

South Florida BUSINESS JOURNAL

November 19-25, 2010

DEAL OF THE WEEK: BROWARD COUNTY HOUSING AUTHORITY PROJECTS

About \$49 million in affordable housing projects built through the Broward County Housing Authority will add 241 affordable units and 235 jobs via three projects.

The BCHA has partnered with affordable housing developers on two projects and is taking on a third on its own.

The projects are the 155-unit East Village in Davie, the 76-unit high-rise Progresso Point in downtown Fort Lauderdale and the 10-unit Crystal Lake Townhomes in Hollywood.

"In this challenging economy, BCHA is continuing to develop projects, where large, private developers might be stalled," CEO Kevin Cregan said.

Jack McCabe, principal of McCabe Research & Consulting, said demand for affordable units continues unabated in South Florida, but new construction is not possible without some kind of subsidy, which is where BCHA comes in.



A rendering shows the 155-unit East Village in Davie, which is being developed by BCHA and Carlisle Development.

BCHA's plans will serve two useful purposes: increase the inventory of affordable housing units and help stabilize the South Florida marketplace.

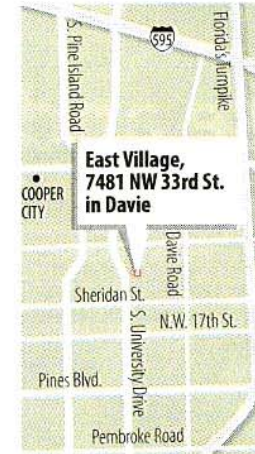
East Village is a \$33 million project being developed with the Carlisle Development

Group. The garden-style apartments, which broke ground Nov. 12, will create 150 jobs.

The housing authority is working with Reliance Housing Foundation to build the \$14 million Progresso Point. The project is expected to break ground in 2011's first quarter and generate 75 jobs.

Crystal Lake Townhomes, which will be BCHA's first solo project, is located adjacent to the Crystal Lake Apartments, another housing authority development. The \$1.8 million project, which will include two- and three-bedroom townhomes, is slated to launch in the first quarter of 2011 and generate about 10 jobs.

BCHA is greasing the wheels for future development of all kinds, McCabe said.



"The majority of new condos constructed since 2003 have bled over into the rental pool. With thousands of units still vacant and unsold, it doesn't make sense to build new market-rate units right now," he said. "However, these units should be absorbed by the end of 2013, so now is a good time to

start planning and performing due diligence to start construction in the next 12 to 18 months."