

Affordable Housing Advisory Committee
Meeting Agenda
November 9, 2011
1:00 p.m.
Clark Building Conference Room, 3rd Floor

Facilitators: Michelle Miller, Pasco County Community Development Division
Quanlin Hu, Pasco County Planning and Growth Management Department

- Call to Order
- Roll Call
- Introduction of Members not present at last meeting
- Approval of Meeting Minutes
- 2008 Recommendations – Additional Discussion
- Ranking of Affordable Housing Regulatory Obstacles
- Recommendations from DCA on Affordable Housing Incentives and Approaches
- Housing Element
- Open Discussion
- Confirm Next Meeting
- Call to Adjourn

Affordable Housing Barriers

Please Rank the Following Regulatory Obstacles to Affordable Housing from 1-11, with one having the greatest impact on ability to provide affordable housing, and 11 having the least impact.

- ___ Sidewalk requirements
- ___ Street width requirements
- ___ Setback requirements
- ___ Rehabilitation/reconstruction requirements
- ___ Parking requirements
- ___ Open space requirements
- ___ Minimum lot size requirements
- ___ Building height restrictions
- ___ Fee and dedication requirements
- ___ Administrative processing procedures
- ___ Modular/mobile construction requirements

Recommendations to Help in Furthering Affordable Housing Opportunities from the
Florida Department of Community Affairs

Linkage Programs and Inclusionary Zoning

Linkage programs and inclusionary zoning are land use planning techniques intended to address the notion that the private sector and new development should play a role in mitigating a community's affordable housing demand.

Linkage programs require new, non-residential development (i.e., industrial, commercial and office) to mitigate their impact on affordable housing. A linkage program must first establish through a nexus study that there is a link between new development and the need for additional affordable housing.⁴⁷ If the nexus study demonstrates there is a need for non-residential development to mitigate its affordable housing impacts, a proportional fee system is then developed and is intended to meet the requirements established by the U.S. Supreme Court in *Dolan v. City of Tigard*, 512 U.S. 374 (1994).

Of those surveyed, the data show that only two local governments - Coconut Creek and Winter Park - have a linkage ordinance, and more specifically, an affordable housing linkage fee. The purpose/intent of the Coconut Creek linkage program is stated simply to fund the affordable housing program. On the other hand, the linkage fee ordinance for Winter Park offers multiple reasons for the adoption of the ordinance, from promoting the public health, safety and general welfare, to ensuring that the developer pays for its fair share of development.

Inclusionary zoning requires developers to make available, in new residential developments, a certain number of housing units that will be affordable to a targeted population, usually low- and moderate income households. In exchange, the developer is provided nonmonetary compensation, such as density bonuses, zoning variances, and/or expedited permits.

Accessory Dwelling Units:

In 2004, the Florida Legislature revised the Growth Management Act of 1985 to include a section (§163.31771, F.S.) to promote the use of accessory dwelling units as an affordable, rental option for very-low-, low-, and moderate-income residents. Section 163.31771, F.S., was amended in 2006 to include extremely-low-income residents.

Section 163.31771(2)(a), F.S., defines an accessory dwelling unit as "an ancillary or secondary living unit, that has a separate kitchen, bathroom, and sleeping area, existing either within the same structure, or on the same lot, as the primary dwelling unit." Accessory dwelling units are also known as accessory apartments, garage apartments, granny flats, and mother-in-law flats.

Examples of Linkage Programs

Town Center or Downtown Neighborhood (except for any development in the interim C-2 General Commercial Zoning District), whichever occurs first. Such conveyance shall be subject to Section 5.(u)(3) of this DO.

q. Health Care/Police/Fire

(1) The County shall provide fire and emergency medical services to the Project. The County Sheriff's Office shall provide law enforcement services to the Project. The Applicant/Developer shall be required to pay impact fees for all such services as required by County ordinance.

(2) The Project shall be constructed to meet or exceed State and local fire codes and regulations. Prior to the issuance of Building Permits, the Applicant/Developer shall provide assurance that the buildings, excluding residential or other buildings not otherwise required to be sprinklered, will be supplied with sprinkler systems and that functioning fire hydrants in sufficient number and appropriate locations to accommodate the firefighting operations will be provided.

(3) The Applicant/Developer shall review the concepts of "Firewise Communities" (<http://www.firewise.org/>), as provided by the Florida Division of Forestry, and implement all applicable measures to the extent such requirements do not conflict with the LDC, Sections 602 and 603, as amended.

r. Hurricane Preparedness

(1) The Applicant/Developer shall coordinate with the Pasco County Emergency Services Department regarding incorporation of hurricane and wind-resistant technology into the design criteria of all development. The Applicant/Developer shall comply as applicable with the Pasco County Hurricane Mitigation for New Development in the Hurricane Vulnerability Zone and for New Mobile Homes Ordinance, No. 04-42, adopted September 21, 2004.

s. Housing

(1) With respect to the various buildings actually constructed within Phases I through III of the Project, the Applicant/Developer has voluntarily opted to provide ten (10) percent of the built residential units within each increment of development as affordable-housing units (for a total of 429 units) (Affordable Housing Obligation).

(2) The terms "affordable" or "affordable price," for purposes of this section, shall mean a price that is affordable to a household with a median income that does not exceed 120 percent of the median income for the Tampa-St. Petersburg-Clearwater Standard Metropolitan Statistical Area (SMSA). For a housing unit to qualify as "affordable," the housing unit, or the larger development that includes the housing unit, must be designated as affordable by the County's Community Development Manager consistent with the foregoing definition and applicable Federal, State, and local income and expense criteria for affordable housing and the housing unit must be sold to a family that satisfies the foregoing income criteria as determined by the County's Community Development Manager. The terms "workforce," "low income," and "very low income," for the purposes of this section, shall be defined as follows:

(a) Workforce: The category of workforce shall be defined as a household with a median income that is within the range of eighty (80) percent to less than 120 percent of the median income for the Tampa-St. Petersburg-Clearwater SMSA (Workforce).

(b) Low Income: The category of low income shall be defined as a household with a median income that is within the range of fifty (50) percent to less than eighty (80) percent of the median income for the Tampa-St. Petersburg-Clearwater SMSA (Low Income).

(c) Very Low Income: The category of very low income shall be defined as a household with a median income that is within the range of less than fifty (50) percent of the median income for the Tampa-St. Petersburg-Clearwater SMSA (Very Low Income).

(3) The Applicant/Developer may satisfy the Affordable Housing Obligation and receive credit toward the 429 units as follows:

(a) Assumable equity mortgage for affordable units provided on site:

(i) Any entity within the Project that sells a housing unit at an affordable price with an assumable equity mortgage satisfying the requirements of this subsection shall be entitled to a credit toward the Affordable Housing Obligation at the time the assumable equity mortgage is assigned to and accepted by the County. An assumable equity mortgage is a mortgage equivalent to the difference in value between the affordable price for the housing unit and the appraised market price for the housing unit at the time it is sold and provided to the seller of the housing unit in consideration for the seller agreeing to sell the housing unit at a reduced affordable price, which is sometimes referred to as an equity mortgage. In the event there is no difference in value between the affordable price for the housing unit and the appraised market price, but the market price is at or below the pricing threshold within each affordable-housing category of Workforce, Low Income, or Very Low Income in effect at the time of the sale, and such sales price and threshold is verified by the County's Community Development Manager, the County will accept an assumable equity mortgage for an amount no less than the equivalent value of one (1) housing unit, as calculated pursuant to the formula below (Equivalent Housing Unit Value), adjusted by the ratios below for Low Income and Very Low Income, if applicable. To qualify for a credit against the Affordable Housing Obligation, the assumable equity mortgage must 1) be a recorded, assignable, and assumable first or second mortgage on the property; 2) require repayment at closing in the event the housing unit is resold at a price that is not affordable; 3) have a value that is no less than the Equivalent Housing Unit Value; and 4) is sold to a household that earns less than 120 percent of the adjusted median income for the Tampa-St. Petersburg-Clearwater SMSA. In the event of a repayment of an assumable equity mortgage, the County shall utilize the repayment proceeds in accordance with Subsection s.(6). Each affordable-housing unit sold in accordance with this subsection shall be creditable toward the Affordable Housing Obligation as follows:

1) Each assumable equity mortgage assigned and accepted by the County in the Workforce category shall count toward one (1) unit of the Affordable Housing Obligation. The assumable equity mortgage value shall be the Equivalent Housing Unit Value.

2) Each assumable equity mortgage assigned and accepted by the County in the Low Income category shall count toward two (2) units of the Affordable Housing Obligation. The assumable equity mortgage value shall be two (2) times the Equivalent Housing Unit Value.

3) Each assumable equity mortgage assigned and accepted by the County in the Very Low Income category shall count toward three (3) units of the Affordable Housing Obligation. The assumable equity mortgage value shall be three (3) times the Equivalent Housing Unit Value.

(b) Donation or reduced sale of land or lots to a County-sponsored, affordable-housing, nonprofit corporation:

(i) Any entity within the Project that donates or sells for a reduced price land or lots to a County-sponsored, affordable-housing, nonprofit corporation to construct affordable-housing units (Nonprofit) shall be entitled to a credit against the Affordable Housing Obligation at the time the land or lot is conveyed to the Nonprofit and the value and unit yield of the land or lot(s) is confirmed in writing by the County's Community Development Manager consistent with the credit calculation set forth below. To be eligible for credit, the land or lot(s) conveyed to the Nonprofit must be acceptable to the County's Community Development Manager.

(ii) Unless the Countywide Affordable Housing Ordinance discussed in Subsection s.(9) allows for a different credit amount, the amount of units creditable toward the Affordable Housing Obligation for land or lots donated or sold for a reduced price to a Nonprofit shall equate to the actual appraised market value of the land or lots conveyed less the price paid by the Nonprofit, not to exceed Thirty Thousand and 00/100 Dollars (\$30,000.00), divided by the Equivalent Housing Unit Value. In the event the conveyance involves land for more than one (1) lot or more than one (1) dwelling unit and can be built on the land conveyed, the maximum dollar value credit shall be Thirty Thousand and 00/100 Dollars (\$30,000.00) multiplied by the maximum number of units that can be built on the property pursuant to the applicable DRI, Comprehensive Plan, zoning, and LDC requirements as determined by the Community Development Manager after consultation with the County Development Director (Land Donation Credit). The equivalent credit value toward the Affordable Housing Obligation shall be the Land Donation Credit divided by the Equivalent Housing Unit Value.

(iii) Credits shall be issued to the entity that either assigns the assumable equity mortgage in accordance with Subsection s.(3)(a), donates, or sells for a reduced price the land or lot(s) in accordance with Subsection s.(3)(b). Credits shall be issued by the County's Community Development Manager. Credits are only assignable within the Project, unless the Countywide Affordable Housing Ordinance discussed in Subsection s.(9) allows for assignment of credits to developments outside the Project.

(c) The establishment of a "community land trust" as defined by 42 USC § 12773 (f).

(d) A down payment or closing cost assistance program offered by the County, or offered by the Applicant/Developer or third parties, provided the program is approved by the County.

(e) Utilization of Low-Income, Housing Tax Credit (LIHTC); tax-free bond financing; or similar Federal or State programs that incentivize the private production of affordable housing. Any affordable units created through such programs will be assigned the same credits as described in Paragraphs s(3)(a)(i)(1)-(3).

(f) Such other affordable-housing product or program as determined as affordable by the County's Community Development Manager consistent with the foregoing definitions and applicable Federal, State, and local income and expense criteria for affordable housing.

(4) In the event, the Applicant/Developer for any reason cannot or does not provide the actual affordable-housing units or donate land to accommodate affordable housing pursuant to Subsection s.(3), the following cash-mitigation payments shall be required to address the Affordable Housing Obligation:

- \$100.00 Per Single-Family Residential Unit
- \$ 80.00 Per Multifamily Residential Unit or
ACLF Bed
- \$ 0.35 Per Gross Square Foot of Retail Space
- \$ 0.25 Per Gross Square Foot of Office Space or
Light Industrial Space

No cash mitigation shall be required for affordable-housing units provided in accordance with Subsection s.(3).

(5) The cash-mitigation payments, if any, shall follow the same procedure for payment of TIFs in the TIF Ordinance.

(6) The cash-mitigation payments, if any, shall be placed into a designated County account and shall be applied to County-approved, affordable-housing projects or programs within the Traffic Analysis Zone(s) in which the Project is located.

(7) The cash-mitigation payments, if any, shall be increased each year by a two (2) percent escalator.

(8) Cash-mitigation payments, if any, may only be used to satisfy the Affordable Housing Obligation set forth in this Subsection s and are not refundable or eligible for exchange for cash from the County, except to the extent the Countywide Affordable Housing Ordinance discussed in Subsection s.(9) allows for refunds.

(9) The County will proceed diligently and in good faith with development of an ordinance to adopt mandatory affordable-housing requirements throughout its jurisdiction, including DRI-level and sub-DRI level development projects, and to apply substantially consistent requirements as set forth herein to all other pending or future DRI projects within Pasco County, Florida, on a nondiscriminatory basis. If the County adopts affordable-housing requirements and the required contributions are higher than the contributions required in this DO, development within the Project that 1) has not been mitigated for pursuant to Subsection s.(3); 2) has not already paid the contribution amounts set forth in Subsection s.(4) above; or 3) is not otherwise exempt pursuant to the County Affordable Housing Ordinance, shall thereafter pay the higher ordinance amount instead of the cash-mitigation requirements in Subsection s.(4).

Unless the Countywide Affordable Housing Ordinance discussed in Subsection s.(9) allows for a different credit amount for each assumable equity mortgage assigned to the County, the Equivalent Housing Unit Value shall be determined in accordance with the following formula: $(\$100.00 \times \text{specifically approved, single-family units} + \$80.00 \times \text{specifically approved multifamily units} + \$0.35 \times \text{specifically approved retail square footage} + \$0.25 \times \text{specifically approved office square footage}) \div (\$0.10 \times \text{specifically approved total dwellings for the Project})$. For example, as the Project is specifically approved for the following entitlements: 2,870 single-family units; 1,415 multifamily units; 307,150 square feet of retail; 344,520 square feet of office; 170,000 square feet of light industrial; 100 motel rooms (estimated to convert to 32,500 square feet); 120 ACLF beds; and 16 theater screens (estimated to convert to 25,000 square feet), the amount of the credit for each assumable equity mortgage assigned to the County would be One Thousand Five Hundred Fifty-Four and 00/100 Dollars (\$1,554.00), computed as follows:

$$(2870 \times \$100 + 1,415 \times \$80 + 307,150 \times \$0.35 + 344,520 \times \$0.25 + 100 \times \$113.75 + 170,000 \times \$0.25 + 16 \times \$546.88 + 120 \times \$80) / 4285 \times .1.$$

(10) As an additional component of the Applicant/Developer's affordable-housing strategy, accessory dwelling units such as garage apartments, granny flats, and similar type units are hereby authorized for use in the Starkey Ranch DRI subject to the provisions of this subsection. The Applicant/Developer will not receive a specific credit for any accessory dwelling units actually provided against the Affordable Housing Obligation set forth above unless specifically approved by the County's Community Development Manager based upon data supplied by the Applicant/Developer. However, such accessory dwelling units shall not in any event be counted towards the maximum density requirements or entitlements under the DRI or MPUD Master Planned Unit Development District provided that such units satisfy the following requirements:

(a) Any owner or builder desiring to construct an accessory dwelling unit within the DRI will be required to pay applicable impact fees for the unit as ultimately approved by the County.

(b) The use of accessory dwelling units shall further be subject to the terms and conditions of the MPUD Master Planned Unit Development District approval for the Starkey Ranch DRI.

t. Historical and Archaeological

Should any historical or archaeological resources be encountered within the Project, measures shall be taken in coordination with the Florida Department of State, Division of Historical Resources, and the County to either protect and preserve the site(s) in place or to mitigate any adverse impacts consistent with the requirements in Rule 9J-2.043, FAC. The Applicant/Developer shall provide any reports of cultural resource activities and conduct any archaeological and/or historical fieldwork consistent with Rule 1A-46, FAC. In the event such reports identify mitigation of potential impacts, this DO shall be amended to incorporate any required mitigation through an NOPC. If any significant resources are found and it is determined that such resources qualify for designation of the County Register of Historic Resources, the Applicant/Developer shall initiate the designation process pursuant to the LDC, Section 315.

u. General Conditions

(1) Any outstanding amount for initial review by the TBRPC shall be paid within thirty (30) days after a detailed billing in accordance with the rule. Payment for any future activities of the TBRPC with regard to this development including, but not limited to, monitoring or enforcement actions, shall be paid to the TBRPC by the Applicant/Developer in accordance with the Rule 9J-2.0252, FAC.

(2) Should the Applicant/Developer divest himself of all or substantially all of its interest in the Project prior to the expiration of this DO, the Applicant/Developer shall designate the successor entity to be responsible for preparation of the biennial report.

(3) Unless required elsewhere herein, all conveyances shall occur at record plat, construction plan approval where a record plat is not required, or within ninety (90) days of the County's request, whichever occurs first. All conveyances pursuant to this DO shall be by deed or easement and shall include access easements, be in a form acceptable to the Real Estate Division, be excluded from the boundaries of all special districts, and be free and clear of all liens and encumbrances, including exemption from all covenants and deed restrictions. All stormwater-management plans, reports, or calculations for the Project shall include a detailed scope of design and permitting parameters and a signed and sealed certification that such plans, reports, or calculations comply with this condition.

(4) If there is an internal conflict between provision(s) of this DO, then the more stringent provision(s) shall prevail.

(5) In the event ordinances or resolutions are adopted by the BCC establishing County impact fees for the purpose of funding solid waste, public safety, and/or wildlife mitigation, the Applicant/Developer shall be required to pay the fees, subject to applicable credits, in accordance with the terms of the ordinance(s) or resolutions(s).

Florida Department of Community Affairs
Recommendations for Comprehensive Plan Housing Element

The Department has made 8 recommendations for improvement of the Housing Element. These are below:

1. The Future Land Use Maps do not explicitly identify adequate sites for affordable housing. In addition, the Elements do not contain an assessment of whether the allocated residential land use categories will be adequate for the development of affordable housing.
2. The Elements identify the number of substandard units that will be improved during the planning period, but do not contain tangible implementation activities or measurable outcomes to achieve the stated objective.
3. The Elements identify the number of new housing units that will be needed during the planning period. However, the Element should specify the number of units needed by income, including the number of affordable housing units that will be needed.
4. The Elements do not identify the role(s) the public and private sector will play to provide affordable housing, nor do they contain tangible implementation activities intended to produce affordable housing by each sector.
5. The Elements do not address requirements such as the integration of housing and public transit, schools, or recreation/open space.
6. Current and future population trends are identified in nearly every plan reviewed; however, very few plans have identified current and future employment trends.
7. Current and future efforts to preserve existing affordable housing units are not addressed in the Goals, Objectives, and Policies or the Data and Analysis sections.
8. A majority of the Elements rely solely on the Evaluation and Appraisal Report process as the only monitoring process.

A review of a random sample of local government Comprehensive Plans revealed the Housing Elements do not identify:

- The number of affordable housing units that will be needed in the planning period;
- Adequate sites for affordable housing that will be available during the planning period;
- The role(s) the public and private sectors will play to provide affordable housing;
- Techniques to integrating housing and public transit, schools, or open space;
- Tangible implementation activities that will be undertaken to reduce the number of substandard units in the community, maintain the stock of existing publicly financed affordable housing units, and provide additional affordable housing units.