#### City of Gainesville Affordable Housing Advisory Committee 2019 Incentives and Recommendations Report

#### I. <u>Background</u>

Chapter 420, Part VII, of the Florida Statutes requires that the City of Gainesville establish an Affordable Housing Advisory Committee (AHAC); and Section 14 of the City Code actually establishes the Committee. The primary purpose of the AHAC is to recommend specific initiatives and incentives to encourage or facilitate affordable housing within the City. The State mandates similar committees for each City and County that receives state funds under the State Housing Initiatives Partnership (SHIP) Program.

Within this report, the terms "Low-Income, Very-Low-Income and Extremely-Low-Income" occur several times. While the affordability level of units built with any of the various incentives discussed, must be determined by the Gainesville community, in this report, the terms are defined by the U.S. Department of Housing and Urban Develop Income Limits for 2019 2021. Those limits are shown in the chart contained in Attachment 1.

In general terms, when this report mentions affordable housing, it is referring to housing that is affordable to low-income persons. By "affordable housing," this report means housing, where the total monthly cost of that housing (including taxes, insurance, and utilities) is less than 30 percent of the household's total monthly income.

### **<u>Composition of AHAC Membership</u>**

The AHAC may consist of <del>up</del> eight to eleven citizens appointed by the City Commission. One of those citizens must be a City Commissioner, while the remaining seven to ten AHAC members must represent at least six of the following eleven categories:

- a citizen who is in the home building industry, including affordable housing;
- a citizen who is in the banking or mortgage banking industry related to affordable housing;
- a citizen who represents labor engaged in home building, including affordable housing;
- a citizen who advocates for affordable housing for low-income persons;
- a citizen who is a for-profit provider of affordable housing;
- a citizen who is a not-for-profit provider of affordable housing;
- a citizen who is a real estate professional related to affordable housing;
- a citizen who serves on the local planning agency;
- a citizen who resides in the City of Gainesville;
- a citizen who represents employers within the City of Gainesville; and
- a citizen who represents essential services personnel.

#### AHAC Mandate

At least once every three years For the City to remain eligible to receive SHIP Program funds, the AHAC shall annually review the City's comprehensive plan, land development regulations, ordinances, policies and procedures. Based on that review, the AHAC shall submit an Incentives and Recommendations Report (IRR) to the City Commission. That report shall recommend specific actions or initiatives to encourage or facilitate affordable housing, while protecting the ability of property to appreciate. The recommendations may include the modification or repeal of existing policies, procedures, ordinances, regulations, or plan provisions. Modifications may include exceptions for affordable housing. The recommendations may also include the adoption of new policies, procedures, regulations, or plan provisions. Additionally, the AHAC report shall recommend and evaluate the implementation of local housing incentive strategies in the following areas:

- Expedited processing of approvals of development orders or development permits issued by the City for affordable housing projects, including without limitation, building permits, zoning permits, subdivision approvals, rezonings, certifications, special exceptions, variances, or any other official action of local government having the effect of permitting the development of land for affordable housing.
- 2) Modification of impact fee requirements, including reduction or waiver of fees and alternative methods of fee payment for affordable housing.
- 3) Allowance of flexibility in densities for affordable housing.
- 4) Reservation of infrastructure capacity for housing for low- and very-low-income persons.
- 5) Allowance of affordable accessory residential units in residential zoning districts.
- 6) Reduction of parking and setback requirements for affordable housing.
- 7) Allowance of flexible lot configurations, including zero lot line configurations, for affordable housing.
- 8) Modification of street requirements for affordable housing.
- 9) Establishment of a process by which the City considers the impact on the cost of housing before adoption of policies, procedures, ordinances, regulations or plan provisions.
- 10) Preparation of a printed inventory of locally owned public lands suitable for affordable housing.
- 11) Support of affordable housing development near transportation hubs and major employment centers and mixed-use developments.
- 12) Other affordable housing incentives identified by the advisory committee.

### **General Comments**

To begin to address its housing needs, the community should recognize the following factors:

- 1. Many people discuss housing problems, including the need for more affordable housing, as if they are the same as equity or disparity problems. In fact, they are related, but not the same. Housing problems are a component of, not the whole of, the Gainesville/Alachua County Community's equity and disparity problems. Providing more affordable housing can help alleviate, but not eliminate, the problem of racial, economic, educational, health, geographic and other disparities. Experience and data, however, suggest that a comprehensive approach, addressing many factors, is needed to even begin dealing with these problems. Those factors include economic development, the educational system, the justice system, the health care system and other factors.
- 2. The community's housing problems go beyond just the high cost of housing and the lack of affordable housing. These problems include the lack of housing choice (including size, type, cost, and location), the condition of housing, and the loss of community history and character.
- 3. There is no quick fix. Any solution will take time. This includes changing community attitudes about housing, changing land use patterns, changing land development regulations, and actually permitting and constructing residential buildings.
- Home ownership is a proven method to build wealth in individuals, and in a community. For that reason, homeownership should be encouraged and promoted. However, to truly meet the community's needs, other viable, affordable options (i.e., rental housing) must also be available.
- 5. Governments and non-profits cannot solve the community's housing problems. Even the combined resources of the Federal, State, County and City Governments are insufficient. In other words, the community needs to find a way to engage market forces and to encourage private sector investment in affordable housing.





- 6. The community has many options available to help address its housing problems. Although none of those options, by itself, will solve the problem. Each option can contribute to the solution. In other words, the community needs to use all the "tools" in its "toolbox" to address housing problems. Historically, however, the Gainesville/Alachua County community has used some, but not all of the available tools.
- 7. The community has utilized tools such as government funding programs, including LIHTC, SAIL, SHIP, CDBG and HOME; and governmental agencies such as the Gainesville and Alachua County

Housing Authorities. Nonprofit organizations (often partially funded by government programs) such as Habitat for Humanity and Neighborhood Housing Development Corporation, have also been an important tool used to provide affordable housing in the Gainesville/Alachua County community. In fact, if it chose to, the community could increase its reliance on these tools by increasing private donations or by approving additional local taxes, fees and/or bonding to increase funding for affordable housing.

- 8. Funding for government funded housing programs is inconsistent and insufficient to meet the demand for affordable housing. In Gainesville and Alachua County, local government administered programs include home repair, home replacement, down payment assistance, mortgage foreclosure intervention, rental assistance, eviction prevention, and counseling and training (for more information visit the City's Housing and Community Development Division website at <a href="http://www.cityofgainesville.org/HousingCommunityDevelopment.aspx">http://www.cityofgainesville.org/HousingCommunityDevelopment.aspx</a> or the County's Housing Programs website at <a href="http://www.cityofgainesville.org/HousingTax">http://www.cityofgainesville.org/HousingCommunityDevelopment.aspx</a> or the County's Housing Programs website at <a href="https://alachuacounty.us/Depts/CSS/House/Pages/housing.aspx">https://alachuacounty.us/Depts/CSS/House/Pages/housing.aspx</a>). Some federal and state programs (e.g., Low-Income Housing Tax Credits and State Apartment Incentive Loan) occasionally build large apartment complexes, usually 60 to 100 units (for more information, visit the Florida Housing Finance Corporation's website at <a href="https://www.floridahousing.org/home">https://www.floridahousing.org/home</a>). Smaller nonprofits build 10 to 20 single family homes per year. The two Public Housing Authorities provide approximately 900 units of public housing and nearly 2,600 2,800 housing vouchers each year.
- 9. Besides funding programs, the City and County can also use regulatory incentives and requirements (sometimes referred to as carrots and sticks) to encourage the private for-profit sector to build affordable housing. Those "carrots and sticks" include incentives and regulations like flexible zoning that allows density and height bonuses in exchange for providing affordable housing, and planned development requirements for the provision of affordable housing. In contrast to funding nonprofit organizations and government programs, the community has used this tool only on very rare occasions.

Essentially, the City has not yet determined what combination of incentives and regulations are necessary for the private sector to agree to include affordable housing in new developments. That is because the City has almost never offered any such incentives. Although the use of these incentives and regulations is often discussed in the City's Comprehensive Plan, implementing those incentives requires adopting land development regulations. Even in the few instances when incentives have been included in the land development regulations, these provisions are seldom used or re-evaluated (See the Density Bonus Manual).

To better evaluate the possibility of using regulatory incentives and requirements, the City has retained a consultant to study and recommend an Inclusionary/Exclusionary Housing Policy. A final report from the consultant is anticipated by the end of 2021.

- 10. Florida State Law, including House Bill 7103 (adopted in 2019), allows Cities and Counties to use incentives to encourage the provision of affordable housing. Conversely, State Law makes it difficult to require the provision of affordable housing as a condition for development.
- 11. Our community's reliance on nonprofit organizations and government funding programs has resulted in few affordable housing options for most low-income residents. Those options include large rental apartment complexes (often located East of Main Street, where land values are lower), and older homes whose "life" has been extended through a home repair program. In contrast, a well-designed incentive

program could result in a portion of many new developments, all around the City, housing low-income households. In other words, more location choices for low-income residents.

12. Many of the issues related to land development in general, and housing and affordable housing in particular, can be complicated and confusing. The same term often has different meanings to different people. City and County representatives have a responsibility to try to communicate in simple, clear language. The Community, in general, would benefit from a better understanding of the entire development process.

While methods such as providing additional funds or providing more support to nonprofits can be useful ways to create affordable housing, they are not within the scope of this report. This document focuses on regulatory incentives and regulations that impact the cost of housing and the availability of affordable housing. To that end, the AHAC aims to identify ways to encourage affordable housing that are cost effective, environmentally sound, socially equitable and supportive of broad community goals. Beyond this report, the AHAC will seek to continue further study and dialogue on this subject. We welcome the input, ideas and suggestions of our entire community in this endeavor.

#### II. **Citizen Engagement**

(This section to be rewritten. Public Meetings on March 9, 2021; May 11, 2021; September 14, 2021. Public Hearing on October 12, 2021. City Commission on November 4 or 18, 2021,

#### III. **Incentives & Recommendations**

Several incentives discussed below (specifically Incentives 3, 6, and 7 in Section III; and Incentive 1 in Section IV) have at least some economic value to developers. These incentives deal with density, building height, setbacks, lot



configuration and tree mitigation. Because these incentives have economic value, a reasonable person would conclude that at least some developers would be willing to provide something, such as affordable housing, in exchange for that value.

Given that government cannot subsidize enough affordable housing to meet the City's need, AHAC generally recommends the following for Incentives 3, 6, and 7 in Section III; and Incentive 1 in Section IV:

If and when the City decides to use any of these four incentives, the City should significantly revise its Comprehensive Plan and Land Development Regulations to link any use of the incentives to the provision of affordable housing. Essentially, this means requiring developers that choose to accept the incentive, to legally commit themselves to providing affordable housing, in exchange for receiving the benefit of the incentive. This can only be done after a great deal of public engagement to address the numerous questions such a revision would generate. At a minimum, those questions would include the following:

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?
- 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?

# 1) The processing of approvals of development orders or permits, as defined in s.163.3164 for affordable housing projects is expedited to a greater degree than other projects.

#### Discussion

The City's Housing and Community Development Division staff certifies as "Affordable Housing Projects" residential projects that are either, funded by SHIP, CDBG, HOME, Low-Income Housing Tax Credits, the State Apartment Incentive Loan program, or similar programs; or built by nonprofit affordable housing providers like Habitat for Humanity and Neighborhood Housing Development Corporation. The City expedites Affordable Housing Projects in the two ways listed below.

- The Building Department expedites the review and inspection of Affordable Housing Projects to a greater degree than other projects.
- The Planning Department offers the affordable housing concept review and approval process to help Affordable Housing Projects meet the requirements of several State of Florida affordable housing programs (including the Low-Income Housing Tax Credit Program, and the State Apartment Incentive Loan Program). In addition to verifying that the project location has the appropriate zoning for the project, this review process notifies applicants of potential problems that would need to be addressed prior to final approval. The money saved by developers through the early review of the project can result in the delivery of housing at a lower cost than it would have been without the information generated by that review.

### AHAC Recommendation

The Building and Planning Departments should continue their current programs to expedite affordable housing projects. The Housing and Community Development Division should expand the definition of projects that it will certify as "Affordable Housing Projects" to include For-Profit projects that include affordable housing. If the City implements Incentives 3, 6, or 7 in Section III; or Incentive 1 in Section IV, projects that use those incentives should also be expedited.

2) Modification of impact fee requirements including reduction or waiver of fees and alternative methods of fee payment.

### Discussion

The City does not require the payment of impact fees for new development.

### **AHAC Recommendation**

Not applicable.

#### 3) Allowance of flexibility in densities for affordable housing.

#### Discussion

Currently, the City allows a wide variety of densities. This helps to provide many market rate housing choices for most residents of Gainesville. Nevertheless, Gainesville's experience with increasing density has been mixed. Generally, increasing density increases development potential and increases property values, both of which can spur development and redevelopment. While there are several benefits of development and redevelopment, they can increase the cost of both land and housing, and reduce the amount of affordable housing. This often results in the displacement of low-income renters and property owners.

At the same time, increased density is often a windfall for developers and large property owners. For that reason, the City is reasonable to think that under certain circumstances, developers would provide affordable housing in exchange for increased density.

Additionally, experience indicates that in several zoning districts that permit multiple-family development, the allowed density often exceeds the market demand. For that reason, in those districts, height, not density is the limiting factor. Therefore, in those districts, the City is reasonable to think that under certain circumstances, developers would provide affordable housing in exchange for increased height.

Land use intensity, including height and density, will probably be discussed in a study of Inclusionary and Exclusionary Zoning that is currently being conducted by a Consultant for the City.

#### **AHAC Recommendation**

The City should consider revising its Comprehensive Plan and Land Development Regulations in two important ways. These changes can and should be implemented simultaneously. The first way would be to increase maximum residential densities and/or height limits, in at least some residential districts. The second way would be to link any density and/or height limit increase to the provision of affordable housing. In other words, the increase would not be by-right, it would be an incentive that would only be available to developments that legally commit themselves to providing affordable housing.

If the City implements this incentive, it should recognize a potential "loop-hole." That loop-hole is that this incentive only works if the access to the additional density is through the provision of affordable housing, not by-right. If property owners can obtain the additional by-right density by changing their zoning or comprehensive plan land use designations, then they have no reason (or incentive) to provide affordable housing.

4) Reservation of infrastructure capacity for housing for low- and very-low-income persons.

#### Discussion

The City plans ahead to ensure that there is adequate infrastructure capacity to accommodate all new development. Part of that planning includes extensive coordination with various Federal, State, Regional and County Agencies. At present, GRU maintains sufficient water and wastewater treatment capacity. Each development is required to demonstrate that it provides the minimum stormwater retention level of service through either on-site retention or a coordinated system.

For automobiles, nearly all roads in the City operate at or better than the adopted level of service. The Transportation Mobility Program Area allows for development, such as urban redevelopment and infill development, to occur along roads that operate below their adopted level of service. Although the City may permit the development, the exemption does not relieve the developer from various improvements stated in the Transportation Mobility Element of the Comprehensive Plan.

#### **AHAC Recommendation**

Continue to monitor current and projected infrastructure needs. Identify and utilize adequate funding sources to enhance network connectivity and integration of transportation modes to meet future housing needs and enhance mobility and accessibility.

#### 5) Allowance of accessory residential units in residential zoning districts.

#### Discussion

The City's land development code defines an Accessory Dwelling Unit (ADU) as "an independent selfcontained dwelling unit with kitchen and bathroom facilities, on the same lot as an associated primary use or structure. An ADU may be within, attached to, or detached from a primary structure." ADUs, are essentially the same as accessory residential units.

On September 3, 2020, the City Commission adopted Ordinance #190988, which increased allowances for ADUs in several ways, including removing most of the restrictions on ADUs in single family zoning districts, and allowing up to two ADUs, with some restrictions, on a lot.

The City's land development code defines an Accessory Dwelling Unit (ADU) as a subordinate living unit added to, created within, or detached from a single family dwelling (but within the same lot) that provides basic requirements for independent living, sleeping, eating, cooking and sanitation. ADUs cannot be required to be affordable to low-income households. In fact, sometimes they are not affordable to lowincome households. Nevertheless, they were historically an effective means to provide mixed-income housing widely dispersed throughout the City. In fact, some ADUs currently exist in several of the City's older single-family residential neighborhoods. A potential benefit of ADUs is that they can provide affordable housing at little government cost, in neighborhoods where it is otherwise costly or impractical to create new affordable housing. These include neighborhoods that are close to employment centers, healthcare services, financial services, recreational services, educational services, and transportation services. ADUs can also generate a revenue stream to existing homeowners, making their home ownership more affordable and funding better property maintenance (as long as the homeowner that built the ADU maintains ownership of the property).

Although the City's land development code does not allow new ADUs in single-family residential zoning districts, some ADUs currently exist in several of the City's older single-family residential neighborhoods. Generally classified as legal non-conformities, the City Code allows those units to remain, but not expand. In other words, they are "grandfathered in." Because ADUs are difficult to track and document, enforcement of many of these regulations can be difficult.

By comparison, in the unincorporated part of Alachua County, the County does allow "Accessory Living Units" in all single-family residential zoning districts. Even in the City, ADUs are permitted where single family units are built within multiple family zoning districts.

Traditionally, many Gainesville residents have had major concerns about the impacts of ADUs on neighborhood quality of life. Those concerns are greatest in the neighborhoods close to the University of Florida, where many anticipate that the demand for ADUs is the highest. The conversion of owner occupied units to rental units has already had a large negative impact on many aspects of these neighborhoods. As a result, for many years, residents coordinated to create a vocal and well-organized opposition to any attempts to expand allowances for ADUs.

More recently, however, this view has moderated. At public meetings, many residents have acknowledged the benefits of ADUs, particularly when either the primary or the accessory residence is the "Homesteaded" residence of the property owner, as is required by current regulations for new ADUs.

It may be too soon to measure the impact of Ordinance #190988. For the time period since that ordinance was adopted, the City has experienced neither a large increase in affordable residential units, nor a large increase in student rentals within traditionally single family neighborhoods. Since the ordinance went into effect, the City has received only six applications for ADU permits. Two of those have been approved, while four are being reviewed. The two that have been approved have not yet received final inspection approval.

The information suggests that simply removing restrictions and allowing ADUs may not be a sufficient incentive for property owners to build ADUs, particularly affordable ADUs. However, there may be efficient ways to encourage such development. For example, the City's Housing Action Plan (HAP) proposes that for a relatively low cost, the City could significantly reduce approval times (and thereby reduce development costs) by developing and distributing "pre-approved" or "model" plans for ADUs.

In addition, based on the experience of other cities, the HAP and other documents suggest that Gainesville could partner with other local organizations (such as banks, credit unions, housing authorities, and nonprofit organizations) to develop a revolving loan fund to help property owners build ADUs that meet certain conditions. Those conditions would include a requirement that the units must be rented to income qualified households, at affordable rates, for a certain amount of time.

#### **AHAC Recommendation**

In the short-term, the City should develop and make available pre-approved plans for ADUs. In the longer-term, the City should consider ways to partner with other local organizations (such as banks, credit unions, housing authorities, and nonprofit organizations) to develop a revolving loan fund to help property owners build ADUs that meet certain conditions. Those conditions would include a requirement that the units must be rented to income qualified households, at affordable rates, for a certain amount of time.

The City should amend its land development code to allow ADUs in single-family residential zoning districts, but only for properties where the occupant of the primary residence owns the property and maintains a Homestead Exemption on the property. The City should continue its current ADU requirements related to location, style, parking and access, building size, and other standards and requirements.

### 6) Reduction of parking and setback requirements for affordable housing.

### Discussion

Future Land Use Element Policy 1.2.4 of the City's Comprehensive Plan and the Land Development Code, allow for reduced parking requirements, where appropriate. In instances where analysis demonstrates that a proposed use will generate less parking than the minimum required by City ordinances, a City process allows for the reduction of required parking spaces.

The City's current parking regulations require fewer parking spaces for low- and moderate-income housing. City code currently requires one parking space per bedroom for market rate multiple-family housing.

In contrast, reducing setbacks currently requires a variance for individual lots or a Planned Development Approval for a subdivision. In both instances, the provision of affordable housing is not a criteria. For subdivisions, this is an instance, like additional density, where the City controls an item of value to some developers. For that reason, the City could adopt an incentive, essentially stating that reduced setbacks are available only when a certain amount of affordable housing is provided.

### AHAC Recommendation

The City should continue reduced parking requirements for affordable housing. Additionally, the City should revise its land development code to make reduced setbacks for Planned Development Subdivisions available only if a certain amount of affordable housing is provided. Finally, the City should also consider allowing reduced setbacks for subdivisions that provide a certain amount of affordable housing (and perhaps meet certain other standards), without requiring those subdivisions to go through the entire Planned Development process.



In general, City regulations that control the creation of

subdivisions have little flexibility in terms of lot configurations unless an applicant incurs the additional expense of going through the Planned Development process. Applicants, however, may request that some

subdivision requirements be modified for certain reasons. Those reasons are described in the code and currently include factors such as unusually steep topography. The code does not include the provision of affordable housing as a criterion for modifying subdivision requirements.

Again, this is one of the few instances where the City has some leverage to offer something of value in exchange for affordable housing. For that reason, the City could revise its land development code to make the provision of a certain amount of affordable housing one of the justifications for modification of subdivision requirements.

#### **AHAC Recommendation**

The City should revise its land development code to make the provision of a certain amount of affordable housing one of the justifications for modification of subdivision requirements.

### 8) Modification of street requirements for affordable housing.

#### Discussion

Many older City neighborhoods have thrived with narrower street widths, even including on-street parking and two-way traffic. Nevertheless, the width, design and materials of public roads and streets are regulated by the State and cannot be modified by the City.

There is, however, some flexibility within those regulations. Developers are encouraged to select alternative street specifications (including reductions in pavement widths) for all residential development, to reduce construction costs while benefiting the environment. Flexibility also exists for right of way widths, pavement widths, turn around dimensions, intersection curb radii, reduced curb and gutter requirements, etc. Modified street requirements, can reduce construction costs for all housing, including affordable housing.

### AHAC Recommendation

The City should maintain its current street requirements which are consistent with State guidelines. Flexibility currently exists within the State's guidelines for addressing modified street requirements for affordable housing.

# 9) Establishment of a process by which the City considers before adoption policies, procedures, ordinances, regulations or plan provisions that increase in the cost of housing.

#### Discussion

The City has implemented an ongoing review of local policies, ordinances, regulations and comprehensive plan provisions that affect the cost of housing. Through this process, the City reviews new regulations to determine their potential impact on affordable housing. When appropriate and feasible, the City mitigates for negative impacts. As part of this process, the City reviews and evaluates zoning and other housing regulations to ensure that they do not limit housing opportunities for lower-income groups within the City. Petitions that regulate land use are required to include a fiscal impact statement regarding the impact of proposed development on affordable housing in the City.

#### **AHAC Recommendation**

The City should continue this review process.

#### 10) Preparation of an inventory of locally owned public lands suitable for affordable housing.

#### Discussion

A Land Rights Coordinator within the City's Public Works Department Office of Capital Asset Planning and Economic Resiliency (CAPER) maintains an inventory of City-owned lands, including land that may be appropriate for residential uses. that have a residential zoning district. If those lands are not needed for another use, such as an infrastructure project, they are considered to be available for affordable housing. Public Works CAPER routinely shares that inventory with various City departments and with other governmental and nonprofit agencies that provide affordable housing.

In addition, as recommended in the City's Housing Action Plan, the Land Rights Coordinator and a Geographic Information Systems (GIS) Specialist in the City's Department of Sustainable Development have worked together to identify land owned by other public or private nonprofit agencies (e.g., the Alachua County School District, the University of Florida, or Santa Fe College) that is appropriate for residential uses and is within City limits.

#### **AHAC Recommendation**

The City should continue to maintain and update an inventory of locally owned public and private nonprofit lands suitable for affordable housing. In addition, the City should continue to share the inventory with other governmental and nonprofit agencies that provide affordable housing. As noted in the City's Housing Action Plan, in the future, the City should also analyze under-utilized private for-profit lands (e.g., some parking lots) to determine if they may be appropriate for residential uses.

## 11) Support of affordable housing development near transportation hubs, major employment centers and mixed-use developments.

#### Discussion

The following objective and policies of the Future Land Use Element of the City's Comprehensive Plan encourage, support or require affordable housing near mixed use and employment centers:

- Objective 1.4
- Policy 1.4.1
- Policy 1.5.7
- Policy 4.1.3
- Policy 4.3.4g.6 (Plum Creek)
- Policy 4.3.6a.4 (Butler Development PUD)

Additionally, review of the City's Future Land Use and Zoning Maps indicate that residential zoning often is located near bus routes, major roads, mixed use areas and employment centers.

#### **AHAC Recommendation**

Continue to support affordable housing development near transportation hubs, major employment centers and mixed-use developments.

#### IV. Additional Recommendations

1) Modification of Tree Mitigation Requirements (This change was implemented on October 15, 2020, when Ordinance #190293 was adopted. For that reason, this section can be deleted.)

#### **Discussion**

In 2017, the City formed a Tree Ordinance Stakeholder Committee which developed several short-and long-range recommendations. One of the short-range recommendations that ultimately was not adopted, was to modify Tree Mitigation Requirements for developments that contained a certain amount of affordable housing. Specifically, the recommendation was to allow developments that contained a certain amount of affordable housing to provide inch for inch tree replacement on site or equivalent mitigation fee for high quality heritage trees, instead of assessing a tree mitigation fee based on Tree Appraised Value.

In summary, the proposal would have had the potential to save qualifying developments a significant amount of money for mitigation fees (i.e., several thousand dollars per tree for high quality heritage trees). Additional savings would have occurred because inch for inch tree replacement on site can count toward other landscaping requirements contained in the City's land development regulations.

This proposal provides more economic support to projects on sites with many large trees than to projects on sites with fewer or smaller trees. For that reason, the proposal encourages affordable housing and mixed income housing projects on previously undeveloped land, which are often places where affordable housing and mixed income housing are most needed and least likely to be built, unless incentives are provided.

Some of the support for the recommendation was related to the success of the City's efforts to increase its tree canopy over the last 30-40 years. During that time period, aerial photographs show a significant increase in the City's tree canopy. Given that success, in contrast to the worsening problem of the lack of affordable housing, some would argue that the proposal would help solve a severe problem without an appreciable negative impact on the City's tree canopy.

#### **AHAC Recommendation**

The City should revise its land development code to allow developments that contain a certain amount of affordable housing to mitigate removal of high-quality heritage trees by providing inch for inch tree replacement on site or paying an equivalent mitigation fee, instead of paying a mitigation fee assessed by Tree Appraised Value.

#### IV. <u>City Commission Consideration</u>

The AHAC will submit this report to the City Commission on ????????, 2021.

### V. <u>Attachment</u>

1. 2021 HUD Income Limits

## Attachment 1

### U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) INCOME LIMITS FOR GAINESVILLE MSA 2021

CITY OF GAINESVILLE

FAMILY SIZE	EXTREMELY LOW	VERY LOW INCOME	LOW INCOME
(Persons)	(30% MFI)	(50% MFI*)	(80% MFI*)
1	\$15,400	\$25,650	\$41,000
2	\$17,600	\$29,300	\$46,850
3	\$19,800	\$32,950	\$52,700
4	\$21,950	\$36,600	\$58,550
5	\$23,750	\$39,550	\$63,250
6	\$25,500	\$42,500	\$67,950
7	\$27,250	\$45,400	\$72,650
8	\$29,000	\$48,350	\$77,300

\*Fiscal Year 2021 Median Family Income (MFI) = \$80,800 CDBG/HOME

Effective 06/01/2021