



# City of FORT PIERCE: **EQUITY** PROFILE



Produced by the Florida Housing Coalition

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# Project Overview

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## The Gap

Across the country, there is a homeownership gap between African American and white households. Between 1960 and 2017, this homeownership gap increased from 27% in 1960 to 30% in 2017.<sup>1</sup> In Fort Pierce, that gap is even higher. The African American homeownership rate in Fort Pierce was 31% in 2019, half the white homeownership rate at 62%.<sup>2</sup>

The housing gap is caused by a wide variety of factors, including historic underinvestment in African American communities, poverty, the exclusion of African Americans from the housing market through redlining, a lack of access to financial products in low-income and minority neighborhoods, and the targeting of African American households for sub-prime loans that left millions of homeowners devastated after the Great Recession. Teasing out the exact cause of the gap can be difficult, particularly where it is in a community's interest to shy away from their past racial discrimination. While government policy is not wholly responsible for the racial homeownership gap, it is clear that federal, state, and local governments have been a major factor leading to this racial disparity. Now, it is the government's responsibility to contribute to the solution.

Because homeownership is the primary driver of wealth in the United States, because property values are the main source for the taxes that pay for local schools and other services, and because homeownership helps provide the sense of connection to and ownership of the places where we live, homeownership can mean the difference between a thriving community and a devastated one. Therefore, in addition to narrowing the racial homeownership rate gap, this work also presents an opportunity for local governments to work together with other stakeholders to create a thriving community where everyone can build long term wealth and enjoy all of the benefits of Fort Pierce's beautiful, beachside location.

## The Florida Housing Coalition and the Center for Racial Equity

The Florida Housing Coalition (The Coalition) is Florida's preeminent affordable housing training and technical assistance organization. Although the Coalition is known for the training it provides to local housing administrators on the State Housing Initiatives Partnership (SHIP) program, its work has expanded to include local and state planning, disaster mitigation and management, capacity building for nonprofit development, permanent affordability, and the newly established Center for Racial Equity.

Created in 2021, the Center for Racial Equity serves as a composite platform for the Coalition's efforts focused on race and equity, including work on public and private investments, regulations, and the legal and policy frameworks that shape Florida's neighborhoods, cities, and regions. One of the Center's primary initiatives has been the Closing the Gap program. This program, of which Fort Pierce and West Palm Beach represent the flagship efforts, works with local governments to identify, target, and remedy the policies and processes that maintain and widen the homeownership gap between African American and white households.

## Purpose of This Profile

This report has 3 purposes: 1) identifying key community issues around homeownership and racial inequality, 2) identifying the primary barriers to homeownership in Fort Pierce's specific context, and 3) building on existing tools and efforts, offering recommendations and solutions to narrow the racial homeownership gap.

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<sup>1</sup> The Urban Institute, 2018, "Reducing the Racial Homeownership Gap"

<sup>2</sup> 2019, 5-Year American Community Survey

# Executive Summary

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## History of the City

To construct the history of Fort Pierce with a particular focus on African American history, it was important that the context of this project considered both written history and history as told through lived experiences. This history was reconstructed by conducting interviews with long-term residents, prominent figures, and community leaders across Fort Pierce. Key stakeholders provided information on the timeline of Lincoln Park’s growth and decline of the City’s primary black community, Lincoln Park, as well as the development and growth happening in other areas of Fort Pierce and St. Lucie County. In addition, these interviews afforded insight into how residents perceive the current state of Fort Pierce and their hopes for the future.

Fort Pierce was and continues to be a highly segregated city both racially and economically, with most Black residents residing in north Fort Pierce, also called Lincoln Park, and other races and ethnicities primarily in south Fort Pierce. The Lincoln Park community of north Fort Pierce was once thriving, with many working in the now-gone citrus industry. The decline of this industry precipitated the decline of Lincoln Park. Black residents currently have the lowest median income and feel a sense of isolation in north Fort Pierce.

## Barriers to Homeownership

High rates of rental cost burden on Black residents, due both to low incomes and a dearth of affordable rental unit, prevent households from saving for a down payment and reducing debt. The dissemination of information on the homebuying process and resources available is infrequent, and the lack of a dedicated, HUD-certified counseling agency may also be preventing some residents from purchasing homes. Residents that do begin the process of seeking financing are often denied due to low credit scores or high debt-to-income ratios, again pointing to the need for counseling. Further, there are limited sources of purchase assistance available to help low-income residents that are successful in obtaining approval for a mortgage. Finally, there are challenges to producing affordable units for homeownership, particularly in Lincoln Park. Although there are many vacant lots, title issues, government liens, and low appraised values make it difficult to obtain the financing necessary to build.

## The Solutions

*Figure 1: Table of Goals and Strategies*

Goal 1: Empower first-time homebuyers with the knowledge and resources they need to succeed.	<ol style="list-style-type: none"><li>1. Support the creation of a HUD Certified Counseling Agency to serve as the primary provider of homebuyer education and counseling; and provide resources for other community groups to host homebuyer clubs and other supporting activities, particularly for young renters.</li><li>2. Create a forum to facilitate information sharing and strategic partnerships as well as a platform for sharing information and resources with perspective homebuyers.</li><li>3. Use all available funding sources for down payment assistance, rehabilitation, and new construction.</li></ol>
Goal 2: Build capacity within the Lincoln Park community to focus on creating opportunities for existing residents to become homeowners and unlock the potential of Lincoln Park property owners to develop their own land.	<ol style="list-style-type: none"><li>1. Support community housing rehabilitation and redevelopment by assisting small and nonprofit developers.</li><li>2. Waive liens in exchange for affordability or homeownership.</li><li>3. Support activation of privately-owned residential land through targeted assistance for heirs' property across the City and Particularly in Lincoln Park.</li><li>4. Fund/build out the Residential Lot Infill program by expanding eligible developments, providing training/TA, and matching property owners with pre-qualified developers and pre-approved plans.</li></ol>
Goal 3: Facilitate affordable homeownership opportunities across the city.	<ol style="list-style-type: none"><li>1. Fund and jumpstart the City of Fort Pierce Workforce Housing Program.</li><li>2. Incorporate affordability provisions in the Planned Unit Development (PUD) process.</li><li>3. Increase allowable densities and flexibility beyond Lincoln Park, expanding across the city.</li><li>4. Establish a density bonus program.</li></ol>

# History of Segregation

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Fort Pierce was incorporated in 1901, during the Jim Crow Era, and was racially segregated from its creation. African Americans were only allowed to live in Northwest Fort Pierce, the area that would become known as Lincoln Park; where the majority of African Americans live to this day. Despite the adoption of the 1968 Fair Housing Act that banned legal segregation, Fort Pierce continues to remain extremely segregated, both racially and economically.

Like many other Florida cities, Fort Pierce benefitted from the construction of new railroads, which allowed the city's citrus and agricultural industry to flourish. While still segregated, many African Americans were able to find employment in the citrus industry. By 1968, when the Fair Housing Act outlawed housing discrimination on the basis of race and other factors, the African American community had transformed the Lincoln Park area, resulting in a bustling commercial sector along D Street. The success of the African American community led to a period of deep cultural development and growth, as evidenced by the acclaim of black artists that called the area home such as Zora Neale Hurston and The Florida Highwaymen painters.



*Source: Wikimedia Commons*

Unfortunately, the citrus and shipping industries began declining in the 1970s and there was little left to replace them in the low-income areas of the city. Other parts of the Fort Pierce saw growth in higher education resulting in increased wages, health, tourism, and services. However, Lincoln Park was left behind. The collapse of the area's agricultural base also affected the industries that relied upon it, including secondary workers such as plumbers, electricians, and other trades workers, affecting the commercial activity along D Street. Further exacerbating the decline, the African American community was hit hard by the crack cocaine epidemic of the 1980s and 1990s. One long-time resident, Pastor Pinkie Hendley, recalled this time and stated that "everyone who could get out, got out." The city responded, not by providing more services and development funds, but by knocking down crack houses and other neglected homes, leaving the neighborhood pockmarked by empty lots with unclear ownership. As young African Americans left the city for opportunities elsewhere, the decline in Lincoln Park accelerated. Many of the residents who remained were elderly and had purchased their homes at the height of the citrus boom.

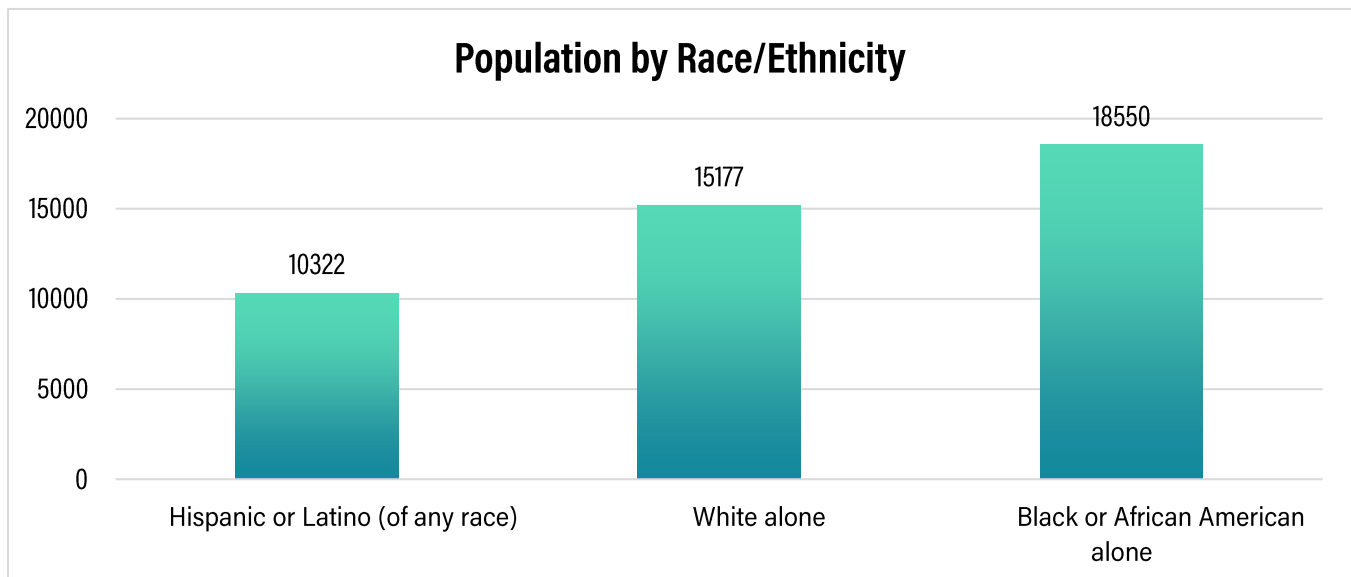
With few job opportunities, the Lincoln Park area saw a decline in income, education, and opportunity. Many long-time residents found that, as opportunity declined, so too did the quality of infrastructure and homes. The neighborhood had lost its tax base along with its primary industry in the span of a few decades. Many residents interviewed said that Lincoln Park residents remain isolated within their community; this includes economic, social, and educational isolation. The economic divide in Fort Pierce has roots in the city's century of history. Today, African Americans make up the largest racial/ethnic group in the city, followed by people who are "white alone" and then Hispanics and Latinos.

# The Legacy of Inequality

## Lingering Racial Segregation and Exclusionary Zoning

Fort Pierce was originally created as a legally segregated city, with African Americans confined to Northwest Fort Pierce (today known as Lincoln Park). While legal barriers to integration were overturned in the late 1960s and the city has made some progress towards integration, Fort Pierce is still de facto segregated. Today, African Americans make up the largest racial/ethnic group in the city, followed by people who are “white alone” and then Hispanics and Latinos. However, the majority of African Americans still live in Lincoln Park. This is particularly notable because Port St. Lucie, just to the south of Fort Pierce, is among the most integrated cities in the country.

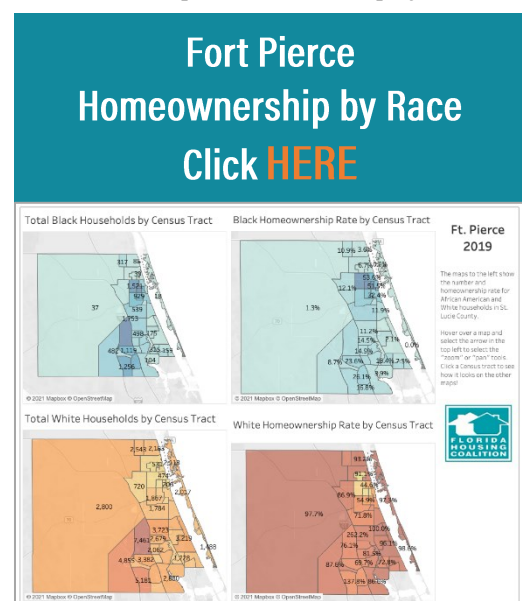
Figure 2: Ethnicity and Race



Source: 2019 1 Year ACS Data

This map (access the interactive version of this graphic by clicking on the image or the button), shows that the white population is primarily located in the southern portion of the city as well as near the coast. The current zoning map shows most of the residential areas in these majority white parts of the city are zoned for residential low density. Conversely, most of north Fort Pierce, where the majority of the population is Black, is zoned for residential medium density. Without examining historic land development regulations, it is difficult to say with certainty that these current regulations have roots in a segregated past. However, this pattern is suggestive of an intentionally exclusionary zoning practice, where limiting residential development to only single-family detached homes with minimum lot and home sizes (in combination with racial covenants) was intended to keep Black and other racial and ethnic minority residents, who were often lower income, out of majority white neighborhoods.

Interactive Map 1: Homeownership by Race

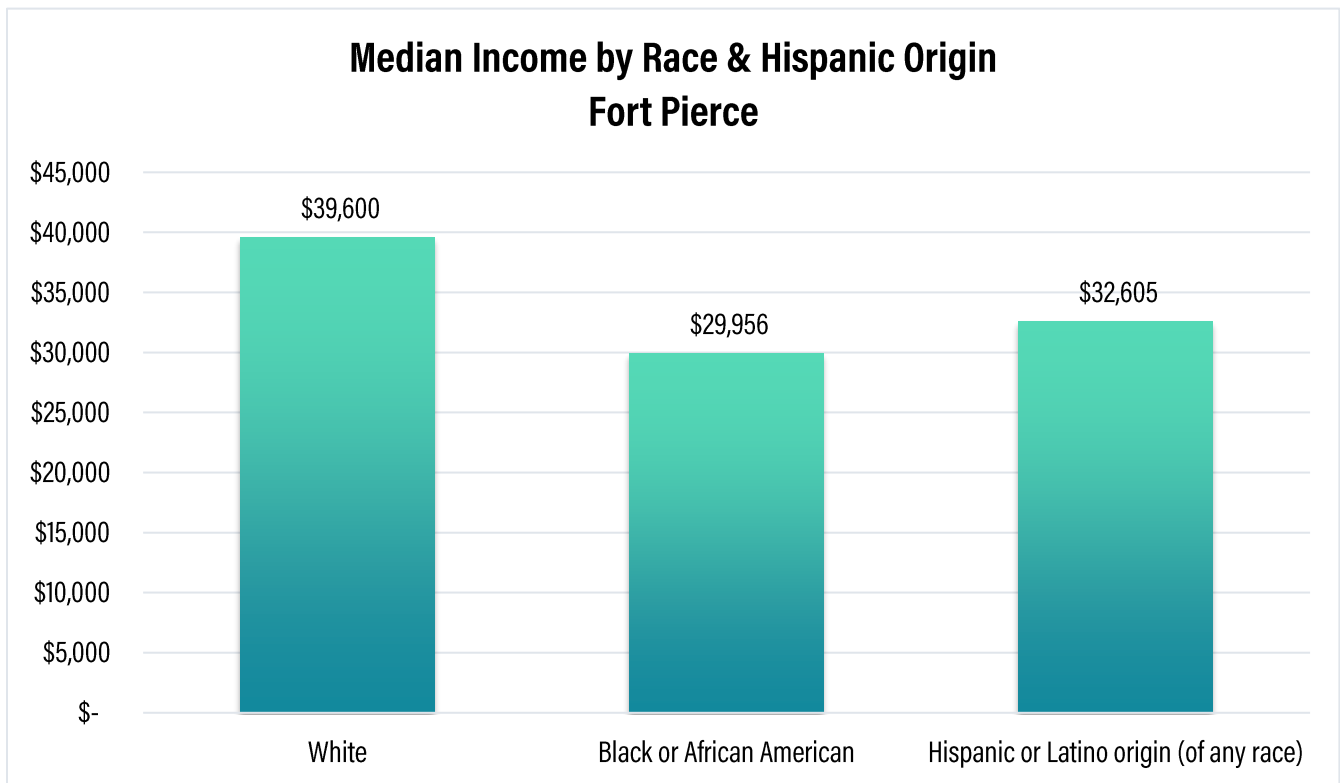


Source: 2019 1 Year ACS Data

## Economic Isolation

While incomes in Fort Pierce are lower than the statewide average across the board, African American residents overall have lower incomes than other races and ethnicities. Lincoln Park residents in particular have far lower incomes and lack access to jobs, healthy food, and services. The area also provides less upward economic mobility for low- and moderate-income households. Across our interviews, people consistently discussed the disconnect between Lincoln Park and the rest of the city.

Figure 3: Median Income by Race/Ethnicity



Source: 2019 1 Year ACS Data

The Opportunity Atlas, a project of Harvard, Brown, and the U.S. Census, works to use de-identified tax data to track children from the age of 5 to 35 to see which areas assisted children out of poverty and where children, instead, fell behind. Across the City of Fort Pierce, children born into poverty typically stay in poverty as adults, though the Lincoln Park area saw the lowest level of opportunity. As strategies from this plan are implemented, increasing construction and homeownership, these efforts need to be in conjunction with other initiatives to give low-income residents, particularly children, the tools they need to build successful lives.

Interactive Map 2: Opportunity Atlas



Source: Opportunity Atlas

# Empty Lots, High Government Liens, and Heirs' Property

Interactive Map 3: Vacant Properties in the City



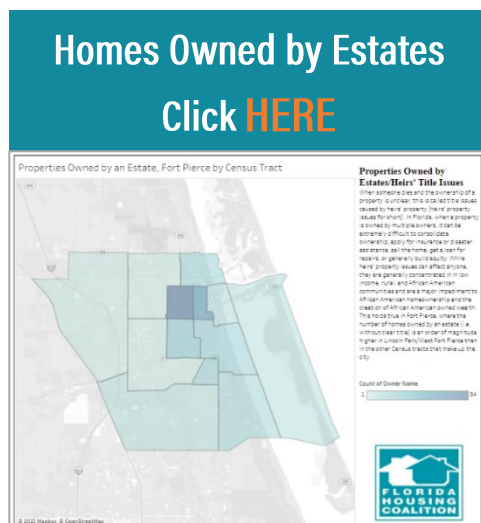
Source: Parcel Data Provided by the Shimberg Center for Housing Studies, Parcel Map from the St. Lucie Property Appraiser

\$14,644 in 2017-18 and \$23,652 in 2018-19. To the extent that liens keep these empty lots and abandoned homes undeveloped, they ironically reduce the government's tax revenue, prevent investment and stabilization, and negatively impact surrounding property.

Secondly, many homes are affected by title issues due to heirs' property. When a homeowner dies without leaving a will, the home passes on to any heirs by operation of state law in split shares.

After a few generations, the ownership of a home transferred in this manner can be extremely unclear, sometimes with dozens of co-owners claiming an interest in the home, making it extremely difficult to repair, upgrade, sell, or subdivide land. A clear chain of title is necessary to obtain a mortgage on the parcel or convey the property to a buyer.

Interactive Map 5: Homes Owned by Estates  
by Census Tract



Source: Shimberg Center for Housing Studies

Both Lincoln Park and the nearby Fort Pierce Downtown are plagued by empty lots. Vacant residential lands represent 29% of the residential properties in the city between Avenue Q and Orange Avenue. Vacant lots are a major drain on a city's budget because they themselves have low ad valorem values and often perpetuate neighborhood blight.

Vacancy has two related problems. First, multiple residents reported costly liens due to previous citations from code enforcement violations, some decades old. A lien, which is a legal claim against property or assets to settle a debt, can create barriers to the purchase, sale, and development of vacant land. Many of the properties in Lincoln Park have high, nearly unpayable government liens due to code violations or back taxes, making it difficult to convey ownership or develop these properties. The city budget shows liens as a negligible portion of the city budget, only

Interactive Map 4: Code Enforcement  
Minus Most Business and Illegal Parking



Source: City of Fort Pierce

Furthermore, this also affects the householder's ability to apply for federal disaster assistance through FEMA after a hurricane or other catastrophic event, leaving the improvement in an uninhabitable state while the occupants are displaced. While heirs' property issues can affect anyone, across the country they are particularly concentrated in low income, African American communities because of low land values and a lack of access to adequate legal resources. This trend holds true in Fort Pierce, where over a hundred homes in Lincoln Park are identified as having heirs' property issues.

# Specific Challenges to Closing the Gap and the Current Context

Again, the Black homeownership rate in Fort Pierce was 31% in 2019, half the white homeownership rate at 62%.<sup>3</sup> Research has identified several major barriers to homeownership, including the inability to save for a down payment, lack of access to information about the homebuying process, lack of access to financing (including purchase assistance) often caused by issues such as low credit and high debt relative to income, and the lack of housing supply. These barriers manifest themselves in various ways in each community. In this section, we examine data and information to show what these barriers look like in Fort Pierce.

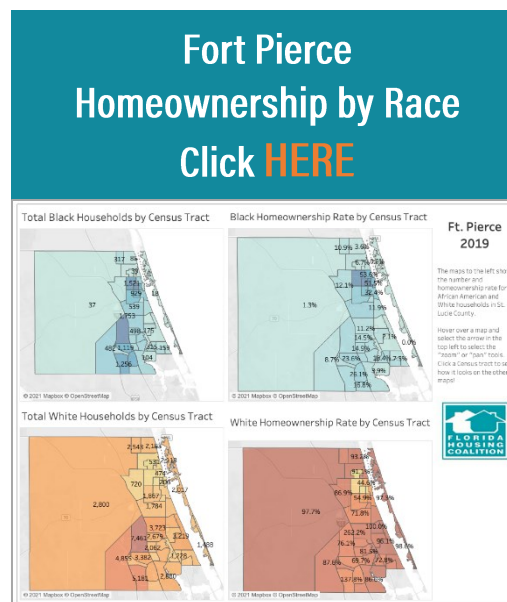
Looking at communities in and around the city, the majority African American Sunland Gardens stands out. Sunland Gardens, located just outside the Fort Pierce city limits to the northwest, has a black homeownership rate of 62.1%, on par with the white homeownership rate for the city of Fort Pierce. The census tract containing Sunland Gardens was all white as of the 1980 census with a homeownership rate of 82.4%. By the 1990 census, it had become majority black, the black population having a 73.2% homeownership rate and the remaining white population with a 72% homeownership rate. Though the white population continued to decline, the homeownership rate remained high, as high as 73.6% for the Black population in the 2010 Census, though this has now declined to 62% as of 2019.

On top of legal tools used to promote segregation, some communities have physical walls, waterways, train tracks, or other barriers that were intentionally built to separate Black or other majority-minority neighborhoods from white neighborhoods. In Fort Pierce's case, the barrier was a narrow canal built for water management purposes, but with no street crossings, separating Sunland Gardens and the majority black neighborhood within the City limits to its east. The barrier appears to have been overcome in the 1980s. Residents indicated that those that maintained good jobs, such as teachers and other professionals, chose to buy homes in Sunland Gardens. At some point a pedestrian bridge was built over the canal, though some residents now complain about increased crime from Lincoln Park entering Sunland Gardens.

## Cost Burdened Renters Concentrated Geographically

One of the primary ways to measure housing unaffordability is "cost burden." Cost burden is when a household pays more than 30% of its income towards housing. Cost burden is a product of both low wages and high housing costs. It is extremely difficult to afford basic necessities when cost-burdened, particularly for low-income households. In turn, cost burden makes it much more likely that a household will be unable to save for a down payment, reduce debt or address the other credit issues needed to access financing to purchase a home (discussed in more detail later in this profile).

Interactive Map 6: Homeownership by Race



Source: 2019 1 Year ACS Data

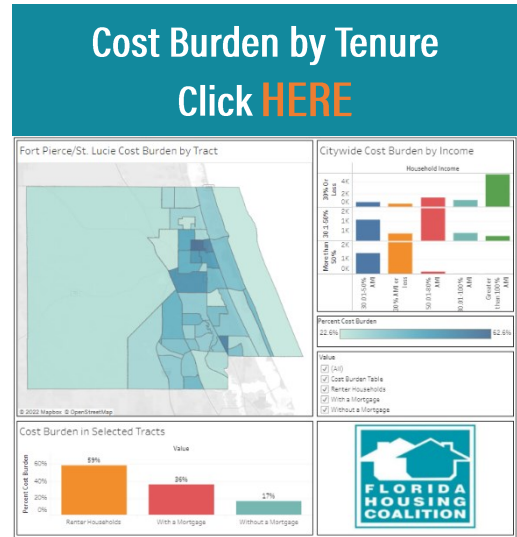
<sup>3</sup> 2019, 5-Year American Community Survey

As shown in this map, renters throughout St. Lucie County and Fort Pierce have a high rate of cost burden. This is primarily due to the low homeownership rate: when controlling for tenure, the cost burden rate in Lincoln Park is comparable to many other communities across the county.

### Low Incomes

As stated above, rental cost burden is a function of the often-lower incomes of renters. To illustrate the low incomes of renters, the following two charts provide a breakdown of the two Census tracts that make up Lincoln Park (3803 and 3802) as well as Sunland Gardens, the nearby, mostly Black-owned neighborhood just outside the city in the county. These charts point to the need for deep subsidy, particularly to serve single-parent families. These families often have stable jobs, just ones that are too low paying for them to transition to homeownership alone, and are ideal candidates for homeownership programs.

Interactive Map 7: Cost Burden by Tenure



Source: 2019 1 Year ACS Data, Shimberg Center for Housing Studies

Figure 4: Economic and Demographic Characteristics of Area Census Tracts

	Non-Hispanic Black			Non-Hispanic White		
	Lincoln Park 3803	Lincoln Park Census Tract 3802	Sunland Gardens Census Tract 3809.02	Lincoln Park 3803 Low Quality	Lincoln Park Census Tract 3802 Low Quality	Sunland Gardens Census Tract 3809.02
Homeownership Rate	30.8%	30.8%	62.1%	20.0%	0.0%	58.6%
Age	32.7	28.3	43.4	17.7	46.4	21.8
Age Male	28.8	22.3	43	15.8	58.2	11.8
Age Female	38	29.1	44.1	30.2	38.2	33.4
Percent	84.2%	80.1%	73.5%	5.7%	5.0%	11.0%
Income	\$ 19,869	\$ 21,154	\$25,795	\$18,681	\$9583	\$32,625
Household Size 2010, 2019 not Available	2.87	2.77	3.04	3.9	3.62	3.86
Total Households	1753	954	1521	185	174	360
Households without Children	1144	526	1218	119	157	345
Families with Children	609	428	303	66	17	15
Percent of Families with Children	34.7%	44.9%	19.9%	35.7%	9.8%	4.2%
Single Mother as a Percent of Families with Children	44.4%	55.3%	9.4%	77.5%	32.7%	0.0%
Married Couples as a Percentage of Families	36.6%	23.6%	62.2%	22.5%	67.3%	57.8%

Source: US Census, 2019 American Community Survey

Figure 5: Income by Family Type

All Households	Lincoln Park 3803	Lincoln Park (Census Tract 3802)	Sunland Gardens (Census Tract 3809.02)
<b>All Married Couples Income</b>	\$ 26,944.00	\$ 26,964.00	\$ 46,283.00
<b>Married with Children Income</b>	\$ 17,167.00	\$ 28,810.00	\$ 42,596.00
<b>Married No Children Income</b>	\$ 35,676.00	\$ 23,594.00	-
<b>Man no Spouse Income</b>	\$ 32,240.00	-	-
<b>All Female Householders no Spouse Families</b>	\$ 22,165.00	\$ 20,347.00	\$ 29,750.00
<b>Female Householder with Children</b>	\$ 20,442.00	-	\$ 9,188.00
<b>Female Householder without Children</b>	\$ 35,504.00	\$ 29,115.00	\$ 37,098.00

Source: US Census, 2019 American Community Survey

### Subsidized Units Do Not Meet Current Demand, and Hundreds Are Set to Expire Over Next Decade

Rental cost burden is also a function of a lack of affordable rental housing supply. Given high rates of cost burden, it is clear that the number of subsidized housing units in Fort Pierce is not meeting demand. Fort Pierce has 2,119 subsidized units in the city. The largest share of these units is set aside for mixed elderly/family subsidized developments. Unfortunately, 31.1% of subsidized units are set to expire over the next 20 years. Therefore, efforts to increase homeownership should also consider the need to both produce more and preserve existing affordable rental units to contribute to a reduction in the rental cost burden.

Figure 6: Assisted Housing Units by Type

Number of Subsidized Units in Fort Pierce by Type					
	Elderly; Family	Family	Family; Link	Farmworker	Grand Total
<b>Sum of Assisted Units</b>	916	512	507	184	2119

Source: Shimberg Center for Housing Studies

Figure 7: Assisted Housing Units by Expiration Date

Number of Subsidized Units in Fort Pierce by Expiration Data								
	2031	2032	2049	2055	2058	2064	2066	Grand Total
<b>Assisted Units</b>	320	340	60	104	212	107	60	1203

Source: Shimberg Center for Housing Studies

## Lack of Homeowner Education, Fewer Black Borrowers, High Denial Due to Credit

The City and community do not provide adequate homeownership education and counseling. Homeownership education and counseling empowers first-time homebuyers both in navigating the purchase process and maintaining homeownership. Currently, the City and other groups occasionally sponsor homebuying seminars. However, this very high-level of information does not adequately address the need for homebuyer education and counseling. This lack of education and counseling has resulted in a disproportionately low number of Black applicants relative to the overall population.

African Americans represent a disproportionately small number of all mortgage applications. Even though they represent the largest plurality of the City’s population, African American Households apply for about 1/10<sup>th</sup> as many mortgages as non-Hispanic whites. This low application rate is not wholly explained by income difference, but also relates in part to lack of access to information about the homebuying process. African Americans have similar denial rates to non-Hispanic whites but are also much more likely to be denied for their credit issue, suggesting the need for housing and credit counseling to help boost Black homeownership.

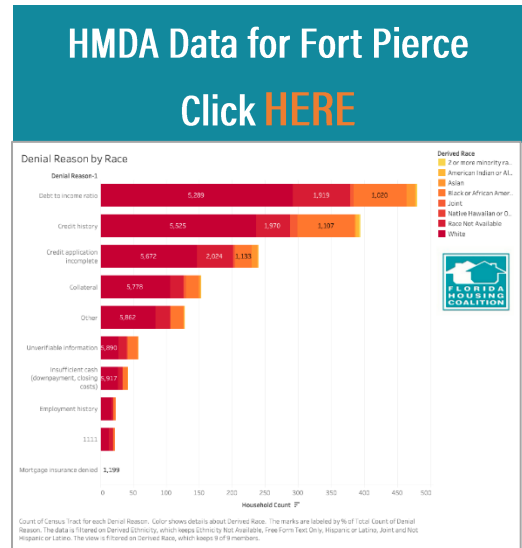
African American and white households have similar mortgage approval rates in Fort Pierce, indicating race may not be a significant factor for lenders in this market. However, Black applicants are primarily denied due to credit history, closely followed by high debt-to-income ratios. This compared to non-Hispanic whites who are denied much more due to debt-to-income ratios than credit history. Given the lower credit scores and high debt of Black applicants, coupled with their generally lower incomes, the need for credit and financial counseling is critical to creating more Black homeowners in Fort Pierce.

Another benefit to homebuyer education is that it is often required to access financing that offers more flexible terms of approval and may be more favorable to applicants with lower incomes and/or lower credit scores. Fannie Mae and Freddie Mac lending products, as well as portfolio products offered by lenders to expand access to credit in disadvantaged markets, often require completion of a homebuyer education course provided by a HUD-certified housing counseling agency. This is also a requirement to receive the City’s purchase assistance. There is currently no HUD-certified housing counseling agency operating in Fort Pierce, which means not only is there a lack of homebuyer education and counseling, but also residents that are successful in getting mortgage financing are likely missing out on more advantageous loans that would help them sustain homeownership. Without homeowner education, homeownership becomes further concentrated in families with a history of homeownership, widening the gap.

## Limited Resources, Gaps in the System, and Lack of Coordination amongst Actors

Fort Pierce has far more need than funding set aside for affordable housing. The City of Fort Pierce has access to both state and federal funds that have been used for affordable housing activities including housing rehabilitation, homebuyer assistance, and fair housing initiatives. As an Entitlement Community under the U.S. Department of Housing and Urban Development (HUD), the City of Fort Pierce receives annual allocations of Community Development Block Grant (CDBG) funds and HOME Investment Partnership (HOME) funds. The City also receives funding under the State Housing Initiatives Partnership (SHIP) program that is typically used for owner-occupied rehabilitation and purchase assistance. In addition, the City also has its own sources of funding, including community redevelopment agency (FPRA) funds and general revenue funds. Together, these sources invest over \$1

Interactive Map 8: HMDA Data for Fort Pierce



Source: Consumer Financial Protection Bureau

million annually in housing activities. Even more, the City has the opportunity to tap into recently disbursed federal American Recovery Plan Act (ARPA) funds, with over \$2 million remaining unallocated at the time of this writing that could all be used for housing.

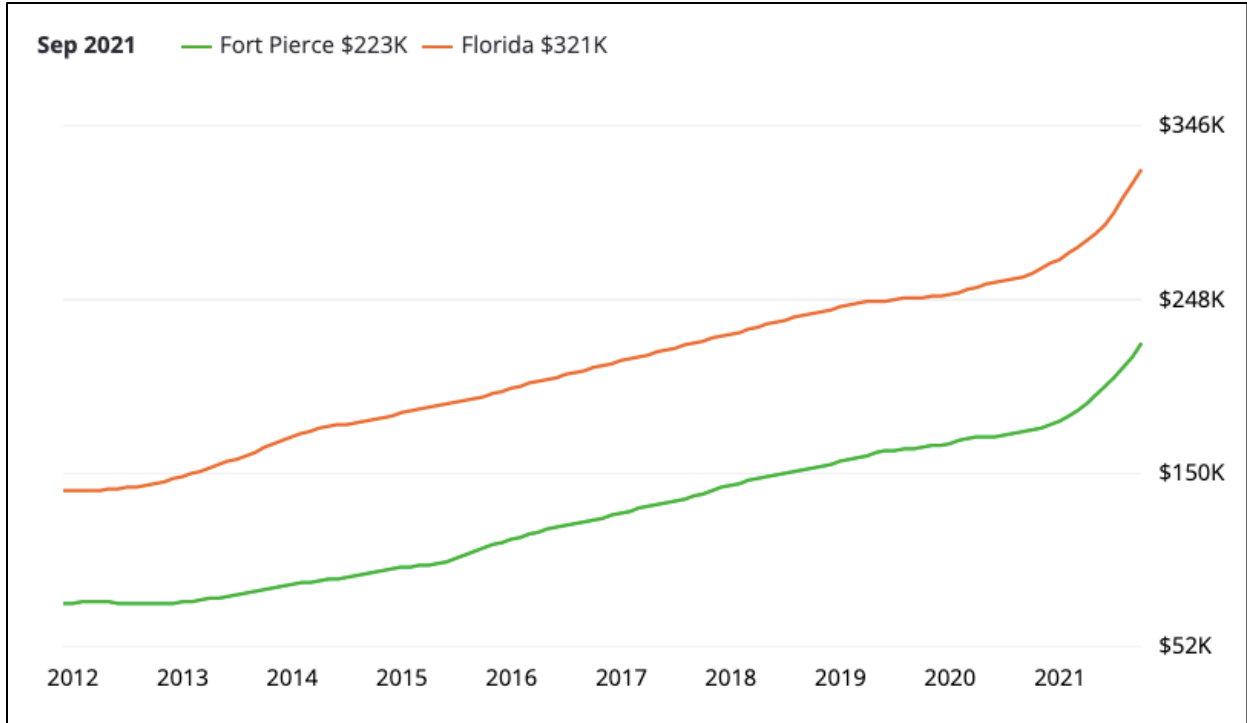
Though the sources outlined above are individually small compared to the need, and managed by disparate offices, the City of Fort Pierce is the chief actor in the housing system based upon the size of its influence and number of existing relationships. Internally, the city's Grants Division administers the SHIP program and the Local Housing Assistance Plan, making it the central housing services office in the city. The office plays a major role in fielding questions from the community and represents a major touchpoint for core stakeholders. The Housing Authority of Fort Pierce also plays a significant role in the housing ecosystem. Its high-functioning Family Self Sufficiency program succeeds at supporting potential future homeowners currently in the PHA's housing programs. However, the lack of a central community-based organization focused on housing is a considerable gap in the system. Further, in the sectors of building and development, finance, and real estate, there appears to be a deficit of connectivity within the North Fort Pierce area. While there are a few identified small individual actors operating the real estate space, there were no readily identified major entities with established relationships. This is not to say that no links exist, but if they do exist, they are not prominent enough to have been identified. The scarcity of connections within these sectors aligns with the trends of historic underinvestment in the North Fort Pierce community. Regular communication amongst actors and greater coordination of resources and efforts could have a greater impact on closing the homeownership gap.

Further, upward mobility, a companion theme and often a prerequisite to homeownership, has been a focus of educational and economic mobility organizations. Indian River State College, Career Source, and the Lincoln Park Mainstreet have good relationships with the City, a strong presence in the community, and present ready points of opportunity for future programs and partnerships. There are also several community-based initiatives that are creating new beneficial networks within the city, particularly in North Fort Pierce. Organizations such as Lincoln Park Young Professionals and the Incubate Neighborhood Center are creating programs that directly improve homeownership accessibility and neighborhood uplift. The relationship between the City and these and other community-based organizations is important, as they can serve as trusted sources and conduits of information on homeownership to potential buyers who may not come directly to the City or a homebuyer counseling agency when starting their homebuying process.

## Challenges to Producing Affordable Supply

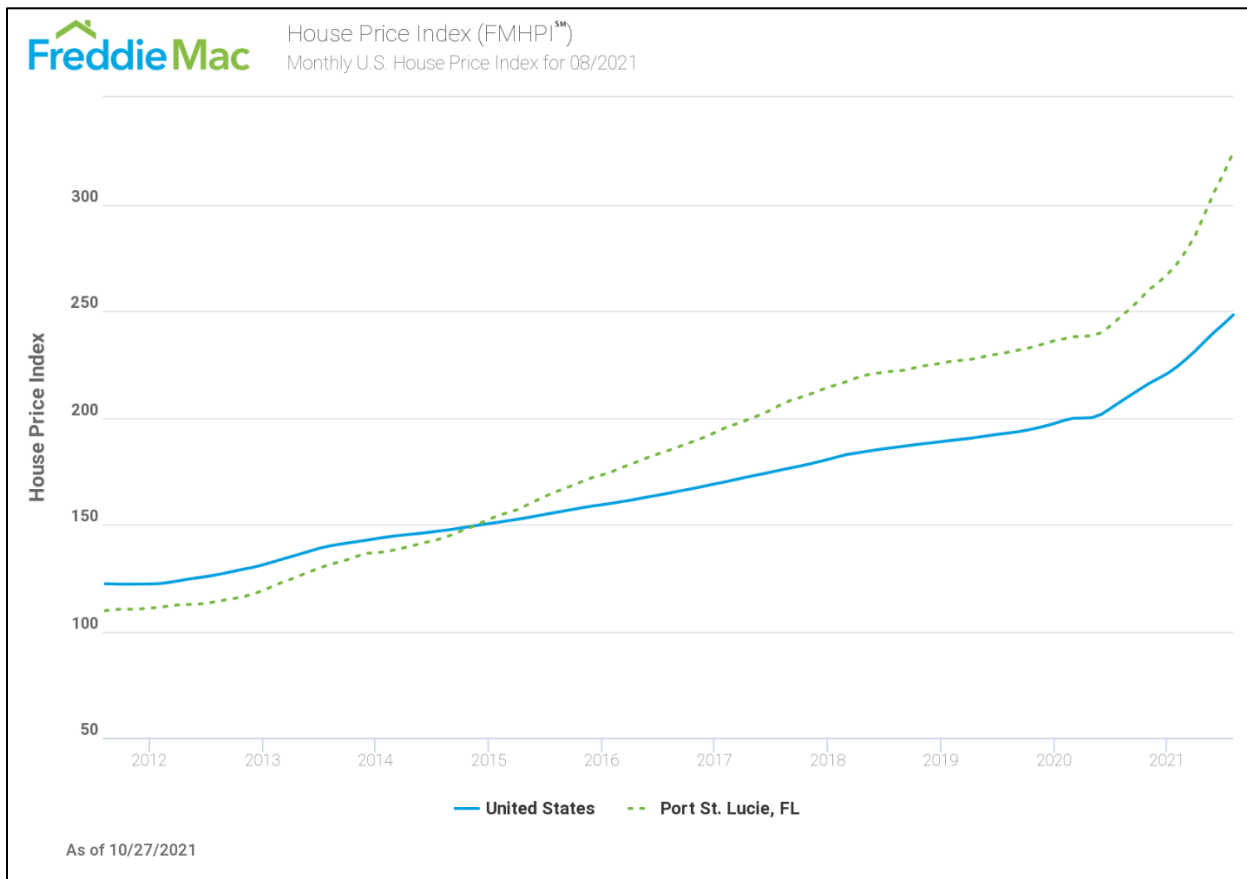
Housing prices in Fort Pierce, along with the rest of the country and particularly in Florida, have seen a sharp rise since the start of the COVID-19 Pandemic as the demand for housing continues to outpace supply and production. According to Zillow, Fort Pierce's typical home sales price has more than doubled over the last nine years, rising from a post-Great Recession low below \$100,000 to \$223,000 as of September 2021. Freddie Mac's Home Price Index also indicates a sharp rise in home values in the Port St. Lucie area, which is defined as all of St. Lucie County including the City of Fort Pierce. A home price of \$223,000, though well-below the State median, is still out of reach for many existing renters in Fort Pierce due to low incomes.

Figure 8: Zillow Typical Home Value Index



Source: Zillow

Figure 9: Freddie Mac House Appreciation Index

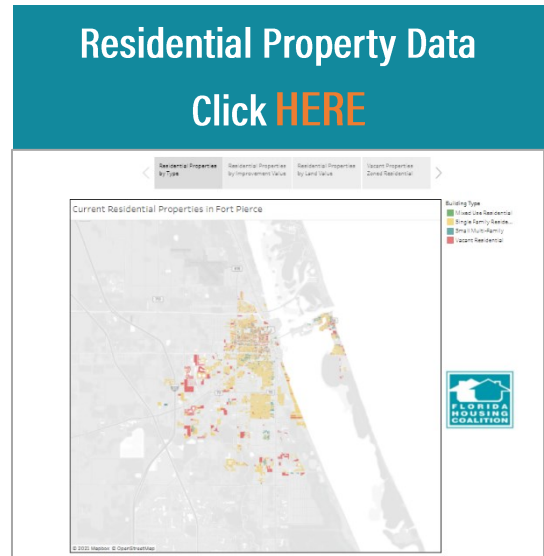


Source: Freddie Mac

## Low Appraisal Values Strain the Small Development Ecosystem

While the rest of the market is experiencing significant price and value increase, homes in Lincoln Park continue to appraise far lower than homes in the rest of the city or in St. Lucie County as a whole. Although Lincoln Park presents the best opportunity in terms of availability of land, homes appraise below the cost of construction which makes it difficult to obtain the financing needed to build or repair housing. There are few developers working in Fort Pierce and Habitat for Humanity of St. Lucie County is currently the primary developer of affordable homes for homeownership. These few, though, have found it very difficult to build and sell homes in Lincoln Park, and often opt to build homes in other parts of the City, where both they and the homeowner have a better chance of receiving a return on investment. For this reason, many lots remain empty and existing homes are allowed to fall into disrepair. This self-perpetuating cycle of disinvestment requires direct intervention, often in the form of public investment, that can fill appraisal gaps and incentivize new construction and rehabilitation of properties without the need for an immediate return.

Interactive Map 9: Residential Property Data



Source: Shimberg Center for Housing Studies, St. Lucie Property Appraiser

## Community Recommendations

As a result of the Equity Profile's findings, the Florida Housing Coalition has created the following list of priority goals and recommendations to address the homeownership gap in Fort Pierce. These goals aim at empowering first-time homeowners and building up the small and nonprofit development sector, across the city but with a focus on Lincoln Park, in order to unlock the potential of Lincoln Park's residents to own and develop their own land.

### Goal 1: Empower first-time homebuyers with the knowledge and resources they need to succeed.

**Strategy 1.1: Support the creation of a HUD Certified Counseling Agency to serve as the primary provider of homebuyer education and counseling; and provide resources for other community groups to host homebuyer clubs and other supporting activities, particularly for young renters.**

Currently, through the city's Grants Division, the City of Fort Pierce operates a homebuyer seminar for residents interested in homeownership. This seminar is held only a few times a year and does not have the ability to serve all the residents that require services. Homebuyers in the city need a reliable center of homebuying information and support. The city should support the establishment of a HUD Certified Counseling Agency to provide both pre- and post-purchase education and counseling, as well as credit and financial counseling. Pre-purchase education should consist of providing general information to large groups of prospective homebuyers (virtually or in-person) regarding their readiness, purchase procedures and how to estimate closing costs, the selection of a real estate agent and the importance of home inspections, and so on. Post-purchase education can address topics such as home maintenance, home equity, rights and responsibilities of homeowners, and estate planning.

This Agency can also work in partnership with the City to oversee a city-wide homebuyer education initiative by training other community-based organizations on how to host homebuyer clubs and by providing resources and

oversight to the initiative. Homebuyer clubs provide a longer program schedule in a support group format that helps keep homebuyers motivated and accountable with one another as they work through long-term plans to repair credit, save for a down payment, and reduce debt. The strategy these groups advise is to take it one step at a time and while the group provides those who are at more challenging points of their housing journey with the hands-on help that they need. This approach could be particularly effective for young renters who are beginning their professional lives and others who may be more comfortable working through the process in a small group with trusted voices in their community.

The Agency could also serve as a means of connecting the City with the Housing Authority of Fort Pierce's Family Self-Sufficiency Program. This program enhances the upward mobility of public housing residents and Housing Choice Voucher participants, supporting residents to reaching their academic and employment goals through, savings and financial literacy, career counseling, and direction to other community resources. The 5-year program often sees participants utilize savings in an escrow account established through the program to pay for college, a car, and/or the down payment on a new home. Many single mothers graduate from the program and can move on from publicly subsidized housing to market rate rental or homeownership units while continuing to advance their financial mobility. This program can work in concert with a city-sponsored homebuyer education initiative. The Self Sufficiency Program could further create a pipeline for other programs such as the proposed community land trust (discussed under Goal 3) that provide a safe entrée into homeownership while continuing with career and financial counseling on the path towards fee simple, market homeownership and its associated intergenerational wealth-building.

**Strategy 1.2: Create a forum to facilitate information sharing and strategic partnerships as well as a platform for sharing information and resources with perspective homebuyers.**

The City should convene all actors involved in the homebuying process and other stakeholders regularly for the formation of a strong coalition that works towards the goal of closing the gap in homeownership. This can begin with the existing Closing the Gap work group and expand to include businesses and individuals involved in building and development, mortgage and construction finance, real estate sales, the business community, education, and other community-based groups. The purpose of these regular convenings is to share information, share experiences, provide opportunities for referrals, help facilitate the formation of strategic partnerships amongst participants, and potentially spur the creation of innovative pilot programs to alleviate barriers to homeownership.

The City and this new coalition can combine resources to create a platform for sharing information and resources with the general public to generate interest in homebuying and ultimately create new homeowners. This can be a website where perspective homebuyers can receive information from coalition members on things such as classes, financing programs and new developments, join a club, share their experiences with others, and even apply to be placed on waiting and notification lists for purchase assistance or new homes under construction. The platform would serve as a key marketing and community engagement tool and help eliminate gaps that currently exist in the system.

**Strategy 1.3: Use all available funding sources for down payment assistance, rehabilitation, and new construction.**

The City currently has a large amount of unspent CDBG funds set aside for economic development and neighborhood revitalization. The city should complete a review of the Consolidated Plan's priority needs and unmet goals to redirect these unused funds towards homeowner activity in documented blighted areas. This can also be coordinated with the Finding of Necessity, which is used to initiate the CRA, leveraging CDBG with other funding mechanisms. The City can re-evaluate the unmet needs that were first identified in the Finding of Necessity that have yet to be addressed, which are further perpetuating the neighborhood blight and distress. These funds should instead be used to leverage SHIP purchase assistance funds.

Community Redevelopment Agencies (CRAs) are special taxing districts that harness increased property values through tax increment financing (TIF) to support development projects within their geographic boundaries. CRAs seek to utilize a positive feedback loop where, as economic development projects increase property values, more TIF funds are generated, providing more funds to conduct more development projects. Unlike in years past, the Fort Pierce CRA (FPRA) planned to fund homeownership development and down payment assistance in 2020 and 2021. However, the 2020 annual plan does not appear to show this type of assistance. As the COVID-19 Pandemic winds down, the CRA should move forward with these programs. Construction assistance for housing development has a high return on investment and, when put into housing construction for low-to moderate-income families, also improves the supply of affordable housing. By targeting CRA funding in Lincoln Park for homeownership development on government-owned empty lots, for example, the city can generate TIF dollars, improve empty lots, and build Black homeownership. Furthermore, the CRA's economic development planning should incorporate an evaluation of residential stock available to potential employees, accounting for current persons living and working in the targeted area as well as in-migration. Ensuring coordination can support employment opportunities for low- and moderate-income residents already living within the CRA boundary while expanding economic development opportunities, without displacing residents as new residents relocate to a transforming area.

In March 2021, Congress passed the American Rescue Plan Act, which funded the newly established Coronavirus State and Local Fiscal Recovery Fund (SLFRF) program. Fort Pierce will receive over \$13.5 million in federal funding through this ARPA program, and the city should consider devoting a portion of these funds for affordable homeownership. The SLFRF program is a very broad funding source that can support numerous activities related to addressing the health and economic effects of the COVID-19 pandemic. Treasury has confirmed that a broad variety of affordable housing activities are eligible uses of these funds as long as the affordable housing activities are directed towards eligible populations. Eligible activities include, but are not limited to, new construction, land acquisition, title clearing, down payment assistance, home repair, and operating support. Even if the city devoted only 10% of these ARPA funds towards affordable housing, that would be \$1.35 million that could be spent to support new housing, which is nearly three times as many dollars as Fort Pierce can expect to receive in SHIP funds for fiscal year 22-23. This is a once-in-a-generation source of federal funding that can be used for new affordable housing development.

## Goal 2: Build capacity within the Lincoln Park community to focus on creating opportunities for existing residents to become homeowners and unlock the potential of Lincoln Park property owners to develop their own land.

### **Strategy 2.1: Support community housing rehabilitation and redevelopment by assisting small and nonprofit developers.**

Nonprofit and small, community-focused developers are central to the equitable redevelopment of a neighborhood. Without this network of small developers that have personal knowledge of Fort Pierce, either large-scale developers without local interest will develop Lincoln Park or the neighborhood will continue to decline. Small developers can include people interested in starting a new development business and can also include people who just wish to construct a new home on an empty lot for personal ownership. By encouraging people who already live in Fort Pierce, particularly in Lincoln Park, to develop property in the city, residents themselves are able to reap the benefits of redevelopment that might otherwise go to outside investors.

The city can take various steps to encourage nonprofit and small, community-focused developers across Fort Pierce. This can include hosting development trainings, partnering with these developers to provide city land or other resources, working with local schools and Indian River State College to link trades students with development opportunities, or setting up a revolving loan fund.

People in Fort Pierce have the potential to improve their neighborhood. Other cities, such as Hartford, Connecticut, have provided training to residents who want to start developing vacant or underutilized plots in their low-income neighborhoods. Partnering with the local library, existing local nonprofits like Habitat for Humanity and the Florida Housing Coalition, which already provides development training to small, Black-run nonprofits, the city can provide training to help leverage the existing skills, knowledge, and passion that exists in Fort Pierce.

Several residents suggested that the city partner with Indian River State College, Career Source Research Coast, Treasure Coast Builders Association, and others. One suggestion was the creation of a home builders' program, where current students or recent graduates be given land and a team of builders to construct homes that they would ultimately own. This system keeps costs low, provides ownership opportunities for young people in the community, and helps trades students acquire the experience they need for future construction work.

The city of Fort Pierce, along with county and state government, owns hundreds of acres of property, much of it in Lincoln Park and the downtown area. Once the city has identified local developers or nonprofits, it can donate this land to ensure long-term affordability or to homeowner-developers to increase the homeownership rate in Lincoln Park and downtown.

### **Strategy 2.2: Waive liens in exchange for affordability or homeownership.**

Costly liens on many abandoned or vacant properties across Lincoln Park make redevelopment difficult. The city should work with nonprofit and small developers to wave liens in exchange for meeting certain requirements, such as providing affordable units or increased homeownership in targeted areas. There are nationwide examples of this type of policy that can serve as models for this work. The Fort Pierce Redevelopment Agency (FPRA) has created a Lien Reduction Redevelopment Program, waiving soft costs associated with city liens, reducing hard costs by 50%, and allowing those hard costs to be applied as a non-ad valorem fee and paid over five years.

### **Strategy 2.3: Support activation of privately-owned residential land through targeted assistance for heirs' property across the City and Particularly in Lincoln Park.**

The city should consider conducting outreach and surveys to vacant residential property owners about the barriers for activating their already owned land. One subset of these landowners has title issues due to heirs' property (140 parcels identified by the property appraiser in the two Lincoln Park Census tracts), and the city should initiate a partnership with a legal services organization to help clear title on these properties. Other strategies for activating privately-owned residential land include reaching out to absentee landowners to try to get them involved as a meaningful part of the community as well as identifying opportunities to create partnerships and engage in community-led housing development.

### **Strategy 2.4: Fund/build out the Residential Lot Infill program by expanding eligible developments, providing training/TA, and matching property owners with pre-qualified developers and pre-approved plans.**

The FPRA has created the framework for a Residential Infill Incentive program. While it is not yet operational, the program will provide \$2,500 grants to lot owners for the construction of new detached, single-family homes within the redevelopment area. The FPRA should consider expanding this to include any type of residential development, providing training and technical assistance to property owners, working to match property owners with pre-qualified developers (perhaps from the program outlined in Strategy 2.1), and providing pre-approved plans to streamline the development process.

## Goal 3: Facilitate affordable homeownership opportunities across the city.

### **Strategy 3.1: Fund and jumpstart the City of Fort Pierce Workforce Housing Program.**

The Fort Pierce Workforce Housing Program is codified in the Land Development Code to increase the supply of affordable housing in Fort Pierce and attempts to do so in two ways: 1) by authorizing the city manager to enter into an agreement with a community land trust, and 2) by providing funding towards workforce housing units from the City of Fort Pierce Workforce Housing Trust Fund. This Program, with its existing legal framework, provides a tremendous opportunity to build affordable units to close the racial homeownership gap. This program could be implemented through affordable housing incentives for planned unit developments, and strategic land acquisition in areas close to employment centers or high-cost and/or fast-appreciating residential areas of the city where there is a need to permanently preserve affordable housing.

### **Strategy 3.2: Incorporate affordability provisions in the Planned Unit Development (PUD) process.**

The city's Planned Unit Development (PUD) process provides an opportunity to secure affordable housing units in exchange for favorable development rights. The city could add affordable housing criteria into the PUD process so the city Commission could consider a proposed PUD's provision of affordable housing as part of the overall review. Additionally, the city could amend its Comprehensive Plan to establish density bonuses and reductions in various building restrictions for developments that provide a set percentage of affordable units. If codified in the Comprehensive Plan, an affordable housing developer applying for a PUD designation could be eligible for by-right zoning benefits.

### **Strategy 3.3: Increase allowable densities and flexibility beyond Lincoln Park, expanding across the city.**

To encourage more housing development near infrastructure and job centers, improving the financial and ecological sustainability of the city and saving residents the cost of a car and hours spent in traffic, the city should consider increasing the maximum density to support the community's housing needs. Condominiums, and single-family attached housing types such as townhomes are a growing share of the homeownership units in the United States. Their often-lower costs and access to urban services will likely make them an affordable option for homebuyers in Fort Pierce. The R-4 district, the dominant residential zoning in Lincoln Park, is a model for allowing a range of housing types. This district allows detached single-family units, duplexes, triplexes, quadruplexes, and townhomes by-right and mixed-use buildings on a conditional basis. This flexibility in housing types and sizes can lead to increased production of smaller, more affordable units without a developer needing a costly and unpredictable re-zoning. The city should either make it a goal to zone more parcels as R-4 or allow this same flexibility by-right in more zoning districts, as opposed to only allowing certain housing types on a conditional basis. Conditional use processes are unpredictable and costly – the costs of which will likely result in higher housing prices. Instead of using a conditional use process to approve certain housing types, the city should allow a range of housing types by right with predictable development standards. For example, the city should allow duplexes, triplexes, and townhomes as-of-right in the R-2 and R-3 districts, at minimum, reduce setback and maximum lot coverage requirements in these zones, increase maximum allowable densities, and consider legalizing small missing middle housing types in more parts of the city.

R-5 is the city's high-density residential zone district but only allows up to 15 units/acre for conventional developments and up to 18 units/acre for innovative residential developments. However, densities of at least 16 (and preferably more) units per acre are necessary for truly walkable and transit-friendly neighborhoods. To encourage higher density development near infrastructure and job centers the city should consider increasing the maximum density to support the community's housing needs. The city should also reserve the greatest density increases for developments that pledge a set percentage of affordable units. This will require an amendment to the Land Development Code and Future Land Use Map of the Comprehensive Plan to allow higher density. By increasing densities across the city and particularly in the R-5 District, the city can expand

the types of units available, reduce traffic per resident, lower transportation costs, and improve housing affordability.

**Strategy 3.4: Establish a density bonus program.**

The city should amend section 125-326 of the Land Development Code or create a new section establishing criteria for an affordable housing density bonus program. Section 125-326 provides density bonuses to developments that meet certain criteria; notably, the provision of affordable housing is not included in these criteria. The city has also shown it will provide greater density to “innovative residential developments” – a process that should be expanded upon for affordable housing. While this is an underutilized provision, expanding it to include affordability as an innovation criterion could increase the supply of both affordable and market-rate housing. A density bonus provision for affordable housing, however, is contained in the Future Land Use Element of the Comprehensive Plan at Policy 1.1.6 but not in the Land Development Code. The city should create a clear and robust incentive program in the Land Development Code to provide zoning benefits in exchange for a set number or percentage of affordable housing units.

# Appendix A – Community Networks Overview

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This section focuses on how the actors within the City of Fort Pierce may support, or limit, Black residents' ability to navigate the housing system. Focused on our core stakeholders, we considered how existing relationships present gaps or points of opportunity along the housing continuum. This review is accomplished through individual interviews with local and regional housing system stakeholders as well as through a facilitated working-group discussion to identify connections between system actors. The following are key takeaways from the process.

The City of Fort Pierce is the chief actor in the housing system based upon the size of its influence and number of existing relationships. Internally, the city's Grants Division administers the SHIP program and the Local Housing Assistance Plan, making it the central housing services office in the city. The office plays a major role in fielding questions from the community and represents a major touchpoint for core stakeholders. Residents call both to find out about resources and to receive help regarding the homebuying process— much of which can be out of the scope of what staff can address. The city's lack of a central community-based organization focused on housing that is able to receive these inquiries is a considerable gap in the system. The planning and zoning departments, code enforcement, and Community Redevelopment Agency have varied influence on policies and programs on building and development in the city's neighborhoods but have a secondary role with aspiring homeowners.

Relationships between the city and other actors such as Indian River State College, Career Source, and Lincoln Park Mainstreet were generally characterized as high to medium strength, based upon their history of partnerships and projects. The city serves as a central node to the housing system, connecting other actors and bringing together partners on mission-driven initiatives. Upward mobility, a companion theme and often a prerequisite to homeownership, has been a focus of educational and economic mobility organizations. These groups have a strong presence in the community and present ready points of opportunity for future programs and partnerships. A few stakeholders identified a medium to weak relationship between the Housing Authority of Fort Pierce and the city. As the housing authority plays a significant role in the housing ecosystem, this is an unfortunate finding and bears further clarification and investigation. The Family Self Sufficiency program within the local housing authority is a high-functioning program and succeeds at supporting potential future homeowners currently in the PHA's housing programs. The program consistently exceeds the HUD required participation minimum of 25 public housing residents and 25 Housing Choice Voucher recipients, currently having 35 residents enrolled from each program. A wide variety of relationships with community-based organizations support the program administrator with program implementation, representing a strong network of partnerships.

There are several community-based initiatives that are creating new beneficial networks within the city, particularly in North Fort Pierce. Organizations such as Lincoln Park Young Professionals and the Incubate Neighborhood Center are creating programs that directly coincide with improving homeownership accessibility and neighborhood uplift. The relationship between the city and these organizations is important, as they could strengthen planning and collaboration with the neighborhood. Other institutions in the neighborhood have been noted as areas of potential. The Fort Pierce Neighborhood Association conducts regular neighborhood clean-ups and has developed a positive relationship with the Fort Pierce Police Department. There are several community churches located in North Fort Pierce that are worth engaging and gaining support for homeownership activities, community uplift, or as spaces for homeownership and legal education. A less understood but necessary connection is between landowners, particularly those with vacant properties, who, if they can be connected to the right resources, may serve as a key resource/stakeholder group for the construction of new homes.

In the sectors of building and development, finance, and real estate, there appears to be a deficit of connectivity within the North Fort Pierce area. While there are a few identified small individual actors operating the real estate space, particularly within North Fort Pierce, there were no readily identified major entities with established relationships. This is not to say that no links exist, but if they do exist, they are not prominent enough to have yet been identified. However, the scarcity of connections within these sectors does align with the trends of historic

underinvestment within the community. Developing relationships within and between these sectors should be a high priority. Lenders, realtors, and homebuilders can provide feedback on their own perceived barriers to expanding homeownership and can help inform future solutions and partnerships. In the business sector, the Black Chamber of Commerce and Haitian Chamber of Commerce have been identified as prominent entities worth engaging with, but no existing relationships have yet been identified.

# Appendix B – Land Use and Zoning

The section provides a brief analysis of Fort Pierce’s land development regulations related to affordable housing production and overall housing production in general. Improving local land use codes to allow the production of more housing of various types will not solve the affordable housing shortage or the racial homeownership gap alone. However, removing unnecessary zoning barriers to housing development is one key strategy in increasing the number of affordable units, which can close the racial homeownership gap. To improve the minority homeownership rate, it is particularly important to reduce zoning requirements in wealthier, more opportunity-rich parts of the city. Zoning has, over the last 100 years, often been used to intentionally exclude people on the basis of income and race. By reducing zoning barriers to development across the city, particularly in the currently low density and higher cost portions of the city, Fort Pierce can spur the construction of new homes that allows African Americans to reach the first rung of the homeownership ladder.

In a report titled “Explaining the Black-White Homeownership Gap: A Close Look at Disparities Across Local Markets,” the Urban Institute found that MSAs with lower median house prices relative to median rent and more building permits per household have higher Black homeownership rates. This finding suggests that with more building permits and housing supply, the City of Fort Pierce can increase Black homeownership.

Zoning and land use policies should be designed to encourage and facilitate the production of affordable housing by striking a balance between allowing more housing supply generally and by conditioning favorable development rights specifically on deed-restricted affordable housing production. For the purposes of this section, “deed-restricted affordable housing” means a housing unit with any legal mechanism to guarantee long-term affordability, such as with a deed restriction, land use restriction agreement, restrictive covenant, community land trust (CLT), or other legal tool.

## Allowable Housing Types & Densities

Flexibility in housing types and densities is key to encouraging and facilitating the production of more affordable housing units. Allowable housing types and densities in the land development code affect the number and size of housing units that can legally be produced in a jurisdiction. If too much land is reserved for larger and low-density single-family housing units, less land is available for smaller housing types that allow more persons to live in the city at a more affordable price. The R-4 District (detailed in the following table) provides the flexibility in housing types needed throughout the city. The city should consider rezoning more of its lower density areas as R-4.

The table below details permitted housing types and densities allowed in residential zones in Fort Pierce.

Figure 10: Table of Zones and Allowed Housing Types

Zone District	Housing Types Allowed	Densities
E-1 Single-Family Estate	Detached house Guest house***	<ul style="list-style-type: none"> <li>Average net density of approximately 1 unit/acre</li> </ul>
E-2 Residential single-family – 2 units/acre	Detached house Guest house*	<ul style="list-style-type: none"> <li>Average net density of less than 2 units/acre</li> </ul>

E-3 Residential single-family – 3 units/acre	Detached house Guest house*	<ul style="list-style-type: none"> <li>• Average net density of less than 3 units/acre</li> </ul>
R-1 Single-family low density	Detached house Guest house*	<ul style="list-style-type: none"> <li>• Average net density of less than 4 units/acre</li> </ul>
R-2 Single-family intermediate density	Detached house Guest house*	<ul style="list-style-type: none"> <li>• Average net density of less than 5 units/acre</li> </ul>
R-3 Single-family moderate density	Detached house Duplex** Townhouse** Multi-Dwelling Building** Mobile/Manufactured Home or Park** Guest house*	<ul style="list-style-type: none"> <li>• Average net density of less than 6 units/acre</li> <li>• “Innovative residential developments” may have higher net densities up to 8 units/acre***</li> </ul>
R-4 Medium density residential	Detached house Duplex Townhouse Multi-Dwelling Building Guest house (for single-family lots) Mobile/Manufactured Home or Park** Mixed-Use Building**	<ul style="list-style-type: none"> <li>• Up to 10 units/acre for conventional developments</li> <li>• Up to 12/units acre for innovative residential developments***</li> </ul>
R-4A Hutchinson Island medium density	Detached house Duplex Townhouse Multi-Dwelling Building Mixed-Use Building* Guest house (for single-family lots)	<ul style="list-style-type: none"> <li>• Generally not to exceed 8 units/acre</li> <li>• Bonus density of one additional unit/acre available if site plan meets landscaping approval</li> </ul>
R-5 High density residential	Detached house** Duplex** Townhouse Multi-Dwelling Building Guest house (for single-family lots)	<ul style="list-style-type: none"> <li>• Up to 15 units/acre for conventional developments</li> <li>• Up to 18/units acre for innovative residential developments***</li> </ul>
C-1/C-2/C-5/C-6 Various commercial districts	Detached house** Duplex** Townhouse** Multi-Dwelling Building** Mixed-Use Building****	

Source: Fort Pierce Zoning Ordinance

\* Guest house only allowed if lot is 30,000 square feet or more

\*\* Conditional use only

\*\*\* Innovative residential developments will be described below

\*\*\*\* Mixed-use buildings are permitted in all commercial districts

### Lot Design Standards

In addition to allowable housing types and densities, lot design regulations such as minimum lot size, maximum lot coverage, setbacks, and parking requirements impact housing affordability. Flexible lot design regulations can encourage and facilitate the production of smaller housing units on more lots – units that, due to their relative size and lower land usage, can be more affordable. Well-crafted minimum lot size requirements can increase the number of developable homes.

Impervious surface ratios, setback requirements, and parking standards also affect the amount of buildable land and housing type within the city. A zoning district with a high impervious surface ratio may be able to contain more parcels with multiple housing units like duplexes and townhomes, for example. Similarly, a zone district with a low impervious surface ratio and large setback requirements from neighboring lots will likely only produce lots with single-family houses of a certain size. It is important to assess what types and what sizes of housing are incentivized through the existing lot design requirements and what requirements can be amended to facilitate smaller, more affordable unit development.

Figure 11: Fort Pierce Setbacks and Other Zoning

Zone District	Min. Lot Area (square feet)	Max. Lot Coverage/ Building Height	Notable Setback Requirements
E-1 Single-Family Estate	30,000	25%/35 feet	
E-2 Residential single-family – 2 units/acre	15,000	25%/35 feet	
E-3 Residential single-family – 3 units/acre	12,000	25%/28 feet or 35 feet with conditional approval	
R-1 Single-family low density	12,000	25%/28 feet or 35 feet with conditional approval	
R-2 Single-family intermediate density	9,000	30%/28 feet or 35 feet with conditional approval	
R-3 Single-family moderate density	Single-family: 7,200 Duplex: 12,000	35%/28 feet or 35 feet with conditional approval	

R-4 Medium density residential	Single-family: 5,000 Duplex, triplex, quadraplex: 4,000 per unit Townhome: 1,500	50%/45 feet	Different setback standards based on unit type
R-4A Hutchinson Island medium density	Single-family: 5,000 Townhome: 1,500	45% (multifamily, 50% (townhome))/45 feet	
R-5 High density residential	Single-family: 5,000 Townhome: 1,500 Duplex: 7,000 Triplex/quadraplex: 2,500	50%/200 feet	

Source: Fort Pierce Zoning Ordinance

Required parking is not regulated squarely by zone district but is instead regulated of type of residential use at section 125-315(d)(1) of the Land Development Code. The parking requirements for residential uses are as follows:

Figure 12: Parking Requirements

Type of Residential Use	Required Off-Street Parking
Single-family dwellings, including mobile homes, and duplexes	2 spaces/dwelling unit
Triplexes, quadraplexes, and multifamily housing developments	1.5 spaces/dwelling unit
Public housing for the elderly, notwithstanding other residential parking standards	0.5 spaces/dwelling unit
Boarding houses	1 space/bedroom
Mobile home parks	2 spaces/dwelling unit

Source: Fort Pierce Zoning Ordinance

## Density Bonuses

Section 125-326 of the Land Development Code provides a maximum 5-unit/acre density bonus for development within a one-fourth mile radius of a rail station, multimodal transit center, or transit stop. This section also allows the director of planning to provide administrative relief for eligible developments by reducing setback, lot size, parking, and open space requirements. The provision of affordable housing is not considered in this density bonus section.

## Planned Unit Developments

The city's Planned Unit Development (PUD) process provides an opportunity to secure affordable housing units in exchange for favorable development rights. These are developments that vary from the uniform requirements of the established zone districts and are approved on a case-by-case basis. With a number of these developments straying from the established zoning district regulations, a focus solely on the established zoning districts as

described above will not cover the scope of the issue. A study of the PUD process is warranted when looking at the whole picture of the city's relationship between land use planning and housing affordability.

Section 125-212 provides descriptions of the PUD process. Section C overviews the application requirements for a PUD designation which include a phasing schedule, qualitative data on types of dwelling units, gross densities, open spaces, other data points, exceptions from the standard zoning ordinance, and a site plan. The city could add affordable housing provisions into the PUD process so the city commission could consider a proposed PUD's provision of affordable housing as part of the overall review. Requiring or encouraging the production of affordable units in order for a developer to receive a PUD designation, a designation that can provide tremendous benefit to a private-sector developer, would be in line with a stated intent of the PUD designation. Namely, to grant the city commission "the absolute authority to establish such limitations . . . it deems necessary to protect the public health, safety, and general welfare."

### **City of Fort Pierce Workforce Housing Program**

Article VI of Chapter 103 of the Land Development Code contains the City of Fort Pierce Workforce Housing Program. This Article can establish innovative affordable housing policies including inclusionary zoning, density bonuses, and any incentive-based programs for affordable housing development. The purposes of the Workforce Housing Program are to ensure the adequate inventory of owner-occupied and rental housing for low- to middle-income households, to provide for the creation of a variety of housing options throughout the city for existing and anticipated workforce, and to create an assistance program which provides access to funds from a workforce housing trust fund.

The Program contemplates achieving these goals in two ways: 1) by authorizing the city manager to enter into an agreement with a community land trust; and 2) by providing funding towards workforce housing units from the City of Fort Pierce Workforce Housing Trust Fund. However, as of this writing, this Program has not been funded nor has the city entered into an agreement with a community land trust. This Program, with its existing legal framework, provides a tremendous opportunity to build affordable units to close the racial homeownership gap.

The legal framework for the Workforce Housing Program is very encouraging and has a number of terrific provisions. For example, any unit funded with Workforce Housing Trust Fund dollars must be affordable for a period of 99 years. The next steps are for the city to fund this program at adequate levels and to enter into an agreement with a community land trust.

## **Additional land use strategies to increase the supply of affordable housing throughout Fort Pierce**

### **Strategy 3.5: Allow Accessory dwelling units in all residential districts.**

Accessory dwellings units (ADUs) are small, attached, or standalone homes on the same lot as a larger residential unit, usually a single-family home. Also known as granny flats, carriage houses, and mother-in-law suites, ADUs can be used for affordable rental housing or affordable housing for extended family members. Currently, the city only allows ADUs within the Edgartown Settlement Zoning District. The city should consider allowing ADUs in all residential districts utilizing best practices to encourage this small-unit, smart growth development. In the rental context, by creating a small-scale rental unit attached to a single-family home, ADUs provide additional income to low- and moderate-income households while simultaneously providing a generally below-median cost rental unit, making two newly affordable homes.

**Strategy 3.7: Increase maximum lot coverages to encourage multiple, smaller units on a single lot.**

Maximum lot coverage regulations typically set the percentage of the overall area of a site that buildings can occupy. In Fort Pierce, the denser the zone district, the greater the allowable maximum lot coverage; the R-1 zone has a maximum coverage of 25% while R-5 has a maximum of 50%. To encourage multiple, smaller units on a single lot, the city could increase the maximum lot coverage for developers that will build affordable units. For example, through a robust incentive program, a developer for a parcel zoned R-3 could receive a 50% maximum lot coverage allowance for two affordable duplexes. The city could also decide to increase maximum lot coverages by right without conditioning affordability to secure more missing middle housing types overall.

**Strategy 3.8: Condition height bonuses in R-3 and R-4 on affordable housing.**

There is a large difference in maximum allowable height from R-4, medium-density residential zone (45 feet), to R-5, the high-density residential zone, (200 feet). In addition to providing density bonuses in exchange for affordable units, there may be room to condition height increases on affordable units, especially in the R-3 and R-4 zones. This strategy could help facilitate the construction of new affordable condominium units.

**Strategy 3.9: Provide reduced parking requirements in exchange for affordable units.**

Required parking can be a costly expense for the affordable housing developer or homeowner and can make development difficult from a design perspective for infill or oddly shaped lots. The city should explore conditioning reducing parking requirements in exchange for affordable units, particularly if proposed housing has adequate on-street parking.

# Appendix C – Funding for Housing

The City of Fort Pierce has access to both state and federal funds that in part have been used for affordable housing activities including housing rehabilitation, homebuyer assistance, and fair housing initiatives. As an Entitlement Community under the U.S. Department of Housing and Urban Development (HUD), the City of Fort Pierce receives annual allocations of Community Development Block Grant (CDBG) funds and HOME Investment Partnership (HOME) funds. The city also has its own sources of funding, including community redevelopment agency (CRA) funds and general revenue funds. The following section provides a brief overview of these sources and how they have been or will be spent.

## Fort Pierce Redevelopment Agency (FPRA)

The Fort Pierce Redevelopment Agency (FPRA) is a community redevelopment agency that covers the Downtown, beach, and Lincoln Park areas of the city. Established in 1982, FPRA is intended to guide the redevelopment of the city of Fort Pierce. A review of past FPRA annual reports and feedback from many interviewees showed that the FPRA has neglected the investment of TIF dollars in Lincoln Park for more prosperous areas Downtown and at the beach, spending tens of millions of dollars on projects such as the Former King Power Plant Cleanup and Redevelopment and the South Jetty Park Reconstruction. However, their latest plan (written pre-COVID-19 Pandemic) seems to have taken a pivot to focus more funds into Lincoln Park. The FPRA is in the process of financing 12 single-family, affordable homes in partnership with Stuart and Shelby Development and East West Development at Moore’s Creek, near Ave D. Using tax increment financing (TIF), the CRA planned to spend \$455,000 for neighborhood revitalization in 2020, and \$495,000 in 2021. Of this, the majority will go towards housing development in even years (2020, 2022, 2024) while a large share will go towards the neighborhood connector inter-modal mobility project in odd years (see table below). While the majority of the CRAs dollars go towards the debt from these large, previous projects, neighborhood revitalization receives the largest share of the remaining funds. However, the 2020 FPRA Annual Report did not report any funding for several planned programs, including the Residential Home Improvement Program and the Purchase Assistance Program. These programs were most likely cut to allow for more spending in response to the COVID-19 Pandemic, but care should be taken to make sure they receive funding in 2022 and beyond.

Figure 13: FPRA Neighborhood Revitalization Budget

Proposed Capital Projects	2020	2021	2022	2023	2024	2025
Neighborhood Connector		\$300,000		\$300,000		\$300,000
Residential Home Improvement Program	\$150,000		\$150,000		\$150,000	
Residential Home Purchase Assistance Program		\$150,000		\$150,000		\$150,000
Quarterly Legal (Home Ownership, Title Clearance) Workshops		\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Multifamily Development incentive	\$250,000		\$250,000		\$250,000	
Support Neighborhood Cleanup Programs	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000
Community Oriented Policing	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
Total for Neighborhood Restoration	\$445,000	\$495,000	\$445,000	\$495,000	\$445,000	\$495,000

Source: FPRA Plan

## The State Housing Initiatives Partnership Program (SHIP)

The State Housing Initiatives Partnership Program (SHIP) uses funds collected and stored in the Sadowski Housing Trust Fund to increase and improve the stock of affordable housing in Florida. The majority of funds are set aside for construction purposes for low- and moderate-income ownership households. In The 2016-17 funds (the last year for which we have accurate expenditure numbers), the city spent \$877,514 for the rehab of existing owner-occupied units and purchase assistance for low- and moderate-income households. The vast majority of funds over the last few years have gone to African American households in Lincoln Park. This funding has helped improve the homeownership units of the Lincoln Park area and driven much needed mortgage capital to the neighborhood.

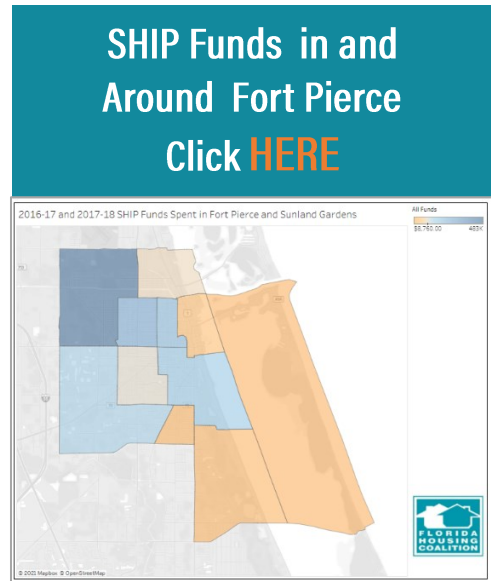
Figure 14: SHIP Expenditures 2016-17 and 2017-2018

Fort Pierce	Households Served	Funds Distributed	Funds per Household
<b>2016-2017</b>	<b>37</b>	<b>\$ 877,513.75</b>	<b>\$ 23,716.59</b>
<b>Owner Occupied Rehab</b>	<b>27</b>	<b>\$ 760,415.28</b>	<b>\$ 28,163.53</b>
Black/African American	24	\$ 693,186.28	\$ 28,882.76
White	3	\$ 67,229.00	\$ 22,409.67
<b>Purchase Assistance</b>	<b>10</b>	<b>\$ 117,098.47</b>	<b>\$ 11,709.85</b>
Black/African American	8	\$ 92,098.47	\$ 11,512.31
Hispanic	1	\$ 10,000.00	\$ 10,000.00
White	1	\$ 15,000.00	\$ 5,000.00
<b>2017-2018</b>	<b>36</b>	<b>\$ 63,172.80</b>	<b>\$ 1,754.80</b>
<b>Disaster Assistance</b>	<b>36</b>	<b>\$ 63,172.80</b>	<b>\$ 1,754.80</b>
Black/African American	23	\$ 38,022.80	\$ 1,653.17
Hispanic	1	\$ 2,200.00	\$ 2,200.00
White	12	\$ 22,950.00	\$ 1,912.50

Source: Florida Housing Finance Corporation

In this map (access the interactive version of this graphic by clicking on the image or the button) it is possible to see the census tracts which received the most SHIP funding (from both the city of Fort Pierce and St. Lucie County). The census tract that receives the most funding in the county is the tract that contains Sunland Gardens, just outside the city’s boundaries. Within the city, Lincoln Park’s western census tract receives the highest level of funding.

*Interactive Map 10: SHIP Funds in and Around Fort Pierce*



*Source: Florida Housing Finance*

## General Funds

The 2021 budget does not show any general revenue funds spent on down payment assistance or home replacement/new construction. However, in previous years the city has used general revenue funds for housing purposes, including, in 2008-09, \$123,000 for down payment assistance, \$137,361 for home repair and replacement, and \$5,000 for the demolition of dilapidated housing. As the city begins to fund the Workforce Housing Program, it should consider setting aside general revenue for affordable housing financing and development as it has done in previous years.

## Federal Funds

The Community Development Block Grant (CDBG) is a federal program administered through HUD that provides funding for community revitalization efforts. The CDBG program is intended to be a flexible source of funds to address a wide range of community needs. Overarching goals of the CDBG program are meant to ensure the provision of decent affordable housing, a suitable living environment, and expanded economic opportunity. Additionally, activities carried out under CDBG must meet one of the existing national objectives, which are: 1) benefit low-income and moderate-income persons; 2) prevent or eliminate slums and blight; and 3) address community development needs considered urgent. Not less than 70 percent of CDBG funds must be used for activities that benefit low-income and moderate-income persons. Eligible activities related to housing include housing rehabilitation and homeownership assistance.

Fort Pierce has prioritized the majority of its funds for business investment and job creation. However, where funds have been put towards housing activities, the city has historically utilized its CDBG funds for housing rehabilitation, home purchase assistance, fair housing, and code enforcement. From 2016-2020, the city dedicated \$200,000 of CDBG funds for housing activities and proposed to rehabilitate 365 units and provide purchase assistance for 30 homebuyers to support homeownership opportunities.

Over the past three years, barriers to affordable housing and lack of funding have proven obstacles to meeting housing goals. While the city has been able to progress in meeting CDBG housing rehabilitation goals, homebuyer needs remain unmet. However, the city does allocate a good portion of its SHIP money to providing down-payment and closing cost assistance.

Utilizing CDBG funds, the city also affirmatively furthers fair housing in accordance with the Fair Housing Act. The city conducted an Assessment of Fair Housing (AFH) in 2016 to identify barriers to housing choice. The assessment identified the following impediments related to closing the homeownership gap:

- Housing/lending discrimination.
- Fair and equal lending disparities.
- Shortage of affordable/decent housing.
- Housing market segregation.



**Florida Housing Coalition**

1311 N. Paul Russell Road, B-201

Tallahassee, FL 32301

**Phone |** 850.878.4219

**Website |** [Flhousing.org](http://Flhousing.org)