

**Affordable Housing Advisory Committee
Affordable Housing Incentive Review Report**

March 11, 2019

**PREPARED BY:
Lee County DCD Planning Section**

**SUBMITTED TO:
Florida Housing Finance Corporation**

Background:

As a recipient of State Housing Initiative Partnership funds, the County established an affordable housing advisory committee in 2008 as required by the Florida Statute section 420.9076. The Affordable Housing Advisory Committee (AHAC) is responsible for reviewing policies, land development regulations, the Comprehensive Plan, and other aspects of the County's policies and procedures that affect the cost of housing. In addition, the AHAC is responsible for making recommendations to encourage affordable housing.

The AHAC is required to submit an incentive report every three years. The report includes recommendations by the committee as well as comments on the implementation of incentives for at least the following eleven distinct areas:

- The processing of approvals of development orders or permit, as defined in s. 163.3164(7) and (8), for affordable housing projects is expedited to a greater degree than other projects.
- The modification of impact-fee requirements, including reduction or waiver of fees and alternative methods of fee payment for affordable housing.
- The allowance of flexibility in densities for affordable housing.
- The reservation of infrastructure capacity for housing for very low-income persons, low-income persons, and moderate-income persons.
- The allowance of affordable accessory residential units in residential zoning districts.
- The reduction of parking and setback requirements for affordable housing.
- The allowance of flexible lot configurations, including zero-lot-line configurations for affordable housing.
- The modification of street requirements for affordable housing.
- The establishment of a process by which a local government considers, before adoption, policies, procedures, ordinances, regulations, or plan provisions that increase the cost of housing.
- The preparation of a printed inventory of locally owned public lands suitable for affordable housing.
- The support of development near transportation hubs and major employment centers and mixed-use developments.

Committee Composition

The County Commission appointed or re-appointed members to the Committee on the dates shown in the Table below. Section 420.907 of the Florida Statutes lists the categories from which committee members must be selected. There must be at least 8 committee members with representation from at least 6 of the following categories:

- Citizen actively engaged in the residential home building industry in connection with affordable housing.

- Citizen actively engaged in the banking or mortgage banking industry in connection with affordable housing.
- Citizen representative of those areas of labor actively engaged in home building in connection with affordable housing.
- Citizen actively engaged as an advocate for low-income persons in connection with affordable housing.
- Citizen actively engaged as a for-profit provider of affordable housing.
- Citizen actively engaged as a not-for-profit provider of affordable housing.
- Citizen actively engaged as a real estate professional in connection with affordable housing.
- Citizen actively serving on the local planning agency pursuant to s.163.3174.
- Citizen residing within the jurisdiction of the local governing body making the appointments.
- Citizen who represents employers within the jurisdiction.
- Citizen who represents essential services personnel, as defined in the local housing assistance plan.

The appointed AHAC Committee members are included here, along with their category affiliation.

NAME	CATEGORY REPRESENTED	DATE (RE-)APPOINTED
1. Marion Briggs	Engaged in the residential home building industry in connection with affordable housing	10/18/2016
2. Al Giacalone III	Engaged as a real estate professional in connection with affordable housing	10/18/2016
3. Kenneth Jenkins	Engaged in the banking or mortgage banking industry in connection with affordable housing	12/18/2018
4. Karla Llanos	Residing within the jurisdiction of the local governing body making the appointment	2/06/2018
5. Anthony Pardel	Residing within the jurisdiction of the local governing body making the appointments	4/04/2017
6. Matthew Visaggio	Engaged as an advocate for low-income persons in connection with affordable housing	5/01/2017
7. Shawn Williams	Engaged as a for-profit provider of affordable housing	10/16/2018
8. Charles "Steve" Wood	Engaged as a real estate professional in connection with affordable housing	9/04/2018
9. Henry Zuba	Serving on the local planning agency pursuant to s.163.3174	12/04/2018

PUBLIC INPUT

Consistent with F.S. 420.9076, the Affordable Housing Advisory Committee held a public hearing on March 11, 2019 and voted on the Affordable Housing Incentive Review and Recommendation Report.

Schedule of Public Input:

Affordable Housing Advisory Committee Review & Public Hearing	<u>March 11,2019</u>
Submit to Lee County BoCC	<u>March 25, 2019</u>
Submit to the Florida Housing Finance Corporation	<u>March 25, 2019</u>

AFFORDABLE HOUSING INCENTIVES

Each of the eleven affordable housing incentives recommended by the State were thoroughly examined and discussed with AHAC members. This plan is a result of the recommendations from the AHAC and meetings held with internal staff members to determine the feasibility of the recommendations.

Expedited Permitting

420.9076(4)(a): The processing of approvals of development orders or permits for affordable housing projects is expedited to a greater degree than other projects , as provided in s.163.3177(6)(f) 3.

1. Meeting Synopsis:

Staff provided a brief presentation outlining the incentive, existing strategy and the staff recommendation. The AHAC motioned to recommend continuing the existing strategy and adding expedited permitting for site built affordable housing units constructed using the Bonus Density program.

2. Existing Strategy:

The Planning Section of the Lee County Department of Community Development provides technical assistance to developers of Affordable Housing Developments (AHDs). Developers of AHDs in unincorporated Lee County may apply to the Lee County DCD Planning Section to entitle AHDs to receive expedited permit processing. A copy of the approved request is attached to each county permit for which the AHD developer is applying. A copy of the approved request is also entered into the Lee County's permit tracking software. This assures that the AHD will be expedited to a greater degree than other projects. This incentive is authorized by:

- 2017/2018-2019/2020 Local Housing Assistance Plan – Page 29
- Lee County Comprehensive Plan (Lee Plan)
 - Policy 135.1.5
 - Policy 135.4.15

3. AHAC Recommendation: Continue strategy and add expedited permitting for site built affordable housing units constructed using the Bonus Density program.

4. Implementation: Ongoing, the strategy is functioning as intended.

Modification of Impact Fees

420.9076(4)(b): The modification of impact fee requirements, including reduction or waiver of fees and alternative methods of fee payment for affordable housing.

1. Meeting Synopsis:

Staff provided a brief presentation outlining the incentive, existing strategy and the staff recommendation. The AHAC voted and approved the recommendation to continue the existing strategy, add the Utility Connection Fee Deferral Program, include the recommendation from the Attainable Housing Coalition on deferring impact fees for homeowners, and to explore opportunities to expand the program into the Opportunity Zones.

2. Existing Strategy:

- a. **Impact Fee Reimbursement Program-** The Lee County BoCC and the School District established an affordable housing program that reimburses up to half (50%) of the amount paid for school impact fees for new construction of single-family or multi-family homes to be occupied by income eligible households. This incentive is authorized by:

- 2017/2018-2019/2020 Local Housing Assistance Plan – Page 29
 - Lee County Administrative Code 13-4: Administrative Procedures Governing Reimbursement of Lee County School Impact Fees
- Lee County Comprehensive Plan (Lee Plan)
 - Policy 135.1.5

- b. **Impact Fee Exemption Program-** Exemptions for payment of Road, Regional Park, Community Park, Fire Protection and Emergency Medical Services Impact Fees are provided for:

- i. Building permits for residential construction in Harlem Heights, Charleston Park, and the Fort Myers/Lee County Enterprise Zone.
- ii. Building permits for construction in the City of Sanibel's below market rate housing (BMRH) program, and
- iii. Building permits issued in a redevelopment area or enterprise zone, or for low or moderate-income housing in the City of Fort Myers.

Dwellings in subdivisions, mobile home or manufactured housing parks, and multi-family dwellings that are operated as a community for older persons that also prohibit persons under the age of 18 from residing within the dwellings as a permanent resident are exempt from payment of School Impact Fees. This incentive is authorized by:

- Lee County Land Development Code
 - Article VI, Division 2. Road Impact Fee – Section 2-274 Exemptions
 - Article VI, Division 3. Regional Parks Impact Fee – Section 2-312 Exemptions
 - Article VI, Division 4. Community Parks Impact Fee – Section 2-352 Exemptions
 - Article VI, Division 5. Fire Protection and Emergency Medical Services Impact Fee – Section 2-394 Exemptions

- 3. AHAC Recommendation:** Continue strategy, add the Utility Connection Fee Deferral Program, include the recommendation from the Attainable Housing Coalition on deferring impact fees for homeowners and to explore opportunities to expand the program into the Opportunity Zones.

- c. **Utility Connection Fees Deferral Program-** The BoCC through the Lee County Utilities Department is establishing a connection fee deferral program to allow connection fees for Very-Low and Low Income housing developed by non-profit organizations to be deferred until the time of building permit application. The current regulations require that 50% of the connection fees be paid at the time the County is asked to commit to the capacity availability and the remaining 50% at final acceptance of infrastructure. Approval of the Deferral program will provide nonprofits more cash flow as an incentive to constructing housing for the most needy.

4. Implementation: Ongoing, the strategy is functioning as intended.

Flexible Densities

420.9076(4)(c): The allowance of flexibility in densities for affordable housing

1. Meeting Synopsis:

Staff provided a brief presentation outlining the incentive, existing strategy and the staff recommendation to extend the affordability period from 7 years to 10 years. The AHAC motioned to recommend continuing the existing strategy and to evaluate extending affordability commitment from 7 years to 10 years.

2. Existing Strategy:

The Lee County Comprehensive Plan provides increased densities for housing that is affordable to very-low, low, moderate, and workforce-income families. The program provides both a construction option (affordable units must be constructed) and cash option (market priced units may be constructed in exchange for a cash contribution to the Affordable Housing Trust Fund). This incentive is authorized by:

- Lee County Administrative Code 13-5
- 2017/2018-2019/2020 Local Housing Assistance Plan – Page 30
- Lee County Comprehensive Plan (Lee Plan)
 - Policy 135.1.4
 - Policy 135.4.16
- Lee County Land Development Code
 - Section 2-146 and 2-147

3. AHAC Recommendation: Continue strategy and evaluate extending affordability commitment from 7 years to 10 years.

4. Implementation: Ongoing, the strategy is functioning as intended.

Reservation of Infrastructure Capacity

420.9076(4)(d): The reservation of infrastructure capacity for housing for very-low-income persons, low-income persons, and moderate-income persons.

1. Meeting Synopsis:

Staff provided a brief presentation outlining the incentive, existing strategy and the staff recommendation. The AHAC motioned to recommend no changes.

2. Existing Strategy:

There are currently no restrictions on the availability of infrastructure capacity. Therefore, the reservation of capacity for very-low, low, and moderate income households is not necessary.

3. AHAC Recommendation:

4. Implementation: Not Applicable

Affordable Accessory Residential Units

420.9076(4)(e): The allowance of affordable accessory residential units in residential zoning districts.

1. Meeting Synopsis:

Staff provided a brief presentation outlining the incentive, existing strategy and the staff recommendation. The AHAC motioned to recommend continuing the existing strategy.

2. Existing Strategy:

The Lee County Land Development Code allows accessory apartments by right in certain areas. The purpose is to facilitate the provision of affordable housing, to strengthen the family unit or to provide increased opportunities for housing the elderly and persons with special needs. This incentive is authorized by:

- 2017/2018-2019/2020 Local Housing Assistance Plan – Page 30
- Lee County Land Development Code
 - Section 34-1177

3. AHAC Recommendation: Continue strategy.

4. Implementation: Ongoing, the strategy is functioning as intended.

Parking and Setback Requirements

420.9076(4)(f): The reduction of parking and setback requirements for affordable housing.

1. Meeting Synopsis:

Staff provided a brief presentation outlining the incentive, existing strategy and the staff recommendation. The AHAC asked questions about gentrification, and the Mixed Use Overlay that encourages commercial redevelopment and adds new residential units. The AHAC motioned to recommend continuing the existing strategy.

2. Existing Strategy:

The Land Development Code provides several avenues for relief in parking and setbacks.

- The Mixed Use Overlay (MUO) identifies conventionally zoned lands located along corridors where services are in place. Mixed uses are encouraged and properties within the MUO are allowed to develop/redevelop with reduced parking, setbacks, open space and landscaping standards.
- The planned development rezoning process allows for flexible development design standards through deviations. The approval allows for property development regulations, such as lot configuration, setbacks, roadway and parking designs that are tailored to the specific project.
- Similar to the deviation process, variances are available for conventional zoning districts. Both processes are expedited for affordable housing.
- The Land Development Code also provides reduced parking requirements for Assisted Living Facilities, Continuing Care Facilities, Independent living facilities, including group quarters, health care, social services and similar uses.

This incentive is authorized by:

- 2017/2018-2019/2020 Local Housing Assistance Plan – Page 30
- Lee County Comprehensive Plan
 - Policy 2.6.2
 - Objective 11.2
- Lee County Land Development Code
 - Section 10-104
 - Section 34-373
 - Section 34-411
 - Section 34-715
 - Section 34-845
 - Section 34-2020

3. AHAC Recommendation: Continue strategy.

4. Implementation: Ongoing, the strategy is functioning as intended.

Flexible Lot Configurations

420.9076(4)(g): The allowance of flexible lot configurations, including zero-lot-line configurations for affordable housing.

1. Meeting Synopsis:

Staff provided a brief presentation outlining the incentive, existing strategy and the staff recommendation. The AHAC motioned to recommend continuing the existing strategy.

2. Existing Strategy:

The Land Development Code provides several avenues for the allowance of flexible lot configurations, including zero-lot-line configurations.

- The Mixed Use Overlay (MUO) is an incentive program that identifies conventionally zoned lands located along corridors where the infrastructure and services are in place. Mixed uses are encouraged and properties within the MUO are allowed to develop/redevelop with reduced parking, setbacks, open space and landscaping standards.
- The planned development rezoning process allows for flexible development design standards through deviations. The approval allows for property development regulations, such as lot configuration, setbacks, roadway and parking designs that are tailored to the specific project.
- Similar to the deviation process, variances are available for conventional zoning districts. Both processes are expedited for affordable housing.

This incentive is authorized by:

- 2017/2018-2019/2020 Local Housing Assistance Plan – Page 30
- Lee County Comprehensive Plan
 - Objective 11.2
 - Policy 135.4.15
- Lee County Land Development Code
 - Section 10-104
 - Section 34-268
 - Section 34-373
 - Section 34-411
 - Section 34-715
 - Section 34-845

3. AHAC Recommendation: Continue strategy.

4. Implementation: Ongoing, the strategy is functioning as intended.

Modification of Street Requirements

420.9076(4)(h): The modification of street requirements for affordable housing.

1. Meeting Synopsis:

Staff provided a brief presentation outlining the incentive, existing strategy and the staff recommendation. The AHAC motioned to recommend continuing the existing strategy.

2. Existing Strategy:

The Land Development Code provides several avenues for the modification of street requirements.

- The planned development rezoning process allows for flexible development design standards through deviations. The approval allows for property development regulations, such as lot configuration, setbacks, roadway and parking designs that are tailored to the specific project.
- Similar to the deviation process, variances are available for conventional zoning districts. Both processes are expedited for affordable housing.

This incentive is authorized by:

- 2017/2018-2019/2020 Local Housing Assistance Plan – Page 31
- Lee County Comprehensive Plan
 - Policy 135.4.15
- Lee County Land Development Code
 - Section 10-291(3)
 - Section 10-296(d)(2)
 - Section 34-268
 - Section 34-373
 - Section 34-412

3. AHAC Recommendation: Continue strategy.

4. Implementation: Ongoing, the strategy is functioning as intended.

Review of New Regulations That May Increase Housing Costs

420.9076(4)(i): The establishment of a process by which a local government considers, before adoption, policies, procedures, ordinances, regulations, or plan provisions that increase the cost of housing.

1. Meeting Synopsis:

Staff provided a brief presentation outlining the incentive, existing strategy and the staff recommendation. The AHAC motioned to recommend continuing the existing strategy.

2. Existing Strategy:

Lee County created an Executive Regulatory Oversight Committee with the responsibility to review and consider the impact of development regulations being considered for adoption on the cost of development. This incentive is authorized by:

- 2017/2018-2019/2020 Local Housing Assistance Plan – Page 31
- Lee County Comprehensive Plan
 - Policy 135.1.3
 - Policy 158.6.1
 - Policy 158.6.2
 - Lee County Administrative Code AC2-22: Executive Regulatory Oversight Committee (EROC)

3. AHAC Recommendation: Continue strategy.

4. Implementation: Ongoing, the strategy is functioning as intended.

Inventory of Public Lands Suitable for Affordable Housing

420.9076(4)(j): The preparation of a printed inventory of locally owned public lands suitable for affordable housing.

1. Meeting Synopsis:

Staff provided a brief presentation outlining the incentive, existing strategy and the staff recommendation. The AHAC motioned to recommend continuing the existing strategy.

2. Existing Strategy:

The Department of County Lands reviews County owned surplus real estate for possible disposal either by donation or sale, as the case may be, for disposition of governmentally owned real estate. The Department of County Lands regularly makes available its inventory of public lands for evaluation by government agencies and non-profit and for-profit affordable housing providers for the construction and development of affordable housing. This incentive is authorized by:

- 2017/2018-2019/2020 Local Housing Assistance Plan – Page 32
- Florida Statutes 125.35 and 125.38
- Lee County Ordinance 02-34: Lee County Surplus Lands

3. AHAC Recommendation: Continue strategy.

4. Implementation: Ongoing, the strategy is functioning as intended.

Support of Development near Transportation Hubs

420.9076(4)(k): The support of development near transportation hubs and major employment centers and mixed-use developments.

1. Meeting Synopsis:

Staff provided a brief presentation outlining the incentive, existing strategy and the staff recommendation. The AHAC motioned to recommend continuing the existing strategy.

2. Existing Strategy:

Contiguous and compact growth patterns are promoted through the rezoning process to contain urban sprawl, minimize energy costs, conserve land, water, and natural resources, minimize the cost of services, and prevent development patterns where large tracts of land are by-passed in favor of development more distant from services and existing communities.

The Mixed Use Overlay (MUO) supports redevelopment located within areas that have existing services and infrastructure. The MUO allows properties within the designated areas to develop under the conventional zoning district with reduced regulations. The required open space is reduced by 50%, buffer widths and setbacks are reduced, up to 60% of the parking space requirement is reduced, allows for increased heights, and there are no maximum lot size or coverage requirements. This incentive is authorized by:

- 2017/2018-2019/2020 Local Housing Assistance Plan – Page 32
- Lee County Comprehensive Plan (Lee Plan)
 - Goal 2
 - Objective 2.1
 - Policy 2.1.1
 - Objective 2.2
 - Policy 5.1.6
 - Policy 5.1.7
 - Policy 5.1.8
 - Objective 11.2
- Lee County Land Development Code
 - Section 2-41

3. AHAC Recommendation: Continue strategy.

4. Implementation: Ongoing, the strategy is functioning as intended.