility criteria.

Objective: Our objective was to provide further clarity to the Board of County Commissioners and the public when referencing AMI, and to understand the specific income levels when considering Board action regarding affordable housing policy decisions. Further, since agenda items referenced ESP, we wanted to include that salary information to ensure eligibility criteria are clearly understood.

Scope: This was specific to the 2021 AMI income limits as stated in data provided by Housing and Urban Development (HUD), effective April 1, 2021.

Observations: **Golden Gate Golf Course Affordable Housing Component**

The 2021 AMI income limits noted in the preceding Scope are outlined below, along with the minimum number of units earmarked for ESP for affordable housing to be constructed.

Essential Service Personnel	# in Household			Minimum # of Units	Percentage of Units
	1	2	4		
Area Median Income (AMI)					
30% (Extremely Low)	\$17,750	\$20,250	\$26,500		
50% (Very Low)	\$29,550	\$33,750	\$42,150		
60%	\$35,420	\$40,480	\$50,600	20	8.0%
80% (Low)	\$47,250	\$54,000	\$67,450	63	25.2%
100%	\$59,010	\$67,440	\$84,300	142	56.8%
120%	\$70,920	\$81,000	\$101,160	0	0.0%
140%	\$82,740	\$94,500	\$118,020	25	10.0%

(Source: 11/10/2021; agenda item #11C).

Salaries for select Essential Service Personnel as of 2021, versus AMI limits, are as follows:

Description	Entry Level Salary	2 Working Adults
80% (Low) AMI	\$47,250	\$54,000
100% AMI	\$59,010	\$67,440
140% AMI	\$82,740	\$94,500
Collier County Teacher	\$47,720	\$95,440
Collier County Emergency Medical Technician (EMT) I	\$40,073	\$80,146
Collier County Paramedic I	\$48,951	\$97,902
Collier County Jail Deputy Trainee	\$40,807	\$81,614
Collier County Certified Jail Deputy	\$44,943	\$89,886

A concern is that salaries for ESP may exceed the AMI eligibility thresholds for housing deemed “affordable”. As an example, an entry level teacher salary in the performance salary schedule with a bachelor’s degree makes \$47,720; just over the 80% AMI income limitation. A two-teacher household would earn \$95,440, far exceeding both the 80% and 100% limitations. A two-teacher household earning \$95,440 would barely qualify at the 140% AMI. In addition, ESP often earn additional compensation in the form of overtime due to the 24-hour nature of EMS/Fire/Law Enforcement services. A further concern is the number of units to be constructed for those with AMI of 100% or more, as the 25 units, or 10%, limits availability to the majority of ESPs.

Blue Coral Apartments

On September 28, 2021, the BCC approved a rezoning petition for Blue Coral Apartments for development of up to 234 multi-family rental units, of which 70 would be rented to ESP, with 35 of those units income-restricted. The Blue Coral agreement stated the following relative to affordable housing:

“Twenty five percent (25%) of the total units (70 units) will be rented to Essential Service Personnel (“ESP”). ESP means natural persons or families at least one of which is employed as police or fire personnel, a childcare worker, a teacher, or other education personnel, health care personnel or a public employee.

Of the seventy ESP units, thirty- five (35) of those units will be income and rent restricted. Ten (10) of the units will be designated for those households whose incomes are less than 80% of the AMI for Collier County. Fifteen (15) of the units will be designated for households whose incomes are between 80% and 90% of AMI for Collier County, and ten (10) of the units will be designated for households are between 90% and 100% of the AMI for Collier County.”

The marketing/promotion of these seventy (70) ESP units was premised upon finding suitable housing for teachers, and fire/police personnel. Discussion noted that even if the 70 units are not filled with ESP, the occupants will still be required to meet the income eligibility requirements, so there was no guarantee that these units would actually provide ESP housing. The identical 2021 AMI limits discussed above, were also applicable to this proposal. Therefore, the same concerns would hold about the amount of housing assistance ultimately available for local ESP.

Recommendations & Actions: It was recommended that staff present the Board with the relevant income levels during any AMI discussions, as well as salaries of Essential Services Personnel, to provide further clarity and depth to all affordable housing discussions, to which BCC staff agreed.

Total # Transactions	Amounts Audited or Reviewed	Questioned Costs	Taxpayer Savings	# Observations / Recommendations
3	N/A	N/A	N/A	1