

RESOLUTION NO. _____
PASSED _____

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF GAINESVILLE, FLORIDA, APPROVING THE AMENDED CITY OF GAINESVILLE AFFORDABLE HOUSING INCENTIVE PROGRAM (AHIP); PROVIDING AN IMMEDIATE EFFECTIVE DATE.

WHEREAS, the State Housing Initiatives Partnership Act, Section 420.907, Florida Statutes, requires the adoption of a Affordable Housing Incentive Program and incorporating it into the Local Housing Assistance Plan; and

NOW, THEREFORE, be it resolved by the City Commission of the City of Gainesville, Florida:

1. That the amended Affordable Housing Incentive Plan is hereby approved.
2. That the amended Affordable Housing Incentive Plan is hereby included in the 2005-2007 Local Housing Assistance Plan.
3. That the City Manager or designee is authorized to submit the Affordable Housing Incentive Plan, a copy of which is attached hereto and made part hereof, to the State of Florida Housing Finance Corporation for its review and approval.
4. That the City Manager or designee is authorized and empowered to execute the certifications peculiar to the Affordable Housing Incentive Plan on behalf of the City of Gainesville.
5. The City Manager or designee is authorized and directed to do all things necessary and proper in order to carry out the terms and conditions of said the Affordable Housing Incentive Plan and this resolution.
6. That this Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED THIS _____ DAY OF _____, 2005

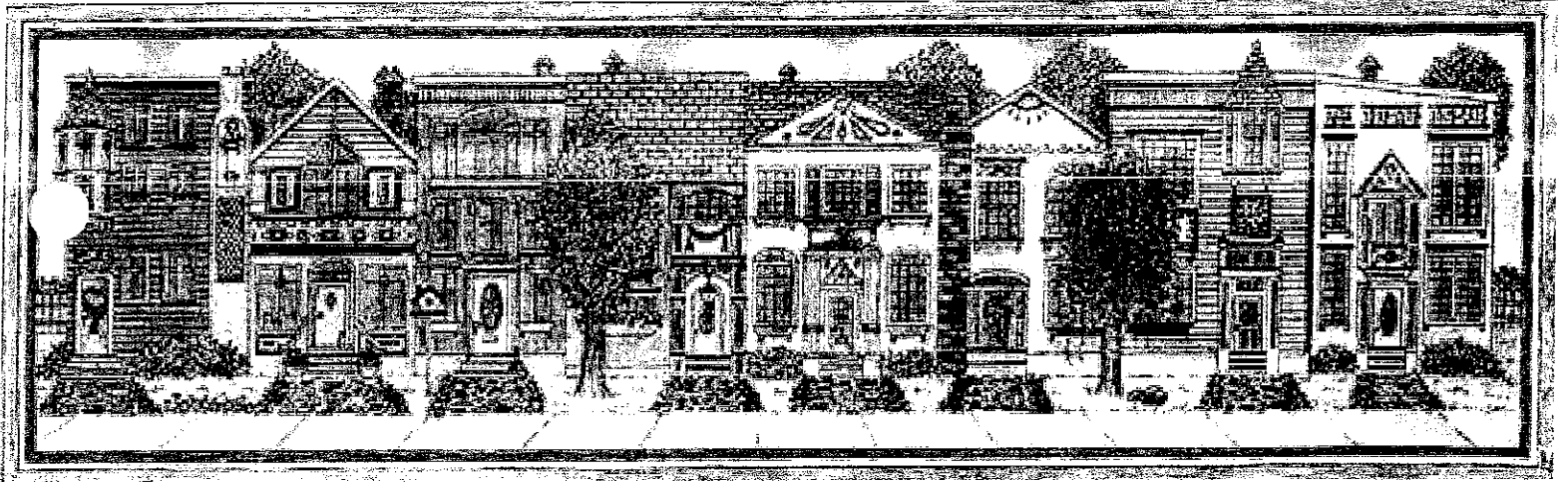
Pegeen Hanrahan, Mayor
City of Gainesville

ATTEST:

Kurt M. Lannon Jr.
Clerk of the Commission

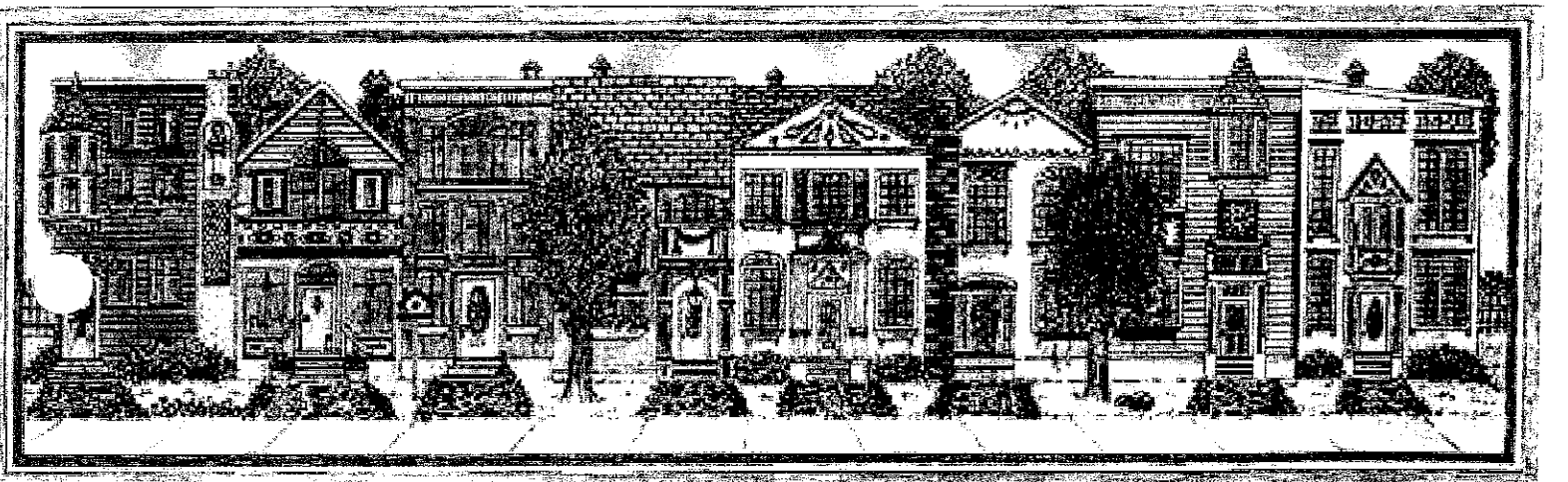
APPROVED AS TO FORM AND LEGALITY:

Marion J. Radson
City Attorney



City of Gainesville Affordable Housing Incentive Plan

Amended April 11, 2005



AFFORDABLE HOUSING INCENTIVE PLAN

The City of Gainesville Affordable Housing Incentive Plan (AHIP) was established for the purpose of providing incentive programs to encourage affordable housing production. The AHIP consists of the following regulatory reforms and incentive programs to promote affordable housing production:

1. Definition of Affordable Housing

In accordance with Part VII, Chapter 420 (Section 420.907, *et seq.*, Florida Statutes) and Chapter 67-37, Florida Administrative Code, the State Housing Initiative Partnership Program (SHIP) requires the City of Gainesville to use SHIP funds to provide housing for very low, low and moderate-income households. A standard definition of affordable housing is important in order to develop housing programs that will target very low, low and moderate-income households.

Affordable means that monthly rents or monthly mortgage payments including taxes and insurance do not exceed 30 percent of that amount which represents the percentage of the median annual gross income for households as defined by the U.S. Department of Housing and Urban Development (HUD) and adopted by the State of Florida and distributed by the Florida Housing Finance Corporation for use in the SHIP Program. However, it is not the intent to limit an individual household's ability to devote more than 30 percent of its income for housing, and housing for which a household devotes more than 30 percent of its income shall be deemed affordable if the first institutional mortgage lender is satisfied that the household can afford mortgage payments in excess of the 30 percent benchmark. Eligible housing means any real and personal property located within the city which is designed and intended for the primary purpose of providing decent, safe, and sanitary residential units that are designed to meet the standards of Chapter 553, Florida Statutes for homeownership or rental (excludes mobile homes) for eligible persons as designated by the City of Gainesville. The purchase price of homeownership units must not exceed the maximum purchase price limitations for new homes or existing homes and must meet the affordability requirement to qualify as eligible, as established by City of Gainesville Local Housing Assistance Plan

Very-low-income Persons or Households means one or more natural persons or a family that has a total annual gross household income that does not exceed 50 percent of the median annual income adjusted for family size for households within the Gainesville metropolitan statistical area as defined by the U.S. Department of Housing and Urban Development (HUD) and adopted by the State of Florida and distributed by the Florida Housing Finance Corporation for use in the SHIP Program. With respect to rental units, the very-low-income household's annual income at the time of initial occupancy may not exceed 50 percent of the area's median income adjusted for family size. While occupying the rental unit, a very-low-income household's annual income may increase to an amount not to exceed 140 percent of 50 percent of the area's median income adjusted for family size.

Low-income Persons or Households means one or more natural persons or a family that has a total annual gross household income that does not exceed 80 percent of the median annual income adjusted for family size for households within Gainesville metropolitan statistical area as defined by the U.S. Department of Housing and Urban Development (HUD) and adopted by the State of Florida and distributed by the Florida Housing Finance Corporation for use in the SHIP Program.

With respect to rental units, the low-income household's annual income at the time of initial occupancy may not exceed 80 percent of the area's median income adjusted for family size. While occupying the rental unit, a low-income household's annual income may increase to an amount not to exceed 140 percent of 80 percent of the area's median income adjusted for family size.

Moderate-income Persons or Households means one or more natural persons or a family that has a total annual gross household income that does not exceed 120 percent of the median annual income adjusted for family size for households within the Gainesville metropolitan statistical area as defined by the U.S. Department of Housing and Urban Development (HUD) and adopted by the State of Florida and distributed by the Florida Housing Finance Corporation for use in the SHIP Program. With respect to rental units, the moderate-income household's annual income at the time of initial occupancy may not exceed 120 percent of the area's median income adjusted for family size. While occupying the rental unit, a moderate-income household's annual income may increase to an amount not to exceed 140 percent of 120 percent of the area's median income adjusted for family size. Schedule for Implementation: In effect at time of adoption.

2. Expedited Permitting

(1) The Fast Track program was created to provide applicants such as contractors, developers and homeowners the option to request the fast track service when making an application for a building permit. This program provides a faster process for approving permits because the applicants are willing to pay an additional fee for the expedited review. The Building Department administers the Fast Track Program and provides fast track service at no cost for housing projects/developments that are designated as affordable. Housing projects/developments are designated as affordable if funded by the City and/or County SHIP, CDBG, HOME programs, or other associated funded programs. Applicants in the City of Gainesville may apply to the Housing Division for a Certificate of Housing Affordability (CHA). The CHA will designate the project/development as affordable housing, which will entitle the applicant to receive expedited permitting at no cost. The housing project/development will be placed on the next available fast track review cycle. Schedule for Implementation: In effect at the time of adoption.

(2) Affordable housing concept review and approval. The City added this process to assist all certified affordable housing development with meeting the application requirements for the State of Florida Low Income Housing Tax Credit Program. The review will alert an applicant to problems with, or objections to a particular proposed development. The saving in this process allows the developer to present a low cost plan for approval, without the expenses of developing detailed engineered plans. Schedule for Implementation: In effect at the time of adoption.

3. Historic Preservation Board Review Process

The Affordable Housing Advisory Committee identified the Historic Preservation Board Review process as a barrier to addressing affordable housing needs in targeted neighborhoods within the Historic Districts. This incentive requires a streamlining process for affordable housing projects. The implementation of this incentive may impact the public welfare by reducing development restrictions in historic districts. The public safety and welfare will be increased by removing impediments to the production of affordable housing and to the removal of slum and blight conditions in target neighborhoods. The City allows pre-approved affordable housing plans in targeted neighborhoods within historic districts to be modified through staff approvals instead of requiring a new review by the Historic Preservation Board. The staff approval process allows for a more streamlined process of review for affordable housing units. It is anticipated that the staff approval process could reduce approximately 15 to 20 days from the review process. Schedule for Implementation: This policy is currently functioning to the extent required.

4. Removal of Non-Contributing Properties Located in Historic Districts

There are numerous dilapidated/substandard units located within historic districts, which contribute significantly to slum Tenant Counseling and and blight. Policy 1.3.3 of the City's Historic Preservation Element encourages the use and rehabilitation of historic structures, relocation to another site for re-use, selective dismantling for re-use and as a last resort demolition of historic structures. This incentive will have no direct impact on housing costs, although it will make more land available for residential infill development at sites where infrastructure is in place.

There are currently no programs for the widespread removal of these units from historic districts. The most extremely dilapidated units are removed periodically if rehabilitation is completely infeasible. Schedule for Implementation: This policy is currently functioning to the extent required.

5. Reservation of Infrastructure Capacity

(1) A lack of infrastructure capacity can add significantly to the cost of housing due to the delays and expense of providing such capacity. The reservation of infrastructure capacity refers to a system by which a portion of the existing infrastructure capacity is not a barrier to the provision of affordable housing in the City of Gainesville. If infrastructure capacity becomes a problem at a future date, this incentive directs the City to make reservations for affordable housing developments. Schedule for Implementation: Implementation of this incentive will occur when and if infrastructure capacity becomes a problem in the City of Gainesville. The Gainesville Regional Utility company maintains ample water/wastewater capacity. Storm water capacity is handled on a site-by-site basis.

(2) The Transportation Concurrency Exception Area (TCEA) covers a substantial portion of the City and allows for development to occur along roads that are over their traffic capacity to encourage development such as urban redevelopment and infill (mitigation is required in the form of various improvements that must be made by developers).

This incentive will reduce housing costs on a case-by-case basis by avoiding the expense and delays associated with a lack of infrastructure for affordable housing. The savings will benefit eligible households by lowering per unit costs. Schedule for Implementation: There are currently no provisions to reserve infrastructure capacity for affordable housing in the City.

6. Increased Densities

The allowance of increased densities for affordable housing developments can reduce land costs. The City of Gainesville currently awards density bonus points for affordable housing. Such a project shall be awarded 8 points if 10% of the housing of the project are set aside as affordable housing. Such a project shall be awarded 10 points if at least 20% of the project is set aside as affordable housing. The continued implementation of this incentive will reduce per unit housing costs by lowering land costs for affordable housing. These savings will result in lower housing costs for eligible households. Schedule for Implementation: On-going.

7. Reduction of Parking Requirements

Despite less traffic volume, residential uses often have the same parking requirements as commercial uses. The reduction of parking requirements can lower development and land costs for affordable housing. The Transportation Element for the City contains a policy that calls for parking requirements to be reduced, where appropriate. The City has a process that would allow for the reduction of the number of required parking spaces when evidence that the proposed use will generate less parking than the minimum required by city ordinances. The City's current parking policy provides for less parking in appropriate areas, which will indirectly result in increased public safety, since larger parking lots reduce public safety, and reduce the amount of walking, bicycling, and transit since car trips are increased. The City's parking requirements in place do not contribute unnecessarily to housing costs. The City's parking requirements specifically require fewer parking spaces for low and moderate-income housing, the code requires one space per unit compared to one space per bedroom for market rate multi-family housing. Schedule for Implementation: On-going.

8. Zero-Lot-Line Developments

The City should continue to allow zero-lot-line developments as was done in the Ingleside Villas. Zero-lot-line developments have no required setbacks. These developments therefore allow the use of more land construction and smaller lot sizes. The continued allowance of zero-lot-line (or small setback) developments in appropriate locations will lower overall housing costs by reducing land costs on a case-by-case basis. This reduction will benefit eligible households by lowering per unit costs. The City currently allows zero-lot-line developments as evidenced by its use in the Ingleside Villas development. Ingleside Villas was developed as a Planned Development (PD); a new zero-lot-line development can still be developed as a PD. Cost savings in subdivision and building design can also be achieved through the cluster subdivision ordinance (Section 30-190 of Land Development Code). Schedule for Implementation: On-going.

9. Modification of Street Requirements

The City generally requires relatively modest street widths. The required street width in the City is currently 24 feet. Housing cost reductions will vary on a case-by-case basis depending upon the street widths required in the particular development. These savings will result in lower costs for eligible households. Schedule for Implementation: On-going

10. Evaluation of Regulations Before Adoption

The City of Gainesville has a process by which new regulations are reviewed to determine their impact on affordable housing, and to mitigate any negative impacts if feasible and appropriate. The City reviews and evaluates zoning and other regulations that pertain to housing to insure that the requirements are to be continued reasonably and do not unduly limit opportunities for lower income groups to secure housing throughout the City. All petitions regulating land use will include a fiscal impact statement regarding the impact any proposed new regulation will have on affordable housing. Schedule for Implementation: On-going review of local policies, ordinances, regulations and comprehensive plan provisions that significantly impact the cost of housing.

11. Inventory of Public Lands

The City of Gainesville currently maintains an inventory of the public land available for affordable housing. An inventory of the public lands available for the development of affordable housing is an important resource for housing developers. Schedule for Implementation: On-going.

12. Public-Private Partnerships

The City encourages continued participation by the private sector in providing affordable housing and adequate housing education programs. Private sector involvement is key to the achievement of the City's affordable housing goals. This incentive greatly expands the resource base available for affordable housing by maximizing the leveraging of public-private dollars. The City continues to spearhead public-private partnerships through its Comprehensive Housing Program in efforts to build and maintain public-private partnerships. Schedule for Implementation: On-going.