



CITY OF FORT LAUDERDALE
City Commission Agenda Memo
REGULAR MEETING

#23-0909

TO: Honorable Mayor & Members of the
Fort Lauderdale City Commission

FROM: Greg Chavarria, City Manager

DATE: October 3, 2023

TITLE: Resolution Establishing an Affordable/Workforce Housing Tax
Reimbursement Program **(Commission Districts 1, 2, 3 and 4)**

Recommendation

Staff recommends the City Commission adopt a resolution establishing an Affordable/Workforce Housing Ad Valorem Tax Reimbursement Program.

Background

On August 22, 2023, the Development Services Department made a presentation outlining how city ad valorem tax revenue could be used to provide an incentive to affordable housing developments. The Affordable/Workforce Housing Ad Valorem Tax Reimbursement Program (Program) would support development projects that include affordable housing units.

Currently affordable housing projects in Fort Lauderdale have received financial support through the Affordable Housing Trust Fund (Trust Fund), funding through Housing & Community Development programs (HUD) or the Northwest-Progresso-Flagler Heights Community Redevelopment Area (NPF CRA). Opportunities to access these funding sources are limited due to available funds or geographic location. The Affordable/Workforce Housing Ad Valorem Tax Reimbursement Program creates an alternative financial option that strengthens the city's ability to support affordable housing projects from the tax investment revenue generated by each project.

Program Overview

The Affordable/Workforce Housing Ad Valorem Tax Reimbursement Program is focused on creating affordable housing units throughout the City of Fort Lauderdale. The Program can support mixed-income projects, containing both affordable and market rate units. Affordable units shall be restricted to households with incomes at or below one hundred and twenty percent (120%) of the median family income, with a thirty (30) year deed restriction. To accommodate the unique attributes of each project, funding requests will be reviewed based on the merits of the proposal and demonstration of public benefit for program eligibility. The financial reimbursement amount and payment terms shall be determined after review and recommendation by city staff. The annual distribution of ad valorem taxes is based on the availability of funds and shall be determined by the agreement between the city and developer. Approval of a development agreement, including the amount, terms and schedule of ad valorem tax reimbursement requires

approval by the City Commission. The program is automatically repealed on October 1, 2026, unless reenacted by the City Commission.

Application Procedure

Program applicants are required to submit an application to the Development Services Department (DSD). DSD staff will review each application for completeness, and if needed use outside assistance to quantify and confirm an ad valorem tax reimbursement award. A complete application shall include the following:

- Application Fee
- Conceptual Site Plan
- Narratives Demonstrating Public Benefit and Developers Qualifications
- Needs Analysis
- Term Sheet
- Affordable Housing Development Plan

Resource Impact

The amount of funds allocated for reimbursement is unspecified and will be determined annually by the City Commission based on the availability of funding.

Strategic Connections

This item is a *2022 Top Commission Priority*, advancing Homelessness and Housing Opportunities.

This item supports the *Press Play Fort Lauderdale 2024* Strategic Plan, specifically advancing:

- The Neighborhood Enhancement Focus Area
- Goal 4: Build a thriving and inclusive community of neighborhoods.
- Objective: Ensure a range of affordable housing options

This item advances the *Fast Forward Fort Lauderdale 2035* Vision Plan: We Are Community, and We Are Prosperous.

This item supports the *Advance Fort Lauderdale 2040* Comprehensive Plan specifically advancing:

- The Neighborhood Enhancement Focus Area
- The Housing Element
- Goal 1: The Comprehensive Plan shall support the provision of adequate sites for future housing, including affordable workforce housing.

Attachments

Exhibit 1 – Resolution

Exhibit 2 – August 22, 2023, Presentation

Prepared by: Adam R. Schnell, Urban Planner III, Development Services Department

Department Director: Christopher Cooper, AICP, Development Services Department