



CITY OF FORT LAUDERDALE

# Affordable Housing Reinvestment Program



# Affordable Housing Incentives

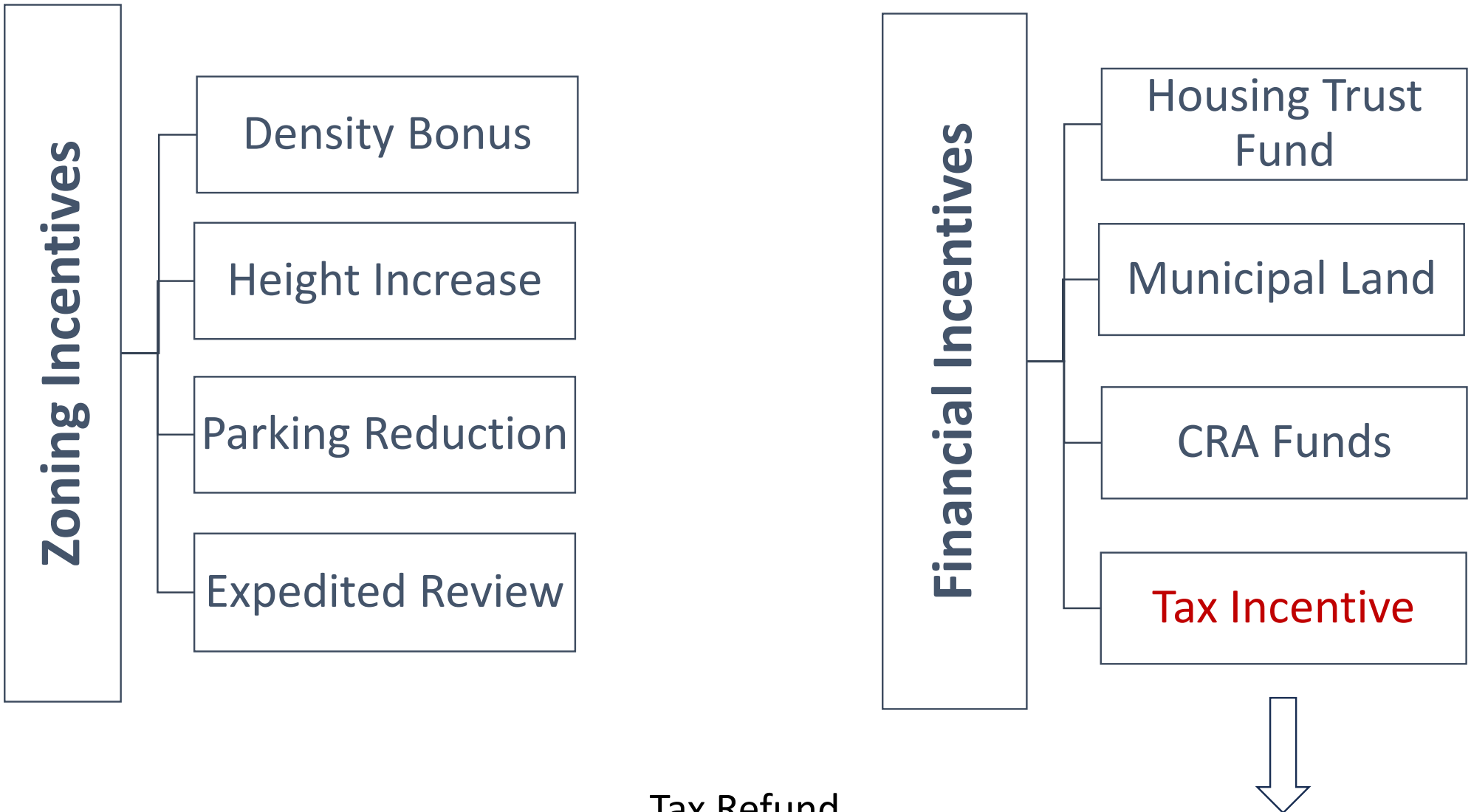
## Objectives

- Introduce the concept of a financial incentive for affordable and workforce housing
- Highlight key policy considerations and information needed from applicant
- Walk through an example of what an incentive agreement may look like
- Receive City Commission input and feedback to help craft policy



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## Tax Refund

Developments providing affordable housing units are eligible to receive a tax refund based on the **City's** annual assessed ad valorem tax value of the property.



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# Tax Refund Policy Example

## Key Considerations

- Public Benefit – does the project meet a Commission goal or provide a demonstratable public benefit.
- Set Aside Requirement – the percentage of units that will be deed restricted for certain income levels.
- Mix of affordable/workforce housing – project will contain a mix of units that are restricted based on occupant's income level as well as market rate units. Affordable is generally considered up to 120% AMI.
- Amount of incentive – based on a need analysis provided by applicant and reviewed by City staff or outside entity.
- Payment term – incentive to be provided annually based upon an agreed upon percentage of the annual increase in the City's portion of the property's ad valorem assessment.

## Required Information

- Application
- Request (term sheet)
- Conceptual site plan
- Need Analysis
- Demonstrate public benefit
- Qualifications of development team to develop and sustain the project



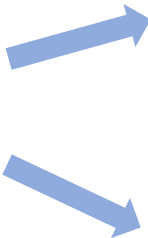
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# Tax Refund Policy Example



## Tax Refund Example

**50%  
Affordability  
Requirement**



**25% of Units at or  
below 80% of the  
MFI**

**25% of Units at  
80% - 100% of the  
MFI**



- **\$5,000,000**  
(Value of benefit based on a needs analysis)
- Developer receives an incentive equal to the value of 50% of annual tax increment.
- Term meets affordability deed restriction.

### Requirements

- 30 Year Deed Restriction
- Tax Refund Agreement
- Affordable Development Plan and Agreement



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**Feedback / Questions**



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