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MULTIFAMILY FLORIDA

WINTER 2022-2023

Hiring in a Tight Market

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FLORIDA APARTMENT ASSOCIATION

200 East Robinson Street, Suite 900
Orlando, FL 32801
Tel: 407-960-2910
Fax: 407-960-2911
FAAhq.org

EXECUTIVE COMMITTEE

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Incore Residential

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PUBLICATION MANAGEMENT

Editor

Paige Holmes

Designer

Catherine Meany



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Staying Focused and Undaunted

BY JIMMY CHESTNUT, CPM | INCORE RESIDENTIAL

AS I REFLECT ON the accomplishments of the Florida Apartment Association over the last decade, I am reminded of how far the organization has grown and the good it has produced for its stakeholders. I am honored and privileged to serve as your 2022-2023 president. It is a responsibility that I take very seriously. Many excellent leaders have come before me, and I am humbled to be here and vow to continue being a powerful voice for our association.

Like many of you, I did not set out to become a leader in the rental housing industry. I started leasing apartments after answering an ad in the newspaper (where jobs were advertised back in the day). In my career, I have worked in many different positions and witnessed our industry's evolution.

Last year, 2022, was successful in many ways while simultaneously challenging. The first quarter seemed to resolve the pandemic-related issues of 2021, with solid occupancy and more normalized operations. The second quarter delivered challenges with supply and demand that propelled rent growth, which spurred many local governments to continue their conversations regarding tenant bills of rights — including source of income and notice protections — and rent control. Miya's Law was passed to protect residents and industry associates by mandating background checks, stipulating key management, and increasing notice requirements to enter a resident's home.

The third quarter was most challenging with the devastation from Hurricane Ian. Our membership in Southwest Florida suffered widespread destruction. Our membership and local communities joined together to assist those affected and will continue supporting their rebuilding efforts throughout 2023. Unfortunately, our 2022 education conference was canceled. Still, history has shown us that the conference in 2023 will be groundbreaking

as we come together to celebrate our many successes from now until then.

FAA remains focused on its mission to represent and advocate for the interests of the Florida multifamily rental housing industry. We continue to hold the vision of being the recognized leader of the state's multifamily industry, with goals to strengthen our affiliate network; educate our members at Inspire, the newly branded education conference; and continually enhance our advocacy and research efforts that will protect our membership and industry.

I am excited as we look forward to 2023, and I recognize that we will have serious conversations on the horizon. The affordability issue in rental housing will continue to be a focus for all. There will remain an increased emphasis on potential regulation from local governments in their effort to address the affordability crisis. Our goal will be to educate our elected officials and other stakeholders about effective avenues to address rental housing affordability. Using the recent research study conducted by HR&A Advisors (see pages 10 and 34), we will show the counties in our state that are underserved with rental housing and then offer potential solutions that a local municipality could engage to increase the supply of rental housing.

Year-round advocacy will continue to be essential to the success of our industry. We are starting with our legislative conference, which has now been rebranded to Impact — a fitting name for a conference where our members can make a significant impact with our state leadership in Tallahassee. I encourage each member to make the 2023 Impact conference a priority!

Again, I am deeply honored to serve our organization and thank each of you that have been instrumental in my career. I'm looking forward to the success 2023 will bring us and to visiting with you in the upcoming year. **MF**

Together, In All Kinds of Weather

BY CHIP TATUM, CAE | EXECUTIVE VICE PRESIDENT



IT WAS ONE OF THE QUIETEST TROPICAL weather seasons that I could recall. In many ways, 2022 had been tumultuous, but the one thing we had begun to relax about was tropical weather interfering with the FAA Annual Conference & Trade Show. In fact, this conference was shaping up to be one of the most successful in our history. Yet, as the team and I were headed to the beautiful Diplomat Resort in Hollywood, Florida, for final conference preparation, trouble was brewing just south of Cuba.

At the risk of hyperbole, every Floridian becomes an amateur meteorologist from June through November. We assuage the fears expressed by friends and family and shrug off trajectories — until we learn that our neighbors have begun to clear the shelves of the neighborhood Publix. After all, we have more misses than hits when it comes to tropical weather — thank goodness. But on a beautiful September

Sunday in South Florida, it was looking increasingly likely that the newly dubbed Hurricane Ian was going to hit hard.

One of the most stressful situations for a leader is confronting a seemingly insurmountable challenge, when all potential solutions are far from ideal. As Hurricane Ian continued to barrel down on Florida, we were faced with a dilemma: cancel the conference or persevere? On the surface, it might seem like an easy answer: Just cancel and try again next year. In reality, canceling a conference that has been years in the making, has thousands of registered attendees and presents significant financial exposure is no small task or decision. By Monday evening, we were at a tipping point. Most of our sponsors, exhibitors and speakers would be boarding planes the next morning. With the storm's trajectory worsening, we made the call. We were able to give most of our participants time to adjust their travel plans and, for those in Ian's path, time to make last-minute preparations.

Volunteers from the Southwest Florida Apartment Association worked with Hatching Hope to pack and deliver disaster relief kits to residents affected by Hurricane Ian.

The decision would result in new challenges and risks, but there was no question it was the right choice.

The cancellation of a conference is frustrating and challenging, but it pales in comparison to the impacts felt by so many thousands of our colleagues, friends, and family. Storm preparation, response, and recovery is a whole other ball game for property management professionals and supplier partners who support the apartment industry. Our members go to great lengths to protect the assets they oversee and the people who call their communities home. At the same time, these industry professionals have their own homes and loved ones to look after. I speak from experience, having been battle tested as a property manager with Hurricanes Charley, Frances, and Jeanne in 2004.

In the next issue of *Multifamily Florida*, we will share some of the lessons learned from Hurricanes Ian and Nicole, which would make landfall 43 days later. For now, I want to focus on some of the people who make this association and industry so special.

Holli Noel-DePold, the executive director of the Southwest Florida Apartment Association, described the scene in the Fort Myers area as looking like “a bomb went off.” She felt fortunate that her home, husband, and furry family members were largely spared. With a spotty cell signal and no power in her neighborhood, she and her husband, Michael, sprang into action to assist their neighbors and SWFAA members within hours of Hurricane Ian passing. She and several SWFAA members stepped up to provide assistance, shelter and support to impacted and displaced colleagues and neighbors. In addition to coordinating a massive response, she and her husband reached deep into their own pockets to feed neighbors and support the community. I could fill an entire article on the countless ways Holli rose to the occasion, but rest assured she is an unsung hero!

No stranger to disaster response, Keli Lynch-Wright has provided relief and resources to apartment residents displaced by fires and other crises for years through her nonprofit, Hatching Hope. As the odds increased that Ian’s impact would be significant, she was working with her team in Alabama to coordinate loading a tractor trailer with more than 50,000 pounds of cleanup, comfort, and hygiene items bound for Florida. These supplies were distributed by an army of volunteers from Central and Southwest Florida to impacted communities and displaced residents.

Meanwhile, Monica Ramsey, executive vice president for the Apartment Association of Greater Orlando and the AAGO Foundation, learned that unprecedented flooding had displaced countless apartment residents in Central Florida. In addition to coordinating the distribution of Hatching Hope supplies, she and her team reached out



to AAGO members to ascertain which communities had immediate availability for uprooted residents. Within days, this list had more than 100 communities with available units; it was widely used by emergency management personnel and support organizations to provide shelter to impacted Central Floridians.

In December, I had the opportunity to attend a SWFAA event where our members reflected on how much had been accomplished and how resilient their community was. Stories abounded of on-site and corporate heroes and countless supplier partners who went above and beyond to help residents, friends and neighbors. Maintenance supervisor Luis Quinoñes with Hawthorne Residential used a canoe to rescue apartment residents from rising floodwaters at great risk to his own safety. At a Northland community in Fort Myers, assistant property manager Tammy Zetelski and her husband lost their vehicle and nearly all of their worldly possessions. Nonetheless, she remained on site and focused her energy into helping her residents and team members cope with the devastation.

Mary Chapin Carpenter sang in the early '90s, “*Sometimes you’re the windshield; sometimes you’re the bug.*” In the wake of two hurricanes and an overall challenging year, many of us felt more like the bug than the windshield. Yet, as we reflect on 2022, there are so many more examples of how we have persevered as people and as an industry through all types of weather — be it tropical or circumstantial. In the moment our obstacles may appear insurmountable, but together we can overcome anything. As we head rapidly into the new year, I look forward to listening, learning, and most importantly, celebrating all of your “windshield” moments. **MF**

Hatching Hope staffers stopped in Orlando to sort and deliver supplies in Central Florida with volunteers from the Apartment Association of Greater Orlando and the Space Coast Apartment Association.



FAA to Advocate for Four Legislative Priorities in 2023

BY AMANDA WHITE | FAA VICE PRESIDENT OF GOVERNMENT RELATIONS AND RESEARCH

FAA MEMBERS HAVE SELECTED FOUR PRIORITIES

to share with legislators prior to the 2023 legislative session. Those priorities are:

- Advocating for legislation that grants local governments the ability to offer property tax discounts for affordable and workforce housing at their discretion.
- Supporting the passage of legislation to standardize fire radio signal repeater requirements and related processes across the state.
- Encouraging the legislature to pass meaningful property insurance reform to address skyrocketing premiums that hinder multifamily housing affordability.
- Stressing the need for any landlord/tenant-related laws to be instituted at the state level, rather than a patchwork of policies passed at the local level, to ensure consistency for housing providers and residents across the state.

The priorities were identified during a virtual platform meeting on December 1. That meeting took the place of one originally scheduled in conjunction with the 2022 FAA Annual Conference & Trade Show, which was canceled

because of the imminent threat of Hurricane Ian. Members will have the opportunity to discuss the priorities with legislators and their staff members during Impact, Powered by FAA, February 21-22, 2023, in Tallahassee.

FAA's legislative platform meeting is just the first of many steps the association takes to advocate on behalf of the industry each year in the state capitol. In addition to advocating for the year's priorities, FAA spends considerable time during each session tracking and responding to legislation that could impact the apartment industry in a positive or negative way.

Florida's regularly scheduled legislative session is just 60 days long. The 2023 session will begin on March 7 and end on May 5. However, Gov. Ron DeSantis announced plans in October to call a special session in 2022 to address property taxes and insurance issues in the wake of Hurricane Ian.

2022 Special Session

In the wake of Hurricanes Ian and Nicole, Gov. Ron DeSantis called a special legislative session December 12



IMPACT

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► How to Get Involved

What: Register for Impact, Powered by FAA (the annual legislative conference).

When: February 21-22.

Where: AC Marriott Hotel in Tallahassee.

The event features a comprehensive legislative briefing on February 21 where FAA members will learn about the apartment industry's 2023 legislative priorities and tips for meeting with lawmakers. Then on February 22, FAA members will walk the halls of the Capitol to meet with representatives and senators from across the state to discuss the industry's legislative priorities.

How: Visit faahq.org/impact to learn more.

through 16, to address Florida's troubled property insurance market. Legislation passed during the session and signed by the governor included insurance reforms as well as disaster recovery measures. Additional insurance reforms may be explored during the 2023 regular legislative session.

To read more about the special session, visit faahq.org/news. You will need to be logged in as a member.

As the 2023 legislative session approaches, it is important to keep in mind that there are new leaders at the helm in the Florida Legislature, and they will have new ideas for Florida's future. After the dust settled from the 2022 election, Republicans maintained control of the executive and legislative branches in Florida. As a result, Rep. Paul Renner will serve as speaker of the House and Sen. Kathleen Passidomo will serve as Senate president.



KATHLEEN PASSIDOMO, SENATE PRESIDENT

FAA members may recall that before serving as senate president, Sen. Passidomo was a passionate advocate for

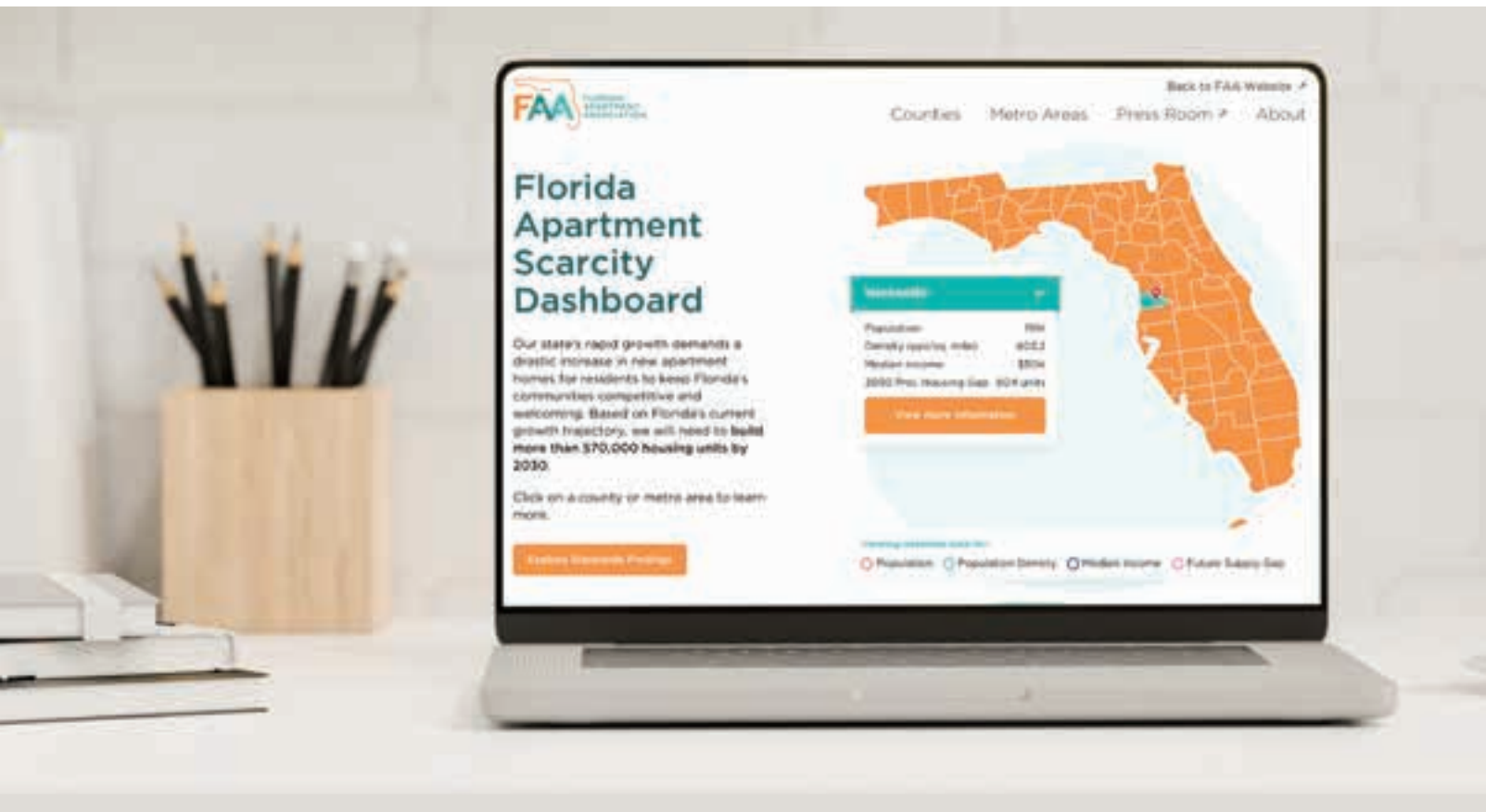


PAUL RENNER, HOUSE SPEAKER

housing affordability and the Sadowski Affordable Housing Trust Fund. Similarly, in recent sessions, Rep. Renner has supported legislation that removes barriers to housing construction, such as impact fee waivers for affordable housing, outdated zoning restrictions, and more. FAA anticipates housing-related issues will be a topic of discussion during the upcoming legislative session and looks forward to engaging state policymakers on this important issue.

FAA leaders establishing strategic goals have consistently identified industry advocacy as one of the core functions of the Florida Apartment Association. With the 2023 session just around the corner, FAA needs members "on the field" to make the association's grassroots advocacy effective.

Members who have questions about FAA's industry advocacy in 2023 may contact Amanda White, FAA vice president of government relations and research, at amanda@faahq.org. **MF**



Study Reveals Florida's Apartment Deficit to Surpass 570,000 by 2030

BY AMANDA WHITE | FAA VICE PRESIDENT OF GOVERNMENT RELATIONS AND RESEARCH

State Level Highlights from the Florida Apartment Scarcity Dashboard

- By 2030, Florida's population is projected to grow by nearly **3.2 million**. This rapid growth requires a drastic increase in the construction of new apartment homes.
- Florida will need to build more than **570,000 apartment homes** to keep Florida's communities competitive and welcoming as the population continues to grow.
- While the state has been building housing to meet this population growth, it has been unable to keep pace. Florida constructed only **950,000 new apartment units** in the last decade, compared to the 1.62 million in the 2000s.
- Only **7% of residential land use** in the state of Florida supports multifamily housing development, yet one in three Florida residents are renters.
- Higher construction costs have increased the rents required to support new development. Between 2020 and the first quarter of 2022, **construction costs increased more than 40%**, far outpacing the 11.8% increase in inflation over the same period.

Over the years, Florida has steadily attracted people moving from other parts of the country because of its beautiful beaches, low taxes, and overall high quality of life. However, the dramatic rise in work-from-home policies enacted during the COVID-19 pandemic resulted in a massive influx of new residents interested in calling the Sunshine State home. While this rapid population boom made a positive impact on Florida's overall economy, it simultaneously put significant pressure on an already strained housing market. The lack of supply, among other market factors, has led to housing affordability



challenges that are impacting Floridians at every income level.

Long before Florida's housing affordability challenges were in the spotlight, the apartment industry advocated to increase the state's housing supply to meet the needs of a growing population. In fact, over the last several years, FAA has invested considerable resources in conducting academic research related to housing affordability and what can be done to address this challenge in Florida.

In 2022, FAA took its industry research a step further by assessing current and future apartment home scarcity across Florida's 67 counties and 26 metropolitan statistical areas, also known as MSAs. The Florida Apartment Scarcity Dashboard is now available at **buildflorida2030.com**. Here, users can click on the county or MSA of their choice and explore current apartment home scarcity and 2030 projections based on development and population growth trends. In addition to

assessing the apartment housing supply needs in each area, the dashboard provides in-depth details on the specific needs for apartment homes by area median income level, zoning restrictions, the percentage of renters, and much more.

This interactive dashboard is intended to be a tool for the apartment industry, residents, and policymakers to track Florida's rapidly growing housing needs at the county and metro-area levels. This dashboard was developed in partnership with HR&A Advisors, using data and estimates from the Census Bureau, the Florida Office of Economic & Demographic Research, and other sources of high-quality demographic and real estate information.

To explore the data for a specific county or MSA and learn more about the methodology for this study, be sure to check out the interactive search feature on the homepage and the "About" tab at **buildflorida2030.com**. **MF**

Past FAA Research Initiatives

- **2019** – FAA partners with the Apartment Association of Greater Orlando (AAGO) to survey multifamily housing developers about housing affordability challenges in the market. The data captured in this research is compiled in a Housing Affordability Toolkit and made available to FAA members and the general public.
- **2020** – FAA works with HR&A Advisors on a comprehensive study to identify factors driving the cost of apartment housing. This research finds that local policies such as impact fee increases and rising property taxes can drive up the cost of multifamily housing by 12%-17%.
- **2021** – FAA once again works with HR&A Advisors to explore how property tax discounts could be used to stimulate the construction and preservation of affordable and workforce apartment homes. Research finds that property tax discounts would be an effective tool for addressing Florida's housing supply needs while also stimulating the local economy and helping Floridians.

Visit faahq.org/research to learn more.



Hiring in a Tight Market

Employees Today Want Culture and Connection, Not Just Money

BY DARLYN FINCH KUHN

Don Sanders, vice president of marketing and training for Cornerstone Group of Florida, had a busy weekend planned. On Friday, “Trainer Don” would give a talk to the Topeka Apartment Association, then he’d catch a flight to Southern Illinois for his father’s 90th birthday party. But a single flight attendant called in sick that day, and the airline had no one to take her place, so the flight was canceled. Sanders rented a car, drove seven hours, and made it to his dad’s party.

Sanders isn’t advocating for sick people to come to work; he’s just pointing out that one person’s absence created travel chaos for a planeload of ticket-holders. The challenge isn’t unique to the airline industry. In restaurants, tables sit empty and posted signs urge patrons to be patient. Likewise, the multifamily housing industry is short-handed and facing increased competition for workers.

Prior to the COVID-19 pandemic, 31% of workers in the U.S. worked from home, Sanders says. During the past two years, about 51% of American workers worked from home, and now, about 89% of the employee base aspires to work from home. The apartment industry, by its nature, is filled with positions that require workers to come to the work site. So now companies compete not just with others in the industry, but also with companies outside the industry that offer higher wages, require fewer qualifications, and allow remote work.

Recruiting

If you thought recruiting and retaining staff was tougher than ever, you’re not wrong.

Darrin Rohr, president and CEO of HH Staffing in Sarasota, says that the problem is simply supply and demand. The U.S. was trending downward in terms of workforce availability before COVID-19, which has been blamed for the deaths of nearly a million working-age people. On top of that, the enduring symptoms of “long COVID” have removed the equivalent of 1.6 million full-time equivalents from the workforce, according to the Brookings Institute.

In addition, the gig economy has taken a lot of the workforce, and in Florida, all major markets are at 3% or below unemployment. That makes it incredibly difficult to recruit.

Brad Schwartz, founder and president of MSB Resources, a recruitment firm serving the property management industry,

concur that the pandemic is a line in the sand. Today, people are not looking for jobs, Schwartz believes; they’re looking for careers at a company that aligns with their values. Money is still a motivator, but it does not have the power it did before the pandemic. People had the opportunity to go home and think about life, and they decided they wanted to work where they felt valued.

Jeremy Milton, managing director of property management at RangeWater, isn’t waiting around for prospects to knock on the door. “We have six recruiters who typically would go to property management degree-granting schools,” he says. “Now we attend other colleges’ career fairs and high schools’ career days because we offer on-the-job training. Someone might come out of high school with the intention of going to a technical school and making maybe \$16-\$18 an hour, but with our 12-month program, they can finish and make maybe \$45,000-\$50,000 a year and have a career with stability. And we have a director of service education and a regional service team.”

Rohr agrees that outreach is very important. HH Staffing has a tremendous database of people who have worked with

them at some point, so they go out and prospect, text, email, and call to talk with folks. He says they have great brand recognition and great client loyalty, and with a smaller pool of candidates, they’ve definitely got to make working in the industry seem even more attractive.

“It all starts with the employment value proposition,” Rohr says, “and ours is that we only take on great clients that have the capability to invest in, grow, and

develop the people they hire. We do temporary assignments and temp-to-perm, so a lot of our people will come back to us time and time again, because they know we work with some fantastic property management companies that can turn a job into something more significant, and they also happen to pay competitive wages.”

While the cost of labor is a line item that must be managed, Rohr says, when you’re dealing with 8% inflation, you have to increase wages 8%-10% just to stay competitive. He contends that companies will need to reduce expenses somewhere other than labor costs and invest in attracting and retaining their workforce.

Schwartz says everyone he talks to is struggling to find great people, and he thinks it’s because great people are being retained by their current companies. When employees do make

“If you remove money,
why would somebody
want to work for you?”

— BRAD SCHWARTZ,
MSB RESOURCES
FOUNDER AND PRESIDENT



► In Florida,
all major
markets are at
3%
or below
unemployment

a change, they are putting more thought into what's right for themselves and where they can apply their skills to help a company be successful.

Schwartz likes to ask clients, "If you remove money, why would somebody want to work for you?" Then he can start to comprehend what the client is looking for next in their careers, understand the pain points, what would motivate them, and then he can see if there's an opportunity at an organization that would fit that criteria. He says the question to ask prospects is, "Why are you good for them, and why are they good for you?"

During COVID-19, many people were able to go home and spend time with their families and spend time with themselves; they were able to pursue hobbies, and they began to wonder, what am I working my life away on?

Sanders believes that, in addition to seeking slightly higher wages, applicants are very savvy about benefits, perks, motivation, and company culture. "So now you write your help wanted ads with more of a focus on what the future could hold for an employee that comes to you," he says, "and on upward mobility, versus the basic skill sets you need them to have."

You don't necessarily have to find an experienced leasing agent or an experienced assistant manager, he says. If you find a great salesperson while you're out shopping or at a restaurant, you can tell them you love their personality, and if they ever want a new job, to contact you. "You can teach skill sets, but you can't teach personality." A lot of people working in retail or restaurants would love to make more money and work 9 to 6, and they're already used to working weekends. If you can offer discounted apartment rents, they may be able to improve their lifestyle by moving into property management.

On the other hand, Sanders says, a community manager does need experience. Rather than luring away managers from your Florida competitors, he recommends advertising in New York-based recruitment periodicals. Mature people from colder climates are often thinking of retiring here and want to move down and get settled a few years ahead of that.

Reducing Risk of Rejection

When you are ready to make an offer, Schwartz advises, don't just send an offer letter. The prospect will focus on the money and may reject a great opportunity. Pick up the phone and call them first. Tell them you are really close to making a formal offer, and explain why your company would be great for them

and why they would be great for the company. Ask what they are thinking. This gives them the opportunity to discuss any concerns and ask last-minute questions. After these issues are settled, it's time to tell them that everything looks good and that you like the way the conversation is going. Let them know how much you are prepared to offer them right now. Be sure to point out any financial perks, such as health insurance premiums, that could add to their bottom line.

Property management employers are going to have to realize that great people are not going to leave jobs they like with a company that treats them well, as they used to, for their current salary plus \$2,000-\$5,000. Employers will need to paint a picture of a wonderful company culture as well as offer a significant salary increase. Although labor costs will go up, the net result will be employees who take ownership of their work, creating value that far exceeds the cost.

Sanders warns that once you extend an offer to hire someone, you have to assume their current company will make a counter-offer. Never go in with your highest and best offer first, he says. "You have to leave room to counter the counter."

Research the other company and any culture issues they have. Employee happiness is even more important than money, so if you can show that you don't have the same issues, they won't stay where they are.

Sanders adds, "We want everyone we hire to end professionally and give two weeks' notice where they are, so that first week is very tenuous, and you must maintain communication. A welcome letter that is extremely personalized to them, and emails from the owners and partners expressing excitement that they're coming on board, are helpful. We also mail our Cornerstone Notebook to them so they know what to expect in their first few days. It calms them, yet builds their excitement, too."

Rohr concurs. He says staying in touch from the day they accept the offer until the day they start the job helps avoid unwelcome surprises. Don't bombard them with emails and texts with long content, but constant short contact helps mitigate no-show rates.

Retaining Top Talent

Interest rates are rising, the cost of capital is increasing, and layoffs are occurring, Rohr says, and that means the free-agency mindset that has permeated the workforce over the past year or two is starting to change. People are a little more realistic and

want to stay and put down roots somewhere. They are more likely to do so if you commit to their growth and development.

Schwartz admits that the majority of employees in the property management industry run apartment communities, so working from home doesn't work well for them. Instead, they need to focus on work-life balance. If they are on-site folks who walk around with a smartphone, there can be really blurred lines between when they're working and when they're not, so you have to allow flexibility. Schwartz asks, "Do you want somebody to do the job and do it well, or do you want somebody to work from 9 to 5?"

"If an employee took an emergency call from one of your properties on a Saturday at 2 p.m., wouldn't it be right to let them leave early the next Friday? When you do those kinds of things, it's the glue that's going to keep people working at your organization, because you recognize that you're part of their life and they're part of your life."

The word "glue" is appropriate because Schwartz likes to talk about "sticky" organizations. People want to work where they see others sticking by that company; not only do they stay — they grow. They want to work at companies where there is low turnover and they see people being helped along their career paths.

Schwartz observes that most people entered the property management profession almost by accident. Maybe they got free or reduced rent in exchange for leasing other apartments. Now people are entering the industry with degrees in property management. As they are making the decision to come to this profession, they are going to look for companies with employees who moved up through the ranks, or maybe made lateral moves in a different direction, such as marketing.

Milton says RangeWater started looking into improving the overall benefit package, whether that included paid maternity leave, an additional week of vacation, adjusting the cost of insurance benefits, providing cell phones, or an increased car allowance.

"We prefer to promote from within over hiring externally," he says. "Our culture is elevating experience and developing people. We have an open-door policy where people can make appointments with anyone they need to speak with, starting with the CEO." He says they're all in it for the greater good of the company, but they also strive for work-life balance.

RangeWater focuses on support departments. They have teams for experience, training, service, marketing, reputation, IT, and operations support. They've taken things that a property manager normally would do, like on-boarding, and assigned them to the experience team and training development team, so their property managers can check out of work at 5 or 6 o'clock. "Through economies of scale, we're able to share on-call services," Milton says.

"Retain, retain, retain," is Sanders' best advice. "The first thing you want to focus on is making sure everyone who works with you is happy: Are they well paid, and are they getting everything they need to do their job?"

Culture

A culture of trust is key to retaining talent, Rohr says. People have to trust that you'll grow and develop them so they can

Performance Management Tools

Two of the companies interviewed use Grace Hill performance management tools; one develops custom-designed software for their clients, and one eschews them altogether.

Don Sanders says, "A large portion of our portfolio gets tax credits, so that segment in our learning management system, Grace Hill, is valuable. Also, it has a tool where we can listen in to sales calls when prospects call in, and we can offer coaching on concerns with things like the greetings used or the way amenities are described. We can also assign telephone sales classes to employees within that system."

RangeWater recently rolled out Grace Hill as well, Jeremy Milton says. The software offers people-management from on-boarding to off-boarding, plus coaching and learning development, as well as policies and procedures. RangeWater is still in the difficult implementation phase, but Milton believes it will be a game changer.

Brad Schwartz says MSB Resources helps clients develop individualized performance management tools specific to their company. He emphasizes the importance of performance reviews, no matter how busy supervisors are. And he urges managers to look at the whole picture and focus on the positive aspects of a person's performance, not just what needs improvement. Schwartz also encourages leaders to get feedback on how they are doing from the people who are working for them. Feedback should not all be top-down, but also up the ladder.

Darren Rohr of HH Staffing is instead an advocate of coaching in the moment and believes automated online tools remove the human element, along with the relationship and the connection. "If you want to be successful recruiting and retaining people and developing them to perform," he says, "you must create a place where people enjoy working hard with colleagues they enjoy being around, and where leadership takes care of the workforce."

Retain, retain, retain.

Don Sanders' best advice

advance, and they have to trust what their leadership says. That's especially true when leaders say that if employees work hard, they will be rewarded.

He says The Great Place to Work Institute in San Francisco has one of the best models for building a high-trust company. There are four factors to their model, and it starts with credibility. That means what the leadership of an organization says is what it does. The second factor is having a strong community where colleagues have each other's backs. Third, people need respect — of their differences, their choices, and their opinions. The final factor is fairness. Employees are always asking, from recruitment through retention, "What's in it for me?" In high-trust culture, the answers are obvious.

What's in it for the company? High-trust companies not only have lower turnover and higher retention, they also have better organizational performance. Their financial results are far greater — if you have people staying longer and working harder together, you should have higher and better business results.

In a company with good culture, Schwartz says, the leaders are constantly striving to make everybody at the organization realize that the greatest assets are the people, not the properties. "If you understand why someone should come to work for you, if you remove money from the equation, if you put great value on every team member, that's your best selling point, and that's how you get someone interested when they're not even looking for a new job. Every single member on a team like that is a recruiter without even knowing it."

A healthy company culture involves investing in interaction, Milton says. "Even throughout COVID-19, we held daily huddles, and we still hold interesting quarterly meetings from our Atlanta office."

Sanders says Cornerstone is a family culture where employees have access to any executive. The owners and partners visit communities and ask on-site staff for their opinions.

"We have a huge focus on training and educating our employees," Sanders says. That includes college tuition support, e-learning, and participation in apartment associations. "We pay for certifications like leasing or CAM because we feel if we invest in our employees, they'll invest in us."

Employees are what make a company successful, so Cornerstone wants to make sure benefits and vacation time are competitive. One disgruntled employee can really reduce the motivation of a team, so it's important to constantly motivate people. Cornerstone holds a companywide national conference and trade show every year in beautiful locations and a picnic where every employee can bring their whole family.

Bad News/Good News

Rohr predicts that employee retention will continue to be challenging for the foreseeable future. "People need a roof over their heads, and with interest rates rising and making homeownership costs prohibitive for many, multifamily units are going to maintain relatively high occupancy rates," he says. "So our challenges with retaining top talent may remain for the next three to five years."

On the other hand, Schwartz says, "People are getting engaged and married and starting families much later in life than in the past, so before the dream of the single-family-home-with-the-white-picket-fence, they want a great apartment with amazing amenities. This means property management is one of the best industries out there, and offers unlimited opportunities if you're a person who puts your heart and soul into what you're doing." **MF**



Community Colleges Can Help Build Workforce

BY LAUREEN CROWLEY

Staffing challenges have been a constant source of frustration for multifamily management companies for years, but Florida's community colleges could offer a reason for optimism. Traditionally, one need met by these colleges has been to create a sort of bridge between high school and universities for some students, offering a more nurturing college environment. Today, their programs have expanded to include bachelor's and associate degrees, as well as to address a range of work-force needs.

For example, take Valencia College — formerly Valencia Community College, which is based in Orlando and has eight campuses in Orange and Osceola counties, plus six locations for “accelerated skills training.” Valencia boasts on its website and marketing materials that while “community” is no longer part of its name, it is still part of its mission. One way it fulfills that mission is to develop new education programs to address needs identified by members of the greater community.

That's why in 2017, Valencia began offering an associate degree in residential property management and more recently added an accelerated skills training program for apartment maintenance technicians.

“Both programs were created in direct response to employer demand and employer request,” said Dr. Kathleen Plinske, president of Valencia College since July 2021. “Employers in the community came to us and said, ‘We really need to find more individuals, not only with specific skills, but also with an interest in and awareness of a career in property management.’” While other colleges do offer bachelor's degrees in property management, Valencia's associate degree is unique. (Plinske avoids calling it a “two-year degree,” because most students attend part-time while also holding down a job and thus achieve the degree in three to four years.)

The program teaches students how to manage real estate assets, covering such topics as operating expenses, cash flow, and performance metrics. Since its inception, 22 students have completed their associate degrees in residential property management. That might seem like a drop in the bucket, but interest is picking up, and about 100 current students have declared it their major.

Many of those same employers also expressed a critical need for individuals with the technical skills to maintain properties. That was the impetus to launch Valencia's apartment maintenance program, which takes about three months and offers training in “a little about everything,” including HVAC, plumbing, electrical, and pool and spa operations.

“In all of our [accelerated skills training] programs,” Plinske said, “the focus is on that real-world, hands-on experience, which is what we're hearing from employers is so very important for these jobs.” For example, students might paint a wall one day and come in the next day to find the instructor has punched a hole in that wall with a sledgehammer.

The maintenance program, which prepares students to sit for the Certificate for Apartment Maintenance Technicians (CAMT) exam, is one of several accelerated skills training programs instituted since 2015. The first AST programs were in advanced manufacturing such as electronic board assembly and welding. Programs have been added based on requests from local employers — including the apartment maintenance program. In all, 3,500 students have completed AST programs through Valencia.

Today, programs cover a wide range of skills, including heavy machinery, logistics, and health care. When a need is identified, the college can often launch a new skills program “within a matter of weeks.” Valencia is not the only educational institution that offers programs in response to the needs of the state's industries and employers. In fact, “community colleges in large part exist to be responsive to the needs of our local community,” Plinske said. “Because that's so central and core to our mission, it's of primary importance to us.”

Dealing with unexpected repairs like a hole in a newly painted wall isn't the only real-world learning in AST programs. Plinske said one “delightful surprise” was the number of students receiving multiple job offers before even finishing the maintenance program. “It actually required us then to change the curriculum just a tiny bit because we were having students come to us saying, ‘I've been offered this job at \$16 an hour with benefits or this job at \$18 an hour without benefits.’” The curriculum now includes some financial planning to help students make informed decisions about what might work best for them in the long term.

Other community-based colleges offer accelerated skills training programs, Plinske said, although not on as large a scale as Valencia. She recommends that employers speak up if their local colleges don't have programs to train the workers they need.

“Their community college should be their go-to resource for training and skills development that they're looking for,” she said. If those programs don't exist, check the college website and see if there's a vice president for workforce or for career and technical education. If they can't determine the best resource to call, “I wouldn't be shy about reaching out to the college's president, if that's the easiest point of contact they can find.” **MF**



DR. KATHLEEN PLINSKE

► Property Management Executive Forum

Senior multifamily executives are invited to join Dr. Kathleen Plinske and Terrelene Sims, National Apartment Association Education Institute (NAAEI) director, workforce development, for Peek Behind the Workforce Curtain, Lessons Learned, a virtual panel discussion to take place via Zoom on March 3, 2023. Details will be emailed to executives (multisite and above).



Making the Maintenance Team a Key Part of Operations Drives Performance

BY PAUL BERGERON

IT NEVER CEASES TO AMAZE HOW WORKFLOW, performance, and company morale improve with regular meetings between the maintenance team and other on-site staff.

Letting things fester, making excuses, or avoiding interaction can lead to dissatisfied and frustrated employees. Those feelings can spoil good relationships among staff and with residents. And, solving for such communication gaps is so easy.

Chiccorra Connor, president of Occupancy Heroes Inc., has a background rich in operational experience. She took her first position in the real estate industry as a property manager and leased 20 apartments over the first weekend.

Leading Occupancy Heroes since 2003, she dedicated herself to accelerating leasing programs for owners and

management firms. Her company quickly became known for filling vacancies two to three times faster than any property could do alone. It took less than 30 days for Occupancy Heroes to increase one owner's occupancy rate by 30%.

Team Meetings Are a Cornerstone

Among her best practices for developing better maintenance and on-site collaboration: Include the maintenance team in weekly meetings and daily 15-minute huddles, and be sure to give all team members a role in the work-order process.

"Have Q&A meetings to learn the most challenging parts of everyone's jobs and what can be done as a team to make it better," she said.

“Team goal-setting can ensure the property success, and you can discuss and track them with monthly and quarterly maintenance-office information sessions that include all team members. Not following up on team goals will lead to department-wide frustration.”

She said that addressing problems as a team as they arise, truly investigating complaints before condemning, and making the effort to speak well of all team members to each other, residents, and vendors strengthens performance.

Connor said having all team members present during resident events can improve the staff’s resident relationships, and by holding team-building events, team members can grow more comfortable about working with each other.

All Talk, No Action Kills Morale

Worth avoiding, Connor said, are excluding maintenance in the leasing process, not passing along instructions, not sharing feedback (positive and negative), and not conducting resident surveys, which can reveal shortfalls in overall management.

“On-site managers should always communicate with all team members,” Connor said.

“And talking followed by no action or siding with residents without investigating allegations can crush employee morale.”

Financial and Social Benefits

There are tangible financial and social benefits for residents that come from good on-site team collaboration.

“It creates a true sense of community,” Connor said. “Happy residents often don’t move ... happy residents refer friends, family, and associates to their community, touting the great living atmosphere that comes with having confidence in the entire management team.”

Benefitting the operators is that owners realize much higher profit margins, create much happier residents and retain less stressed employees and an overall greater sense of community, Connor said.

“When residents are happy and proud of where they live, they can take on a feeling of ‘ownership,’ which in turn helps with the upkeep of the property,” she said. “Having less work-order calls saves operational costs and residents respect all team members and their time, resulting in fewer on-call requests. Less turnover results in higher return rates.”

Resident referrals translate into the community spending fewer dollars for marketing.

Start During the Interview Process

To ensure they hire people who are good at ensuring collaboration with the on-site team, operators should, if possible, speak with the previous employer and employees under their charge, Connor said.

When doing so, ask questions pertaining to team collaboration shown by the candidate, she added.

“During the interviewing stages, speak about company culture, as well as during onboarding and throughout employment,” she said. “This reinforces the kind of attitude that fits with the job and makes applicants feel invested in the community even prior to hiring.”

Connor said supervisors and managers can give their staff a greater sense of purpose and make them feel more part of the team by asking them for collaboration ideas.

“Always offer competitive pay and perks and reward all team members for overall property success, such as achieving team goals,” she said.

Nothing can be done without both management and maintenance, Connor said.

“Always remember, a vacant unit is the most expensive thing that you can have on your property,” she said. “It takes the team to prepare, lease, and manage the entire leasing process. No one person is more important than the other. It is our responsibility to make our teams feel like teams.” **MF**

“Regular communication, goal setting, and following through boosts resident retention, employee morale.”

► It took less than 30 days for Occupancy Heroes to increase one owner’s occupancy rate by

30%





FAA 2022-2023 OFFICERS



OFFICERS FOR 2021-2022 were honored for their service. The officers were scheduled to be recognized and sworn in at the 2022 FAA Annual Conference & Trade Show, but the event was canceled because of Hurricane Ian.

FAA OFFICERS FOR 2022-2023

were sworn in on November 8 during an executive committee meeting and retreat in Amelia Island. The new officers are (from left) Jimmy Chestnut, president; Ricardo Alicea, vice president and president elect; Keri Walker Pfeifer, treasurer; Jordan Petras, secretary; Kristi Novak, immediate past president; and Keith Gibbons, associates' vice president. Lindsey McClain (not pictured) continues as chair of the Association Executives Council.





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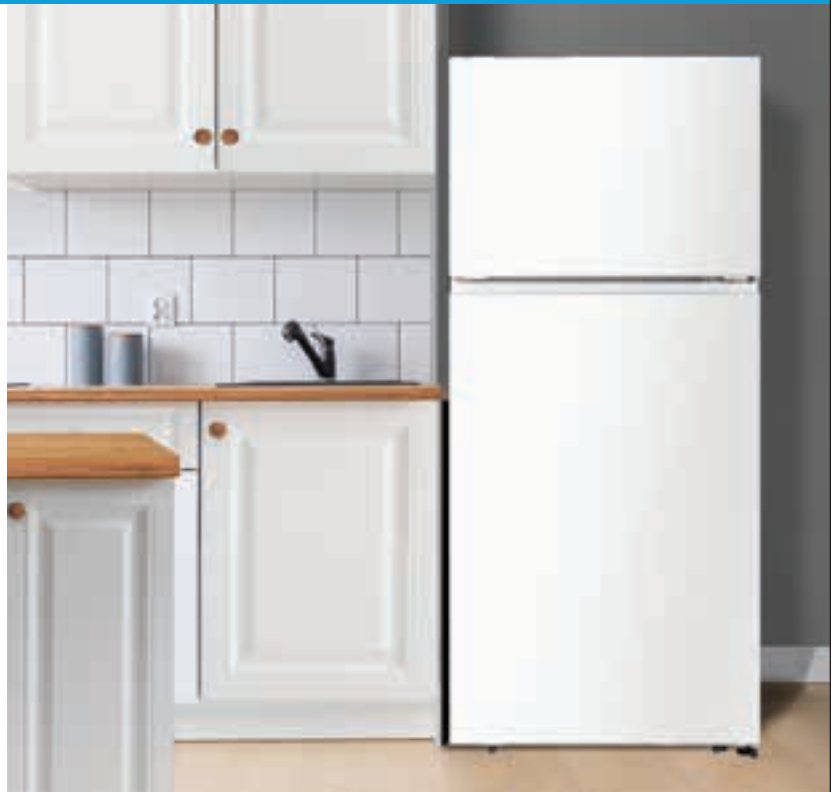
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FROM TOP LEFT: Alex Colasuonno, Amber Barrett, Bailey Criste, Bryce Heath, Case Downs, Chase Brunson, Christina Rightley, Christine Pascoe, Darrin Rohr, Heydyn Hernandez, Kara Bonzheim, Mathieu Boileau, Melody Register, Paula Trent, Rebecca Wagner, Robert Mossorofo, Ronald Martin, Shana Jackson

LEADERSHIP LYCEUM

CLASS OF 2022

THE FAA LEADERSHIP LYCEUM works to identify and develop a well-informed and highly motivated group of emerging multifamily housing leaders: people with a broad-based vision for, and strong commitment to, the mission and strategic objectives of the Florida Apartment Association and its local associations. Candidates from across Florida participate in education modules and attend meetings and events to learn about the workings of FAA and its affiliate network. The class of 2022 includes 18 graduates. **MF**



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2022 Volunteers of the Year

VOLUNTEERS ARE THE BACKBONE of the Florida Apartment Association and the local affiliates around the state. Each local apartment association names a management volunteer and a supplier volunteer to recognize for their contributions over the past year.



Apartment Association of Greater Orlando

Dan Martin, Management Volunteer
Erin Tounge, Associate Volunteer



Bay Area Apartment Association

Aisha Price, Management Volunteer
Robert Griffiths, Associate Volunteer



Capital City Apartment Association

Connie Moore, Management Volunteer
Serge Strickland, Associate Volunteer



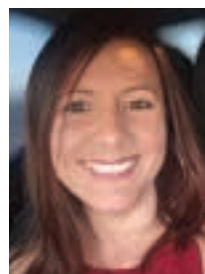
First Coast Apartment Association

April Hudson, Management Volunteer
Melissa Benes, Associate Volunteer



North Central Florida Apartment Association

Debbie Truesdale,
Management Volunteer
Rich Myers, Associate Volunteer



Northwest Florida Apartment Association

Ashleigh Sweatt, Management Volunteer
Laura Hudson, Associate Volunteer



South East Florida Apartment Association

Sara Cox, Management Volunteer
Lisa Wade, Associate Volunteer



Southwest Florida Apartment Association

Lisa Matta, Management Volunteer
Henry "Hank" Abbott, Associate Volunteer



Space Coast Apartment Association

Lori Agudo, Management Volunteer
Emily Smith, Associate Volunteer **MF**



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The Harbor: A Natural Community

BY CAMILA CAL



IN TRUE SOUTHEAST FLORIDA FASHION, the heart of Coral Springs is lush with tropical landscapes and includes The Harbor, a park-like community taking advantage of the area's ample natural appeal.

Located on West Atlantic Boulevard, The Harbor is in close proximity to highways, grocery stores, beaches, and the Coral Square Mall, which contains a multitude of restaurants and shops. Cypress Park, renowned for its sports facilities boasting five baseball fields and four soccer fields, sits practically in The Harbor's backyard, just a short walk away for residents.

"We're surrounded by beautiful parks throughout the city," said Lisa Santos, property manager at The Harbor. "We're a garden-style luxury community, like a suburb with a lot of luscious trees, and that makes us



fit right in with the park.” The community itself has its own nature reserve, and two lakes.

And while outside is nature centered, the interiors of the apartments are nothing short of lavish. The property is fully renovated, sporting a modern, open concept. Apartment homes feature newly designed kitchens with distinct cabinetry styles, quartz countertops, stainless steel appliances, glass-top stoves, screened-in patios with storage closets, new bathroom fixtures, vaulted ceilings, and full-size washers and dryers.

Santos said that what really makes The Harbor special are the unique amenities that are spread throughout the community. This gated community includes a state-of-the-art fitness/activity center with

a yoga room, boxing ring, rock-climbing wall, and 62-foot agility lap pool for those residents looking to vary their exercise routines.

“One of our residents is actually practicing for the Olympics in our lap pool,” she said. “I’ve worked on other properties before, and the amount of people that normally use the gym are very few to none. But the residents here really come in to work out.”

There are also two resort-style community pools with tanning decks, one of which has a spa tub. The clubhouse is available for rental as well, where residents can feel free to use the chef-style kitchen. Another amenity that proves useful to residents is the business center, complete with Apple desktop computers and high-speed internet.

► Fast Facts

Location:
Coral Springs

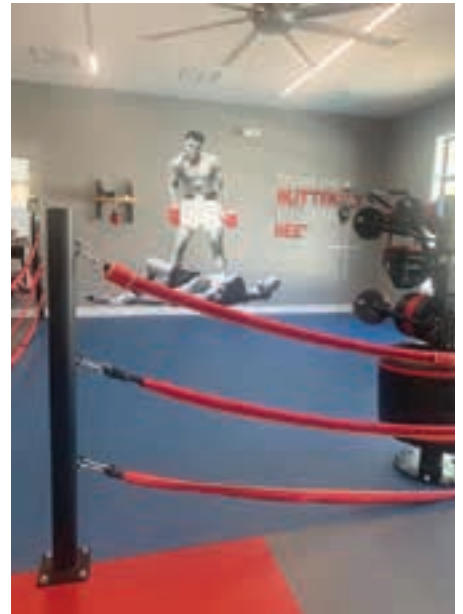
Number of Units:
310

Apartment Size:
875-1,050
square feet

Monthly Rent:
Starting at \$2,004

Managed by:
CaraCo Property
Management

COMMUNITY SPOTLIGHT



“And we also have a pathway at the back of our community that’s linked to the Cypress Park, where there is 46 acres of sports fields, and a waterpark. A lot of residents go there to ride their bikes and jog,” Santos said.

A socially active community is important at The Harbor, too. Santos explained that they offer food trucks, food and toy drives, and several community parties and events. However, the team at The Harbor hopes to increase the number of events in 2023. Because CaraCo took over the property in 2020 amid the COVID-19

pandemic, they haven’t had the chance to host events as frequently as they want to, but the on-site team has found ways to work around that challenge.

“During the holidays, we had gift-wrapping stations because we were aware that so many families were working from home and everybody’s kids were home during COVID. It was pretty difficult for people to wrap gifts in private,” said Joyce Hernandez, district manager with CaraCo Property Management. “So, we opened our clubhouse, and we set up a really beautiful, fully equipped wrapping station, and then we had a hot cocoa bar and coffee bar that we refreshed throughout the day for anyone who wanted to come in and partake.

“This year, we’re going all out. We’re so happy that we can gather our residents together for a proper holiday party in our clubhouse, which is absolutely gorgeous. We can’t wait to do that.”

Santos explained that this desire to keep improving is inspired by CaraCo Property Management’s emphasis on being advocates for their residents, in more ways than one.

“We keep [residents] well informed on rent relief programs and updated on tenant rights. We take time to explain parts of the lease agreement that may be confusing. In difficult situations, we are as transparent with our residents as we can be, and we do what we can for them,” she said. “This approach has really worked well for us and has helped create trust with our residents. We really take their enjoyment and happiness to heart.” **MF**



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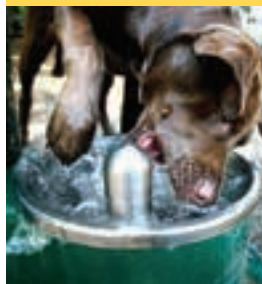
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The Rule of Law Prevails Despite Political Winds Calling for Rent Control

BY AMANDA WHITE | FAA VICE PRESIDENT OF GOVERNMENT RELATIONS AND RESEARCH

In American democracy, the three branches of government (legislative, executive, and judiciary) were designed to serve as a “check and balance” on one another. Under this system, a government body acting unlawfully can be held accountable by the judicial branch that is responsible for upholding the rule of law. In fact, Caroline Kennedy once said, “The bedrock of our democracy is the rule of law and that means we have to have an independent judiciary, judges who can make decisions independent of the political winds that are blowing.”

The principle of an independent judiciary that could deliberate and, more importantly, potentially invalidate the actions taken by a government body is a concept that is deeply rooted in the American form of government. This year, the Florida Apartment Association saw this “check and balance” process play out in real time when the association filed a lawsuit alongside the Florida Realtors to challenge Orange County’s rent control ballot measure.

Does Florida Law Preempt Rent Control?

Florida statute (F.S. 166.043) prevents municipalities from imposing rent controls, with a very narrow exception that allows a temporary rent control measure if and when very specific requirements are met. These requirements include but are not limited to findings establishing the existence in fact of a housing emergency so grave as to constitute a serious menace to the general public and that such controls are necessary and proper to eliminate such a grave housing emergency.

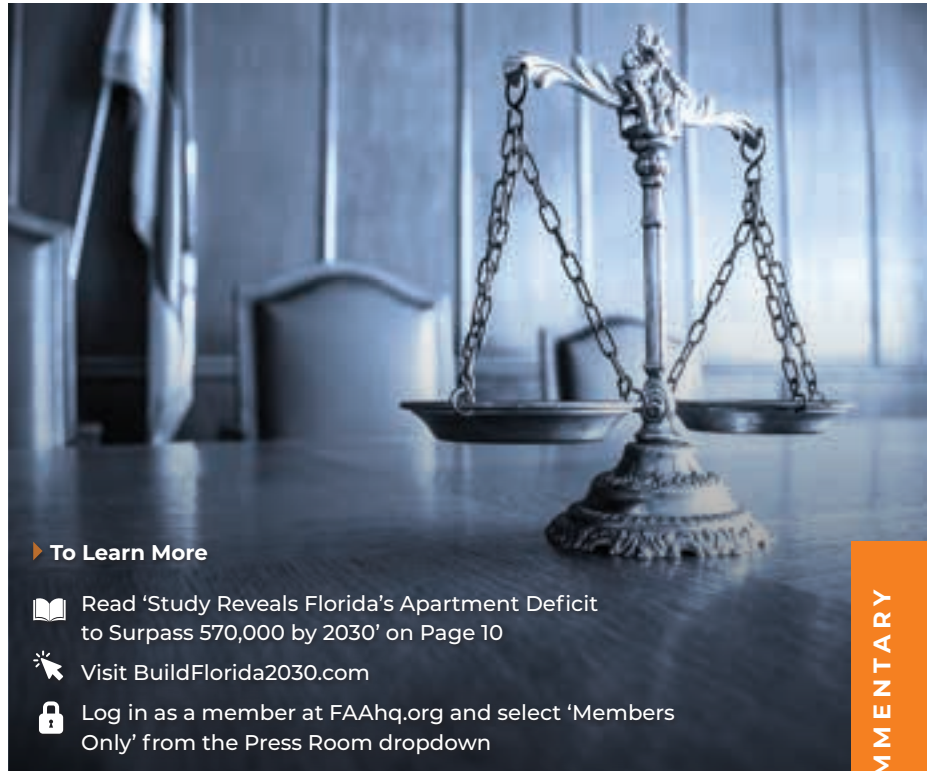
Before a rent control measure can be instituted at the local government level, it must first be passed by a majority of the voters within a city or county via a ballot referendum. If adopted by a majority of the voters, a local rent control measure can only be in place for one year. Until 2022, this section of Florida state law had not been tested by a local government or contemplated by the courts.

What Led to FAA Filing a Lawsuit Against Orange County?

Over the past several years, the Florida Apartment Association and the housing industry as a whole continued to sound the alarm and stress the need to increase the supply of housing to meet the demands of Florida's rapidly growing population. Then the COVID-19 pandemic further strained Florida's housing market as the state experienced tremendous inward migration, inflation surged, interest rates climbed, and property insurance costs skyrocketed. Together these factors intensified an already challenging market for both the single and multifamily housing industries.

Long before the rent control measure was adopted by the Orange County Commission in August 2022, FAA and the Apartment Association of Greater Orlando (AAGO) had proactively engaged commissioners to discuss Florida's rent control statute, the need to address Central Florida's housing supply deficit, and how local governments could partner with the housing industry to address affordability challenges. As it became clear over the early summer that Orange County was seriously considering rent control, FAA lawyered up and secured Shutts & Bowen PA as counsel.

On June 7, the Orange County Commission heard a presentation on rent control from the county's own hired expert, Dr. Owen Beitsch with GAI Consultants. Dr. Beitsch argued that Orange County did not have a housing emergency and that instituting rent control would make the county's housing supply challenges even worse. Despite this thorough and unbiased analysis from their own hired expert, some members



► To Learn More

- 📖 Read 'Study Reveals Florida's Apartment Deficit to Surpass 570,000 by 2030' on Page 10
- 🖱️ Visit BuildFlorida2030.com
- 🔒 Log in as a member at FAAhq.org and select 'Members Only' from the Press Room dropdown

of the commission continued to advocate for the passage of a rent control ordinance. As a result of this pressure, the board moved forward with additional deliberation and discussion of a rent control measure.

Prior to Orange County's June 23 special session to discuss the measure, FAA's legal counsel immediately sprang into action and sent the Orange County Commission and the county attorney a legal memo, which outlined the specific requirements under state law and how the county failed to meet them. Despite warnings from FAA's counsel, the commission formally directed staff to draft a rent control ordinance for further consideration at the July 26 meeting.

On July 26, the Orange County Commission reached consensus on the remaining policy considerations needed to create a full draft of a rent control ordinance and directed staff to prepare a full draft for consideration and approval at the August 9 meeting.

On August 1, FAA's legal counsel filed a public records request to obtain copies of all public records related to the commission's discussion on rent control. At the August 9 meeting, dozens of FAA and AAGO members testified in opposition to the rent control measure. In addition, FAA's legal counsel gave a thorough presentation outlining the specific requirements under state law that had not been met by Orange

● JUNE 7

Orange County Commission hears presentation on rent control from Dr. Owen Beitsch with GAI Consultants.

● JUNE 23

Orange County holds special session.

● JULY 26

Orange County holds Commission meeting.

AUG. 1

FAA's legal counsel files a public records request.

AUG. 9

Orange County Commission votes 4-3 to place a rent control measure.

AUG. 15

FAA and Florida Realtors file lawsuit.

SEPT. 9

Judge Jeff Ashton holds initial hearing for injunctive relief request.

SEPT. 19

FAA and the Florida Realtors submit a Notice of Appeal to the Fifth District Court of Appeal.

OCT. 27

Fifth District Court of Appeal issues an order to reverse Judge Ashton's order and grant injunctive relief.

OCT. 31

Orange County files a request for a rehearing.

County. FAA counsel also argued the measure was illegal and would likely be struck down by the courts.

Unfortunately, on August 9, the commission voted 4-3 (Mayor Jerry Demings, Commissioner Christine Moore, and Commissioner Victoria Siplin voted against the measure) to place a dangerous rent control measure on the Orange County ballot for the November 8 general election. This measure sought to limit rent increases for each apartment unit to once per year and to cap the rate of increase at the Consumer Price Index, also known as CPI. In addition, it sought to establish fines and even criminal penalties for violations that would've allowed landlords to be jailed for up to 60 days. Last, but certainly not least, it would have established a rental unit registry whereby landlords would have to report information for each unit such as tenant information, rental rates, lease duration, and more.

Within a week of the commission's vote to advance this dangerous measure to the ballot, FAA filed a lawsuit alongside the Florida Realtors on August 15. This lawsuit called for an injunction to prevent the rent control measure from being considered on the ballot.

What Transpired During FAA's Legal Challenge?

An initial hearing to consider FAA's request for injunctive relief was held on September 9 with Judge Jeff Ashton of the Ninth Circuit. FAA's legal counsel presented a compelling case that argued the county failed to meet the requirements under state law and had placed unconstitutional and misleading ballot language before the voters. Unfortunately, Judge Ashton did not grant injunctive relief in his ruling, which allowed the measure to remain on the ballot. However, Judge Ashton's order indicated that Orange County knowingly passed an illegal measure and FAA was likely to prevail on the merits of the case in the long term. This aspect of the order was a significant "win" despite the judge's decision to allow the measure to remain on the ballot.

On September 19, FAA and the Florida Realtors submitted a Notice of Appeal to the Fifth District Court of Appeal with the hope that the court would

invalidate the rent control measure and prevent the election results from being certified. Thankfully, on October 27, the Fifth District Court of Appeal issued an order that reversed Judge Ashton's order and granted the injunctive relief that FAA requested. The Fifth District Court of Appeal concurred with FAA's argument that the measure failed to meet the requirements under state law and agreed that the ballot language was misleading and, therefore, unconstitutional. This ruling invalidated the rent control referendum and ordered the supervisor of elections in Orange County not to certify the election results on the measure.

As expected, Orange County filed a request for a rehearing on October 31.

However, this request was not granted by the Fifth District Court of Appeal. Still, the measure appeared on the ballot and was approved by more than 60% of voters.

"Make no mistake, the separation of powers and the rule of law enforced by the court prevented this dangerous rent control measure fueled by political headwinds from taking effect in Orange County."

Now What?

Unless you're a political science nerd, you probably don't admire the separation of powers as one of the most important aspects of American democracy. Make no mistake, the separation of powers and the rule of law enforced by the court prevented this dangerous rent control measure fueled by political headwinds from taking effect in Orange County.

It is also noteworthy that FAA's legal challenge established first of its kind case law and successfully affirmed the high bar that must be met to establish rent control at the local level.

However, the threat of rent control and Florida's housing affordability challenges remain. While policy-makers may disagree on the best path forward in the months ahead, they can agree on one thing — Florida has a housing shortage. Failed policies like rent control will only make matters worse by stifling housing development. FAA and the apartment industry as a whole look forward to continuing to partner with state and local leaders to address Florida's housing supply needs with tangible solutions. That is why the association has already invested and will continue to allocate considerable resources to conduct research on alternative solutions. **MF**

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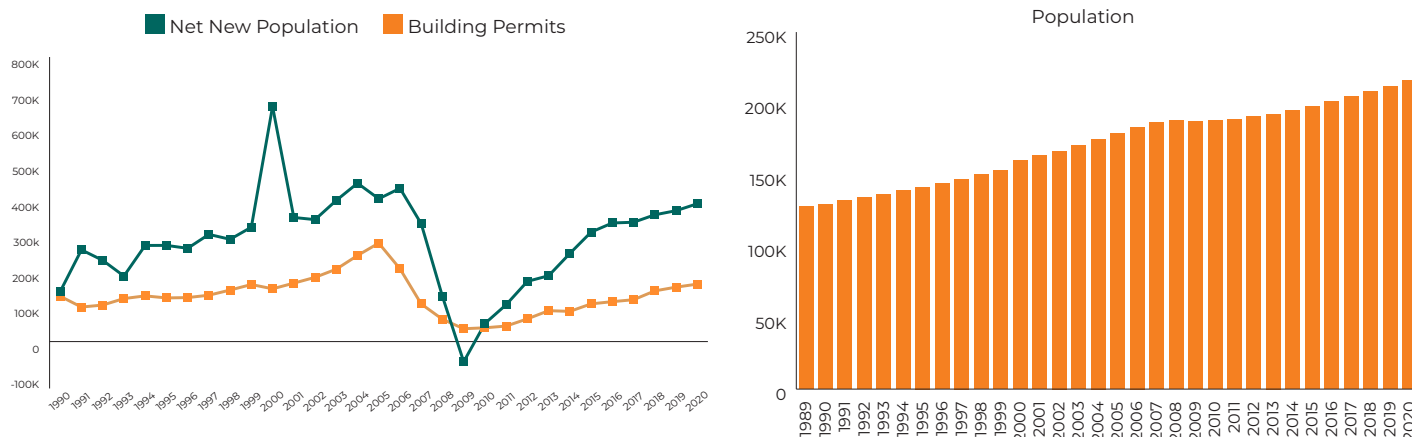
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Housing Development vs. Population Growth



BY THE NUMBERS:

Florida's Housing Shortage

570,000

the number of housing units Florida needs by 2030 to keep up with population growth

3.2 M

Florida's projected growth during the current decade

33.4%

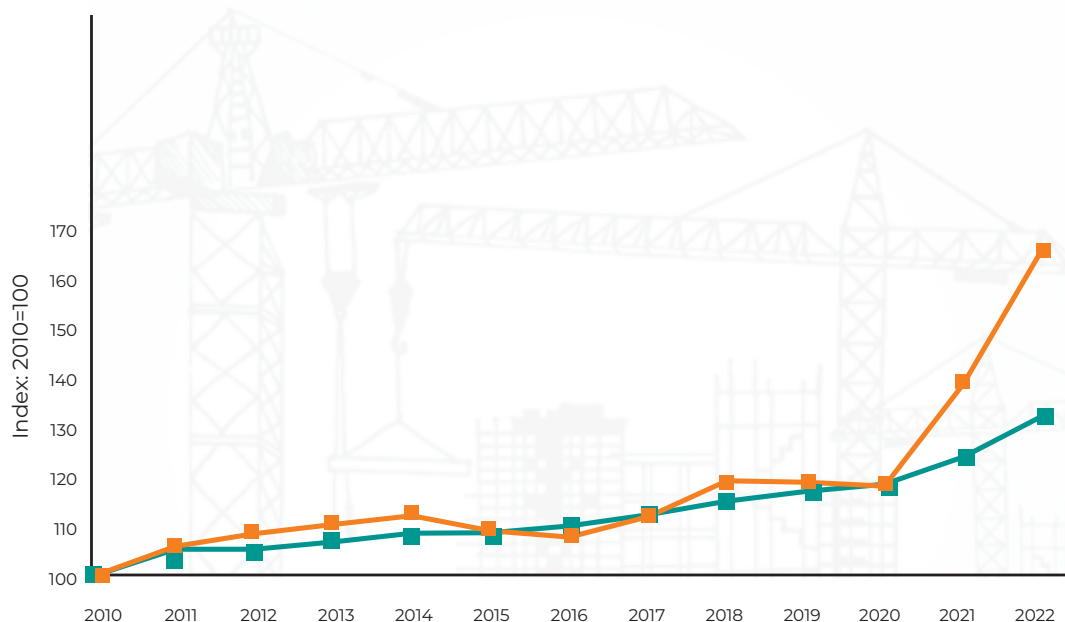
average renters statewide

7%

the amount of land zoned for multifamily housing

Land and Construction Costs

Construction Costs Consumer Price Index Inflation



Higher construction costs have increased the rents required to support new development. Between 2020 and the first quarter of 2022, **construction costs increased more than 40%**, far outpacing the 11.8% increase in inflation over the same period.

Source: BuildFlorida2030.com, developed by the Florida Apartment Association in partnership with HR&A Advisors Inc.



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