



City of Fort Lauderdale

AFFORDABLE HOUSING ADVISORY COMMITTEE 2015 Affordable Housing Incentive Report

Prepared for:
The Florida Housing Finance Corporation

Prepared by:
Affordable Housing Advisory Committee

INTRODUCTION

In 2007, the Florida Legislature passed HB 1375, mandating that the Florida Housing Finance Corporation (FHFC) require each local municipality and county receiving State Housing Initiatives Partnership (SHIP) funds to reestablish an Affordable Housing Advisory Committee (AHAC). The AHAC is required by Florida State Statute 420.9072(2)(b)4 and the FHFC is the State Agency responsible for the SHIP Program. The City of Fort Lauderdale, as a recipient of SHIP funds, is required to comply with this requirement for the reestablishment of the AHAC. An original AHAC was established in 1993 but later dissolved.

The SHIP Program was created as a result of the William E. Sadowski Affordable Housing Act passed by the Florida Legislature in 1992. This legislation authorized the allocation of tax revenues under Chapter 201, Florida Statutes, and allocates such funds to counties and eligible municipalities for use in affordable housing programs.

The duties and makeup of this Affordable Housing Advisory Committee are outlined in Section 420.9076(2) of the Florida Statutes and requires the City to appoint persons to serve from the following disciplines:

- a. One citizen who is actively engaged in the residential home building industry in connection with affordable housing.
- b. One citizen who is actively engaged in the banking or mortgage banking industry in connection with affordable housing.
- c. One citizen who is who is a representative of those areas of labor engaged in home building in connection with affordable housing.
- d. One citizen who is actively engaged as an advocate for low-income persons in connection with affordable housing.
- e. One citizen who is actively engaged as a for- profit provider of affordable housing.
- f. One citizen who is actively engaged as a not-for-profit provider of affordable housing
- g. One citizen who is actively engaged as a real estate professional in connection with affordable housing
- h. One citizen who actively serves on the local planning agency.
- i. One citizen who resides within the jurisdiction of the local governing making the appointments.
- j. One citizen who represents employers within the City of Fort Lauderdale.
- k. One citizen who represents essential services personnel as defined in the local housing assistance plan.

This Committee is charged with the responsibility to review established policies and procedures, ordinances, land development regulations and the adopted comprehensive plan of the City of Fort Lauderdale and recommend specific actions or initiatives to encourage or facilitate affordable housing while protecting the ability of the property to appreciate in value and to evaluate the implementation of affordable incentives triennially.

The City of Fort Lauderdale appointed this Committee on June 17, 2008 by Resolution 08-129 (Exhibit 1).

DEFINITION FOR AFFORDABLE HOUSING

The Affordable Housing Advisory Committee (AHAC) recommends that the City Commission formally adopt a definition for affordable housing for the City of Fort Lauderdale. We recommend that the City adopt the same definition for “affordable” as defined by Chapter 420, Florida Statutes:

Affordable means that monthly rents or monthly mortgage payments including taxes, insurance, and utilities, do not exceed 30 percent of the median adjusted gross annual income for extremely low, very low, low, and moderate income households.

Extremely low means one or more natural persons or a family whose total annual household income does not exceed 30 percent of the median annual adjusted gross income for households within the city.

Very low means one or more natural persons or a family whose total annual household income does not exceed 50 percent of the median annual adjusted gross income for households within the city.

Low means one or more natural persons or a family whose total annual household income does not exceed 80 percent of the median annual adjusted gross income for households within the city.

Moderate means one or more natural persons or a family whose total annual household income does not exceed 140 percent of the median annual adjusted gross income for households within the city.

CITY OF FORT LAUDERDALE 2015 INCOME LIMITS					
AMI \$63,300	Extremely Low-30%	Very Low 50%	Low 80%	Moderate 120%	Moderate 140%
1 Person	\$14,550	\$24,200	\$38,750	\$58,080	\$67,760
2 Person	\$16,600	\$27,650	\$44,250	\$66,360	\$77,420
3 Person	\$20,090	\$31,100	\$49,800	\$74,640	\$87,080
4 Person	\$24,250	\$34,550	\$55,300	\$82,920	\$96,740
5 Person	\$28,410	\$37,350	\$59,750	\$89,640	\$104,580
6 Person	\$32,570	\$40,100	\$64,150	\$96,240	\$112,280
7 Person	\$36,730	\$42,850	\$68,600	\$102,840	\$119,980

PART I

CURRENT CITY INITIATIVES

CURRENT AFFORDABLE HOUSING INITIATIVES

The City of Fort Lauderdale, as a recipient of SHIP funds, originally adopted an Affordable Housing Incentive Plan, which set forth the following Affordable Housing Initiatives:

- > Expedited Permitting Process: The City adopted Ordinance #C-98-64 which designates an “expeditor” who has the responsibility for expediting applications in accordance with the Ordinance. The City has identified the Assistant Building Official as the “expeditor. Developers and Contractors can access this incentive by advising the Building Division that they are constructing affordable housing at the time of applying for a building permit. If the Developer or Contractor is working with the Housing and Community Development Division(HCD), HCD staff will assist them to get their permit expedited.
- > Modification of Impact Fees: The City, through its Housing and Community Development Division, provides Fee Waiver Assistance in conjunction with its Infill Housing Program that provides up to \$7,500 to offset predevelopment costs (permits, park impact fees, etc). The City also refers these applicants to Broward County Government and the School Board of Broward County for additional considerations for waiver/modification of fees.
- > Ongoing process for the review of local policies, ordinances, regulations, and comprehensive plan provisions that significantly impact the cost of housing. This ongoing review is being conducted by the Community Services Board.

The Urban Design & Planning Division works with the HCD to oversee this initiative.

Further, the City of Fort Lauderdale, under the 2016-2019 SHIP Local Housing Assistance Plan, provides assistance to City residents through the following housing strategies:

1. Down Payment Assistance for income eligible first-time homebuyers for the purchase of a new or existing home;
2. Down payment assistance to buyers of newly constructed or existing community land trust homes.
3. Assistance for the substantial rehabilitation or replacement of their existing home;
4. Fee Waiver Assistance to offset developer predevelopment costs in conjunction with our Infill Housing Program;
5. Financial Assistance to owners of rental property to rehabilitate rental units that are leased to income eligible City residents; and
6. Disaster Recovery Funds for those City residents who experience loss or damage to their homes due to hurricanes.

PART II

RECOMMENDATIONS

City of Fort Lauderdale
Affordable Housing Advisory Committee
2015 Incentive Review and Recommendation Report

I. Background Information:

The City of Fort Lauderdale's Affordable Housing Advisory Committee (AHAC) was adopted by Ordinance C-08-24 on June 3, 2008. The original appointees to this Committee were made by Resolution No. 08-129 on June 17, 2008. The current Committee members include:

Name	Category
Kenneth Dalton	Represents employers in the City of Fort Lauderdale
Peter Cooper	One additional member
Skeet Jernigan	Labor in home building in connection with affordable housing
Edwin Parke	Banking or mortgage industry in connection with affordable housing
Amanda Spangler	Not-For-Profit provider of affordable housing
Brian Poulin	For-Profit provider of affordable housing
Roosevelt Walters	Essential Services Personnel as defined in the City's Housing Assistance Plan
Bradley Deckelbaum	Real Estate Professional in connection with affordable housing
Jonathan Jordan	Residential Home Building Industry in connection with affordable housing
Chenara Anderson	Resides in the city
Rosalind Osgood	Advocate for low-income persons in connection with affordable housing
Roderick C. Kemp	Active in local community improvement activities

AHAC's meetings are held monthly at the City of Fort Lauderdale Building Services, located at 700 NW 19th Avenue, Fort Lauderdale, FL 33311.

Currently AHAC has reviewed and provided comments to the City's for the proposed Affordable Housing Policy and Affordable Housing Study. Also, the Committee discussed a number of affordable housing issues ranging from expedited permitting, development of affordable housing near major transportation corridors to Inclusionary Zoning.

Additionally, the Committee was provided an overview of the City's current affordable housing programs/strategies included in the LHAP and copy of the Affordable Housing Incentives a thru k as listed in F.S. 420.9072 .

II. Public Hearing:

List the Public Hearing information; the date and time of the public hearing and a synopsis of public input. Include the names of those who spoke during the public hearing, if any.

The Public Meeting before the Affordable Housing Advisory Committee was convened on October 7, 2015 at 6:00pm in the City Commission Chambers.

<u>Name of Commenter</u>	<u>Comments</u>
Laura Croscenco of Middle River Terrace	Homeowner Associations should Provide input for Affordable Housing developed in their Neighborhoods.

The Public Hearing was held before the City Commission of the City of Fort Lauderdale on November 17, 2015 at 6:00pm in the City Commission Chambers. The following is a summary of the Public comments received:

(To be included)

III. Incentives & Recommendations:

Executive Summary

The purpose of the State's SHIP Program is to provide funds to local governments as an incentive for the creation of local housing partnerships, to expand production of and preserve affordable housing, to further the housing element of the local government comprehensive plan specific to affordable housing and to increase housing-related employment.

With this purpose in mind, the City of Fort Lauderdale's Affordable Housing Advisory Committee worked to create incentive recommendations that enhance the City's current affordable housing initiatives.

Eleven (11) incentives as set forth in State requirements were discussed. Recommendations are provided for eight (8) of these incentives as well as seven (7) additional suggestion to the City Commission for adoption. The AHAC proposes that priority consideration be given for the following incentives:

- Creation of an Affordable Housing Trust Fund.
- Utilization of City-owned property as affordable housing by:
 - Donating or discounting property or
 - Utilizing 100% of net proceeds from the sale of any residential property and 15% of net proceeds from the sale of commercial and industrial lots for affordable housing.

The following is the summary of the discussion of the required 11 incentives and the recommendations for each:

- a. Incentive: The processing of approvals of development orders or permits, as defined in s. 163.3164(7) and (8), for affordable housing projects is expedited to a greater degree than other projects.

Review Synopsis: The Committee discussed:

- 1. The City's current process for expediting affordable housing projects, which includes:

A "point person" (either the Housing and Community Development Manager for projects receiving funds from the City or the Assistant Building Official for other affordable housing projects) to assist developers through the process.

- 2. The highlighting of affordable housing projects in the permitting system.

Recommendation: The Committee recommended that the City:

- 1. Continue to have the Assistant Building Official serve as the point person for affordable housing projects.
- 2. Coordinate with the Housing and Community Development Manager when appropriate.
- 3. Continue to clearly highlight affordable housing projects so that they can be identified in the new permit system.
- 4. Review and track progress to ensure efficiency.

Commission Action: TBD

- b. Incentive: The modification of impact-fee requirements, including reduction or waiver of fees and alternative methods of fee payment for affordable housing.

Review Synopsis: The Committee discussed:

- 1. The City's current Fee Waiver Assistance Strategy through SHIP.
- 2. The possibility of using additional sources of funds, including funds deposited into an Affordable Housing Trust Fund and resources from the CRA, to cover impact fees for affordable housing projects.
- 3. The possibility of City deferring or exempting impact fees in conjunction with the development of affordable/workforce housing.
- 4. Utilize fee waivers as an incentive for developers to build

Recommendation: The Committee recommended that the City:

1. Utilize alternative methods of fee payments for affordable housing, including SHIP, funds deposited into an Affordable Housing Trust Fund, and CRA dollars.
2. Provide fee waivers and reductions, where possible, for affordable housing projects.

Commission Action: TBD

- c. Incentive: The allowance of flexibility in densities for affordable housing.

Review Synopsis: The Committee discussed:

1. The allowance of density bonuses in housing development will enhance the capacity for additional affordable units to be built within the City of Fort Lauderdale.
2. There are currently no caps on density within the RAC.

Recommendation: The Committee recommended that the City:

1. Utilize density bonuses as an incentive for developers to build affordable housing (i.e. Inclusionary Zoning).
2. Allow maximum density (no restrictions) for affordable housing projects within the RAC.
3. Consider requests for density bonus in other zoning districts on a case-by-case basis as allowed by City code, depending upon the merits of the affordable housing development project.

Commission Action: TBD

- d. Incentive: The reservation of infrastructure capacity for housing for very-low-income persons, low-income persons, and moderate-income persons.

Review Synopsis: The Committee discussed:

1. Current infrastructure projects, such as the sewer lines, in low-income neighborhoods.

Recommendation: No recommendation.

Commission Action: N/A

- e. Incentive: The allowance of accessory residential units in residential zoning districts.

Review Synopsis: The Committee discussed:

1. The definition of accessory residential units.

Recommendation: No recommendation.

Commission Action: N/A

- f. Incentive: The reduction of parking and setback requirements for affordable housing.

Review Synopsis: The Committee discussed:

1. The need to establish criteria to reduce parking requirements for affordable housing developments, particularly in areas near mass transit and the future Wave streetcar system.

Recommendation: The Committee recommended that the City:

1. Establish criteria to reduce parking requirements, including availability of mass transit, off site parking, proximity to downtown, and percentage of affordable units.
2. Utilize reduction of parking and setback requirements as an incentive for developers to build affordable housing (i.e. Inclusionary Zoning).
3. Reduce parking requirements for affordable housing developments.

Commission Action: TBD

- g. Incentive: The allowance of flexible lot configurations, including zero-lot line configurations for affordable housing.

Review Synopsis: The Committee discussed:

1. The need for flexibility in the development of affordable housing, particularly on smaller lots and awkward sized properties.
2. The allowance of flexible lot configurations and zero lot-lines will encourage development in low-income areas.

Recommendation: The Committee recommends that the City:

1. Allow flexible lot configurations for affordable housing projects on a case-by-case basis.

Commission Action: TBD

- h. Incentive: The modification of street requirements for affordable housing.

Review Synopsis: The Committee discussed:

1. The determination of street requirements was beyond their scope.

Recommendation: No recommendation.

Commission Action: TBD

- i. Incentive: The preparation of a printed inventory of locally owned public lands suitable for affordable housing.

Review Synopsis: The Committee discussed:

1. The State requirement to create a list of surplus lots appropriate for affordable housing.
2. The need to consider all lots in all neighborhoods so that the City does not concentrate poverty in the Northwest corridor.
3. Previous recommendations to the City Commission for utilization of City-owned property for affordable housing.

Recommendation: The Committee recommends that the City:

1. Consider ALL lots in City's inventory for affordable housing;
2. Place 100% of net proceeds from the sale of any residential property and 15% of net proceeds from the sale of commercial and industrial lots into an Affordable Housing Trust Fund;
3. Donate or discount City-owned properties for affordable housing;
4. Give priority to nonprofit and experience affordable housing developers;
5. Place properties into immediate use as affordable housing or into a land bank for future affordable housing development;
6. Reserve affordable housing for low and moderate households, with 25% set-aside for very low-income households;
7. Provide a variety of housing opportunities, including rental, lease-purchase and homeownership; and
8. Create a permanent source of affordable housing through a community land trust or deed restriction.

Commission Action: TBD

- j. Incentive: 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.

Review Synopsis: The Committee discussed:

1. City's commitment to set-aside 15% of new flex units in the downtown as affordable housing.
2. Previous recommendations to the City Commission for Inclusionary Zoning, including set-aside of 10-15% of all residential units in

buildings larger than 10 units as affordable housing for households below 80% AMI or a payment-in-lieu of \$100,000 per unit into the City's Affordable Housing Trust Fund.

Recommendation: The Committee recommends that the City:

1. Set-aside 15% of units in the RAC as affordable housing.
2. Adopt a mandatory inclusionary zoning ordinance.

Commission Action: TBD

- k. Incentive: The support of development near transportation hubs and major employment centers and mixed-use developments.

Review Synopsis: The Committee discussed:

1. Previous recommendations to the City Commission for development of affordable housing near employment centers and transportation hubs.
2. The recent housing study and the Housing and Transportation Index.
3. The new Wave streetcar system.

Recommendation: The Committee recommends that the City:

1. Support, through land use and zoning requirements, the development of affordable housing that are mixed-income and mixed-use developments near transportation hubs and major employment centers.
2. Coordinate with Broward County.
3. Categorize areas near employment centers, existing transportation corridors, future transit routes and large tracts of land as "high priority for affordable housing".
4. Create an Affordable Housing Overlay District allowing high density and reduced building requirements.
5. Allow inclusionary zoning density bonuses to encourage affordable housing, particularly near employment and transportation.

Commission Action: TBD

IV. Additional Recommendations:

The Committee made these additional recommendations to the City Commission:

1. Create an Affordable Housing Trust Fund.

2. Designate a permanent source of funding for affordable housing to fund the Affordable Housing Trust Fund.
3. Give the Director of Sustainable Development authority to remove zoning barriers for the development of affordable housing.
4. Include Community Land Trusts (CLTs) as a strategy to provide a permanent source of affordable housing.
5. Support tax credit developments.
6. Establish public-private partnerships with nonprofit and for profit affordable developers.
7. Increase the capacity of nonprofit agencies as they work to develop affordable housing by conducting workshops, training, and direct assistance.
8. Adopt corresponding ordinances to implement the programs discussed in the affordable housing plan before the end of the fiscal year.

V. Board/Council Consideration:

The Affordable Housing Advisory Committee approved the above incentive strategy recommendations by an affirmative vote of the majority of membership at a public hearing that was convened on October 7, 2015, 6:00 p.m. at City Commission Chambers, 100 N. Andrews Avenue, Fort Lauderdale, Florida 33311

The Affordable Housing Advisory Committee Affordable Housing Incentive Report recommendations was submitted to the City of Fort Lauderdale City Commission on **November 17, 2015** for acceptance by **Resolution #_____** at their Regular meeting.