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190519C

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**Incentives and
Recommendations Report (IRR)**

November 7, 2019

Purpose

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- In order to receive SHIP Program funds, the State requires the City to adopt an IRR
- The IRR is a review of local **regulations and incentives** that impact the cost of **building** housing
- The IRR includes **recommendations**
- The AHAC shall develop and submit an IRR to the City Commission

Other City Plan & Reports

- SHIP-LHAP (3-yr); Annual Report
- Housing Action Plan
- DOD (Planning)
 - Comprehensive Plan Evaluation & Appraisal Process
- HUD Funds
 - Annual Action Plan (AAP)
 - Consolidated Annual Performance & Evaluation Report (CAPER)
 - 5-Year Consolidated Plan
 - 5-Year Fair Housing Plan

SHIP Overview

- 1992 Sadowski Affordable Housing Act
- State program and funding source
- Chapter 420, Part VII, Florida Statutes
 - http://www.leg.state.fl.us/STATUTES/index.cfm?Appmode=Display_Statute&URL=0400-0499/0420/0420.html
- Funding source for housing programs
 - Documentary Stamp Tax on Real Estate Transactions
 - Collections increase when housing prices increase

Local Program

- Homeowner Repair
 - Keep people in their home
 - Maintain existing housing
- Down Payment Assistance
 - 1st time home buyers
- Mortgage Foreclosure Intervention
- Rental Assistance
 - Rapid Re-Housing & Eviction Prevention
- Homeowner & homebuyer counseling
- Local match for Federal Affordable Housing Grants

Local Gov. Requirements

- Annual Report
- Local Housing Assistance Plan (LHAP)
 - Program Descriptions
 - Funding and Budgets
 - Due May 1, 2020 (3 year cycle)
- Incentives and Recommendations Report (IRR)
 - Review regulations, policies, procedures, fees & incentives that impact the cost of housing
 - Focus on Comprehensive Plan & Land Dev. Regulations
 - Due December 31, 2019 (3 year cycle)
- Affordable Housing Advisory Committee (AHAC)

IRR Overview

- AHAC must review 11 incentives that impact the provision of affordable housing
 - Identified in Ch. 420, Florida Statutes
- AHAC may also recommend other strategies
- City is not required to implement AHAC recommendations

Required to review

1. ***Expediting processing of applications**
2. ***Requiring review of regulations & policies**
3. **Modifying impact fees**
4. **Allowing flexibility in densities**
5. **Reserving infrastructure capacity**
6. **Allowing accessory residential units**
7. **Reducing parking & setback requirements**
8. **Allowing flexible lot configurations (including zero lot line configurations)**
9. **Modifying street requirements**
10. **Inventory of locally owned land**
11. **Support housing developments near work, transportation & retail**
12. **Other incentives identified by AHAC**

Public Engagement

- 7 Public Meetings Since March
- Newspaper Advertisement
 - Sun & Guardian
- Media releases
- City Website & Social Media
- Direct email invites to stakeholders
 - Previous attendees
 - Neighborhood representatives
 - City staff (Planning, Building, GRU, Public Works)
 - Builders, lenders, realtors, nonprofits



Main Points

- IRR contains AHAC's **recommendations**
- Additional discussion is needed regarding implementation
 - “If” and “How”
- Define terms
- Increase/build consensus
- Work out details of any proposal
 - Take the time to get it right
- Revisit and evaluate all proposals

Main Points

- Problem is lack of housing choice
 - Cost
 - Type
 - Location
 - Size
 - Condition
 - Rent or own
- Market Failure
- Building affordable housing is not profitable w/out subsidies

Main Points

- Government & nonprofit resources are not enough
- For-profit developers must be engaged
 - Will come back to this

Main Points

- Many tools in the toolbox
- Need to use all available tools
 - **Not** currently using all available tools
- 2 categories of tools
 - Nonprofits and Gov. funded programs & agencies
 - Regulatory/development incentives & requirements



Main Points

- This community, particularly the City, has mostly relied on nonprofits and Gov.
 - Limited effectiveness
- We should consider using some regulatory incentives
 - Height, density, tree mitigation, lot configuration, setbacks, expedited review

Main Points

- City must give something developers value
 - Height, density, tree mitigation, lot configuration, setbacks, expedited review
- Developers must give something the community values
 - Affordable housing



Main Points

- Much discussion still needed
- **Specific, detailed** answers to the following questions must be formulated
- There **are** ways to do it

Main Points (questions) **Citizen centered** **People empowered**

- How much affordable housing would the City require (i.e., how many units)?
- How affordable would the housing need to be?
- How long would the housing remain affordable?
- How, and by whom, would this requirement be monitored and enforced?
- What would be the cost of monitoring and enforcement, and who will pay it?
- What penalties would be implemented if the required affordable housing was not provided?

Main Points (questions)

- How much, if any, would the provision of affordable housing increase the cost of other units?
- Would there be any places or circumstances where these incentives could not be available?
- Would there be a minimum development size threshold for these incentives to be available?
- How would the City evaluate the success of the incentives, and if necessary, change them?

Recommendation

- The AHAC recommends that the City Commission:
 - accept the Incentives and Recommendations Report;
 - approve the submittal of the Incentives and Recommendations Report to the Florida Housing Finance Corporation by December 31, 2019; and
 - authorize the City Manager or designee to execute all necessary documents required for the submittal of the Incentives and Recommendations Report, subject to approval by the City Attorney as to form and legality.

1. Expedited Reviews*

- Mandatory Incentive*
- The processing of permits or development orders for affordable housing faster than other projects
- Currently, Bldg. Dept. expedites reviews of Affordable Housing Projects
- Currently, Planning Dept. offers Concept Review & Approval for LIHTC & SAIL
- **Recommendation:** Continue, expand

2. Review of Policies & Regulations*

- Mandatory Incentive*
- The establishment of a process by which the City considers, before adoption:
 - policies, procedures, ordinances, regulations, or plan provisions that might increase the cost of housing
- Currently, City has implemented on-going review
- **Recommendation:** Continue

3. Modifying Impact Fees

- Charged to new development to help fund infrastructure
- Typically used for roads, parks, libraries, fire stations, police stations, utility plants & schools
- Technically, the City does not impose Impact Fees
- **Recommendation:** Not applicable

4. Flexible Density

- The opportunity to increase the number of residences/acre
- Sometimes related to height
- Past increases have not required the provision of affordable housing
- **Recommendation:** Expand opportunities for density & height increases, **BUT ONLY** if linked to the **mandatory** provision of affordable housing

5. Reserving Infrastructure Capacity

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- Currently, City monitors infrastructure capacity and infrastructure use for all development
- Currently, City plans ahead for anticipated need
- Currently, City invests in transportation projects to enhance mobility options
 - Including road, bike, pedestrian and transit
- **Recommendation:** Continue

6. Accessory Residential Units

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- Currently, City prohibits in SF zoning districts
- Currently, City allows in MF zoning districts
- Currently, County allows in SF & MF zoning districts
- **Recommendation:** Continue to allow in MF zoning districts; Allow in SF zoning districts **only** for owner occupied properties

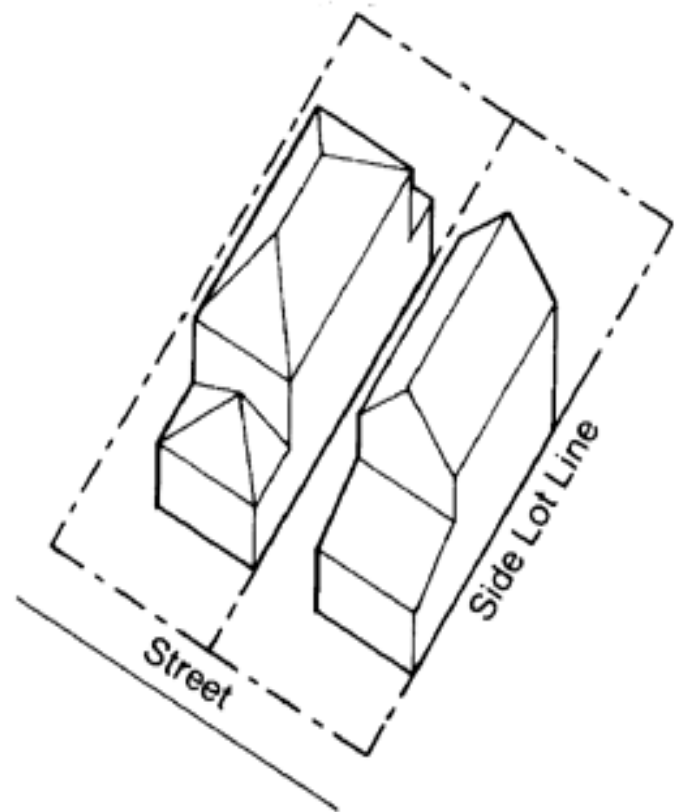
7. Reduced Parking & Setback Requirements

- # of spaces & distance from bldg. to prop. line
- Currently, City allows reduced parking studies
- Currently, City allows reduced parking for affordable housing
- Currently, reduced setbacks require a variance for individual lots, or a PD for a Subdivision
 - Provision of affordable housing is **not** a criteria
- **Recommendation:** Allow reduced setbacks for subdivisions **only** with the provision of affordable housing

8. Flexible Lot Configurations

- Including 0-lot line layout
 - Bldgs on property lines
 - More usable land
- Currently, affordable housing isn't a justification
- **Recommendation:** Make providing affordable housing a justification for modifying subdivision requirements

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9. Reduced Street Requirements

- Refers to the width and design of streets
- Public roads are regulated by the State
- Currently, standards are modest
- Currently, some flexibility exists
- **Recommendation:** Maintain current requirements

10. Public Land Inventory

- Publicly owned land may be appropriate for affordable or other type of needed housing
- Currently, City maintains an inventory (list)
- Currently, Public Works Coordinates with
 - Housing and Community Development
 - Other City departments
 - Non-profits (e.g., HFH, NHDC, GHA)
- **Recommendation:** Continue

11. Land Use Mix

- Currently, City Comprehensive Plan supports
 - affordable housing & higher residential densities
 - along major transportation corridors and bus routes
 - near employment centers
- **Recommendation:** Continue

12. Other Incentives

- Modification of Tree Mitigation Requirements
- Currently, to remove a High Quality Heritage Tree, must pay a Tree Mitigation Fee, based on Tree Appraised Value
- **Recommendation:** Allow developments with affordable housing, to provide inch-for-inch replacement onsite or pay an equivalent fee

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