

III. LHAP INCENTIVE STRATEGIES

The City of Gainesville Affordable Housing Incentive Plan (AHIP) was established for the purpose of providing incentive programs to encourage affordable housing production. The current AHIP was adopted by the Gainesville City Commission on April 11, 2005 (Resolution #041164). The AHIP consists of the following regulatory reforms and incentive programs to encourage or facilitate the production of affordable housing. [On March 19, 2009, the LHAP was amended by Resolution # 080870 to include recommendations that were considered by the City Commission as outlined in the City's SHIP Affordable Housing Advisory Committee \(AHAC\) Incentives and Recommendations Report to continue to encourage and facilitate development of affordable housing in the City of Gainesville.](#)

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.~~

[The City of Gainesville Fast Track program was created to provide applicants such as contractors, developers and homeowners the option to request the fast track review 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 City of Gainesville Building Inspection Department administers the Fast Track Program and provides fast track service at no cost for housing projects that are designated as affordable. The Fast Track Program will provide an automatic fee-waiver for projects that include between 10% and 50% affordable units. Any project that includes affordable housing shall receive priority processing under Fast Track review.](#)

[To obtain an affordable housing certification, applicants must apply to the City's Housing and Community Development Division \(HCD\) for a Certificate of Housing Affordability \(CHA\). The CHA process ensures that the project meet the definitions and other applicable requirements as affordable housing in accordance with the City's adopted certification standards, policies, and procedures. The City's HCD will evaluate the application to determine if the project meets the requirements to be designated as affordable housing. If approved, the applicant will qualify to receive expedited permitting at no cost for the project. The project will be placed on the next available fast track review cycle.](#)

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 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.

(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.

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.

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. ~~Ongoing Process For Review of Local Policies, Ordinances, Regulations and Plan Provisions Prior to Their 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.~~

Evaluation of Regulations Prior to 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. As a part of this process, a staff person from the City's HCD Division will be assigned to serve as Affordable Housing Ombudsman (AHO) to vet proposed changes to local policies, ordinances, regulations, and comprehensive plan provisions that impact the cost of 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.

13. Support of Affordable Housing Development Near Transportation Hubs and Major Employment Centers and Mixed Use Developments.

Currently, the City of Gainesville encourages developments near transportation hubs and major employment centers and mixed-used developments through zoning and land use requirements. The City of Gainesville's implementation of Special Area Plans (SAPs) in designated areas of the city is an example of the City's commitment to development near many employment centers as well as transit routes. However, the City of Gainesville currently does not have in place a consistent process to support residential development near transportation hubs and major employment centers and mixed use developments. The City's Planning & Development Services Division will make available an inventory of high quality GIS maps comparing existing location of transportation hubs; major employment centers (grouped by ¼ mile radius); mixed use development; and existing affordable housing to identify areas that would benefit from the development of attainable housing in mixed use and mixed income developments located in catalyst areas that have high redevelopment potential.

Schedule for Implementation: In effect at the time of adoption.

14) A) Support for SHIP Staff

- **Housing Complaint Procedure**

The City of Gainesville will implement a Housing Compliant Procedure process to provide information on the procedures that a housing client may take to make an informal or formal housing complaint. This process will also provide an intermediary level of assistance to the City's HCD Division to reduce the time expended on responding to complaints and to help monitor and improve the quality of housing services provided to residents. The SHIP AHAC will serve as a citizen panel for first level appeal of complaints or grievances from members of the public in the operation of the City's SHIP Program.

- **Application Review & Ranking Process**

The SHIP AHAC will sit as a citizen panel to review and rank applications for Special Housing Needs City/County Grants. The SHIP AHAC will advise the City of Gainesville about various aspects of the SHIP Special Needs Housing Program such as, program guidelines, program implementation and program evaluation. The SHIP AHAC may also serve in this capacity for other related housing programs.

B) Energy Efficiency

- **Find Effective Means to Encourage Energy Efficiency Upgrades to Rental Units**
- **Evaluate How Bundled Rebates are Effective at Encourage Most Cost-Effective Upgrades**
Evaluate how often bundled rebates are used by rental property owners (as opposed to homeowners, builders or others).
- **Explore Ways for Private Investors to Install Energy Efficient Upgrades in Rental Units (Affordable & Homeowner Housing)**
Explore ways to obtain resources such as Federal tax incentives, state incentives and local incentives and also reducing housing costs.

The SHIP AHAC will partner with the public section, private sector, housing providers, citizens and the local municipal utility, Gainesville Regional Utilities to identify energy efficiency resources to develop programs and services that will address energy efficiency needs in the community.

Schedule for Implementation: In effect at the time of adoption.

15) Community Housing Workshops & Forums

The SHIP AHAC will host affordable housing workshops to conduct on-going study of ways to improve affordable housing opportunities in our community, and to recommend specific actions or initiatives to encourage or facilitate affordable housing while protecting the ability of the property to appreciate it value. The housing workshops and forums will include topics on the housing incentives such as:

<u>Reduced Impact Fees</u>	<u>Flexible Densities</u>
<u>Reservation of Infrastructure Capacity</u>	<u>Accessory Dwelling Units</u>
<u>Reduced Parking & Setback</u>	<u>Flexible Lot Configurations</u>
<u>Modified Street Requirements</u>	<u>Community Land Trusts</u>
<u>Inclusionary Zoning</u>	<u>Weatherization Programs</u>

Schedule for Implementation: In effect at the time of adoption.