

Pasco County, Florida

Affordable Housing Advisory Committee



Local Housing Incentive Plan Recommendations

Presented for Approval by Pasco County
Community Development Division
Planning and Growth Management Department

December 22, 2011

Affordable Housing Advisory Committee Members

The Honorable Commissioner Henry O. Wilson, Representing the Local Planning Agency

Joe Matissek, Representing the residential home building industry

Michael Pennings, Representing the banking or mortgage banking industry

Wendi Herzman, Designated advocate for low-income persons.

Katherine Britton, Representing the for-profit providers of affordable housing.

Greg Armstrong, Representing the real estate professionals.

Crystal Lazar, Resident of Pasco County.

David Lambert, Representing Employers.

Susannah Caum, Representing essential services personnel.

Lisa Rose-Mann, Representing the not-for-profit providers of affordable housing.

Steven Farrell, Representing those involved in labor.

Pasco County Staff

Michelle Miller, Community Development Specialist, Community Development Division

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Introduction

What is the Affordable Housing Advisory Committee?

The legislation that created Affordable Housing Advisory Committees (AHAC) was designed to develop the Local Housing Incentive Plans for local governments in 1990. However, as part of HB 1375, passed in the 2007 legislative session, Affordable Housing Advisory Committees were re-created with a larger scope and stricter staffing regulations. The regulations require that staff from the local planning department and the housing department work together to create an integrated approach to create the incentive plan; in addition, the AHAC must submit a report every three years that includes recommendations on and evaluates the implementation of incentives for eleven distinct areas.

These areas are:

1. The processing of approvals of development orders or permits as defined in Section 163.3174(7) and (8), for affordable housing projects is expedited to a degree than other projects.
2. The modification of impact-fee requirements, including reduction of waiver of fees and alternative methods of fee payment for affordable housing.
3. The allowance of flexibility in densities for affordable housing.
4. The reservation of infrastructure capacity for housing for very-low-income persons, low-income- persons, and moderate-income persons.
5. The allowance of affordable accessory residential units in residential zoning districts.
6. The reduction of parking and setback requirements for affordable housing.
7. The allowance of flexible lot configurations, including zero-lot-line configurations for affordable housing.
8. The modification of street requirements for affordable housing.
9. 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.
10. The support of development near transportation hubs and major employment centers and mixed-use developments.

Additionally, the local government must prepare a printed inventory of locally owned public lands suitable for affordable housing.

Current County Initiatives

In 2008, when the AHAC was re-established, Pasco County was overhauling many of its core services and policies. The Development Services Department combined staff and responsibilities with Zoning, and became the Zoning and Site Development Department. This allows customers to meet with a team of staff members with expertise in all areas of the development in the County, and streamline the permitting process. In addition, staff began Phase 1 of the overhaul of the Land Development Code (LDC), restructuring and streamlining it for ease of reference and navigability.

In addition, Pasco County invited the Urban Land Institute (ULI) to help correct the concerns the County faced from the recent period of high growth. ULI was asked to help Pasco determine what industries to target in order to create employment opportunities that will add value to the county. The county also asked the panel to assist in analyzing the structure of its land development code in order to define and address desirable market-based housing and commercial development strategies over the next decade.

The panel's recommendations fall into two broad areas: 1) economic development and land use and; 2) county organization.

ULI recommended that the county establish a vision for specific areas that will allow it to grow in a beneficial and sustainable manner. They believed that the county should be divided into five subareas, each with its own specific vision, mission, and associated strategies to meet the overall goals of the county. In conjunction with structural reformation of the development and permitting process, they also recommended that the county appropriately revise, adopt, and use its comprehensive plan. This revision should focus on infrastructure improvements (roads, water, sewer, electric, and storm water management) only in specific growth nodes. Pasco must then stick to its comprehensive plan.

The ULI also had the following recommendations to change the County's organizational structure to contribute to successful future growth:

- "Incorporate the panel's land use and economic suggestions into the comprehensive plan;
- Reconstitute the development services function into a planning department;
- Reorganize the development review process to make it predictable and timely, as well as effective in implementing the long-term land use and economic vision for the county;
- Allow the comprehensive plan to act as the primary document that articulates the county's long-term vision and organize the planning department around that long-term vision;
- Curtail the use of variances and exceptions in approving land use amendments, zoning approvals, and building permits;
- Support a departmental culture that celebrates innovation, embraces best practices, and focuses on customer service; and
- Delegate routine decision making to staff for projects that have been appropriately entitled and are consistent with applicable development standards without requiring such proposals to comply with additional, staff-generated, discretionary requirements not dictated by the county's code."¹

Pasco County wanted to get away from the peanut butter effect of sprawl spreading all over the County and apply the 10 "smart" growth principles. As a way to bring focus to Pasco County planning initiatives, the County utilized a market area planning concept and divided the entire County into specific Market Areas and amended the Comprehensive Plan to include the Market Area Map as well as policies and visions for each area. The policies promote the conservation of natural and water resources while emphasizing compact design within Market Nodes to preserve open space. The majority of new growth and development will be allocated into South and West Market Areas. The South and West Market Area policies steer away from single family

¹ Pasco County, Florida, Planning and Organizing for Successful Economic Development, the Urban Land Institute, April 20-25, 2008

residential and focus on target industry and employment generating land uses with intensifying development as well as encourage affordable housing at the transit nodes.

The County is in working on a West Market Area Redevelopment Plan. The Redevelopment Plan will examine the redevelopment and infill opportunities, identify land use, infrastructure and economic development strategies, and create implementation mechanism for the West Market Area, largely focusing on promoting coastal opportunities, transforming U.S.19 into a livable roadway, and creating an infill community structure with emphasis on providing more affordable housing.

In the South Market Area, the County has adopted Transit Oriented Development (TOD) principles with emphasis in affordable housing in transit station areas in the comprehensive plan. In addition, the County is in the process of developing a SR 54/56 Corridor Plan. The SR 54/56 corridor is Pasco County's most rapidly developing area, and has undergone dramatic transformation in the last decade from rural to suburban and ex-urban development patterns. TBARTA is currently studying rapid transit types & feasibility in this corridor. The proposed study will include: implementation of Comprehensive Plan TOD policies; assessment of housing affordability and employment opportunities that would be created and made accessible to identified pockets of the underserved and income challenged households in central and eastern Pasco County; assessment of the potential to decrease greenhouse gas emissions through reduced traffic congestion; and the introduction of lifestyle centers that combine live/work capabilities.

The Central Market Area is suburban with limited growth in the activity nodes while preserving open space and enhancing existing ecological areas. The North and East Market Area establish land use policies that keep development from encroaching upon natural environment. The policies require the preservation of open space, agricultural lands, and the preservation of the many aquifers and water recharge zones that flow through the area. The County's goal is to reach a designation of 50% conservation and preservation of land use within the County.

Pasco County has gone beyond the ULI recommendations and established Regional Activity Nodes, Market Area Nodes, Transit Station Overlays in the Comprehensive Plan and is also pursuing a transferable of development rights (TDR) program. The County has been proactively building strong public/private partnerships by working directly with property owners/developers to incorporate TOD concepts and transit station placements within specific projects such as: Wiregrass, Western Hub and New Port Corners.

Pasco County's new planning initiatives have transformed the County from reactive to proactive by looking at what has to be done, what could be done, and what might be prevented in the future. Pasco County's Market Area Plan and TOD Plan adopted amendments can be used as a model and will lead the region away from the current trend of development, towards the regional TBARTA and ONE BAY Vision for sustainable future growth.

Structure of Report

The report is structured to reference the 2008 Affordable Housing Advisory Committee recommendations and provide an update on the status of implementation by Pasco County. Following those updates are further implementation actions recommended by the 2011

committee, as appropriate. The statutes that are fulfilled by these recommendations are also listed below each identified issue, for a streamlined report outline.

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Affordable Housing Advisory Committee Recommendations

Section 420.9076(4)(a) – 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.

Issue Identified in 2008: Multifamily resident plans – can they be reviewed as residential? Why process is set up as such that they are reviewed as commercial.

- Current action taken by County: Multifamily sites are currently reviewed as commercial due to the requirements of the County's Land Development Code.
- Further Implementation Action Recommended: consider as part of LDC Re-Write providing options to review affordable housing multifamily projects as residential to decrease review and approval time.

2011 Update:

- Due to the complexity in reviewing multi family projects, they have always been classified as commercial for purposes of plan review. However, multi family projects are still required to meet residential zoning and site development standards. There are still issues with townhomes – which are not clearly addressed in the LDC. This is going to be in Phase 2 of the LDC re-write. There is provision in rewrite for expedited review of Affordable housing projects. Cuts project review time in half. Is in Table 303.3

Issue Identified in 2008: Establish a more predictable and effective system by which social service agencies, general public, and developers can easily maneuver through development services system for affordable housing development.

- Current Action Taken by County: Development Services Branch is currently in the process of being re-organized as part of a visioning initiative approved by the Board of County Commissioners to implement recommendations made by the Urban Land Institute for the County. The County has implemented a fast track site permitting process. A project that is designated as affordable housing by Community Development comes in the system with a content review meeting. The plan is checked for completeness and if complete taken immediately into the permitting system. When a project is taken into the system, it is distributed to review agencies with a staff review meeting scheduled within two weeks. At the staff meeting the comments are collected, reviewed, revised as needed, and then sent to the applicant and representatives with a meeting scheduled for the following week to discuss the comments. At the meeting, the comments are discussed, a re-submittal date for revised plans is agreed on, and a Development Review Committee meeting date set. In addition, single family affordable housing permits are fast tracked and are reviewed within five days of completeness.
- Further Implementation Action Recommended: As part of the re-organization of the Development Services Branch, the County may consider building in further assistance for those seeking to build affordable housing. In the Development Services Branch, there should be an employee designated as an ombudsman for affordable housing. This employee will provide technical assistance to developers before permit application, and

walk through all applications as they go through the system. The ombudsman will ensure that the application is given preferential treatment from all reviewers, and will stay and assist the reviewer as that person completes that function.

- Permitting, land use and zoning fees for all approved affordable housing projects shall be 50% of fee cost, except building permits. If the project ceases to be affordable, such fees shall be recovered by the County.

2011 Update:

- The County has moved to a team system in Zoning and Site Development – the team will work on a project together, looking to address multiple issues simultaneously.
- In the LDC rewrite Phase I, affordable housing has been explicitly identified for priority processing with a 20-day expedited review time for new submittals (saving 25 days), and 10-15 days expedited review time for resubmittals (saving 6-11 days).
- Further discussion is needed into the fee reduction for affordable housing. Possibly consider doing fee refunds as opposed to fee cuts?

2011 Implementation Action Recommended: Review periodically to determine if existing processes are functioning properly, and are effectively meeting expedited requirements.

Section 420.9076(4)(a) – 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.

Section 420.9076(4) (c) – the allowance of flexibility in densities for affordable housing.

Issue Identified in 2008: MPUDs – possible to develop an expedited process to amend/convert to Affordable Housing?

- **Current Action Taken by County:** Zoning allowed to defer transportation analysis until site plan review
- **Further Implementation Action Recommended:** Streamline and Expedite zoning without revising the code. Standards for plan review should require compatibility for *types of uses* only, not for the people who will be living there. Cannot discriminate against the type of development. Consider relationship between Affordable Housing and community services, etc.

2011 Update:

- There is an expedited review process for multiple parts of the development review process. Plans are labeled with a yellow banner, or the reviewing department is notified by Community Development that an affordable housing project is coming for review and it is labeled accordingly. MPUDs can be expedited upon approval of the Zoning Administrator; however, there is not a specific expedited timetable due to the nature of the zoning review.

2011 Implementation Action Recommended: The committee has determined that implementing any alternative standards for affordable housing may stigmatize such housing, and potentially decrease the value thereof. Therefore, it is the committee's decision to not recommend any alternative standards for consideration by the County.

Section 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.

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

Issue Identified in 2008: Impact fees are expensive, and are an impediment to affordability.

- **Implementation Action Recommended:** All impact fees that are not bonded by the County shall be deferred. This program is available for both homeownership and rental units. The assistance given will be in the form of a 0% loan, that is not due as long as the property is affordable for low income persons. For homeownership projects only, the following is required:
 - The residence must be less than 1,500 square feet (living area).
 - The house must be affordable to families making less than 80% of the median income of the Tampa- St. Petersburg – Clearwater Standard Metropolitan Statistical Area. This is defined as any household or building receiving a subsidy from the Pasco County Community Development Division or another agency acceptable to the County, or an affordable sale amount, which currently is \$179,000.00.
 - The residence may be a single family home, condominium, town house, or villa. Manufactured homes are not eligible.
 - The property must be purchased by a household with less than 80% of the median income, as defined by the Florida Housing Finance Corporation.
 - The assistance will be in the form of a 0% mortgage, due upon sale, rental, or if the house is vacated. This mortgage can be assumed by the next property owner if they meet the above-mentioned eligibility requirements. If that is not met, the mortgage must be paid-off. The mortgage may be paid-off at anytime. That will remove all the affordability requirements. The amount that would be paid would be the impact fees in place at the time of resale, not the initial sale.
- **Further Implementation Action Recommended:** Direct Community Development and the County Attorney's Office to write an ordinance to implement this recommendation.

2011 Update:

- In the new mobility fee ordinance, there is language regarding a reduced transportation impact fee for affordable housing developments meeting specific criteria. A person shall be eligible for the "Less than 1,500 square feet and Annual Household Income less than 80% SHIP Definition" rate or "Low Income SHIP Defined Multi-Family" rate in the Mobility Fee Schedule ("Affordable Housing Rate") if the residence is a single family detached dwelling unit less than 1,500 square feet or a Multi-Family Building or dwelling unit that is affordable to a family with a median income that does not exceed eighty (80) percent of the median income for the Tampa-St. Petersburg-Clearwater Standard

Metropolitan Statistical Area. To qualify for the Affordable Housing Rate, the dwelling unit, or the larger Planned Development that includes the dwelling unit, or the Multi-Family Building, as applicable, 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 must be sold or leased to a family that satisfies the foregoing income criteria, as determined by the County Community Development Manager.

2011 Implementation Action Recommended: The committee has determined that given the current economic situation, the discussion of any financial incentives is not feasible at this time. The community chooses to defer discussion of financial incentives until a later date when recommendations have greater potential to be implemented.

The next issue identifies the following items:

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

Section 420.9076 (4) (f) – the reduction in parking and setback requirements for affordable housing.

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

Section 420.9076(4) (h) – the modification of street requirements for affordable housing.

Section 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.

Issue Identified in 2008: Pasco County has a Land Development Code that is not user friendly or effective for Affordable Housing Development

- **Current Action Taken by County:** The County is currently reviewing its Land Development Code, taking action to redevelop its structure, and develop consistency in its efforts for greater access for both employees and partners.
- **Further Implementation Action Recommended:** The Affordable Housing Advisory Committee recommendations, along with those of the Stakeholder Committee developed for purposes of the Land Development Code Re-write should be taken into consideration for development and revision of Land Development Code language, and other policies to achieve consistency and greater access for affordable housing. The Land Development Code Re-Write Process shall be completed within the next eighteen to twenty-four months. At the next review of the Affordable Housing Advisory Committee, the revised Land Development Code stipulations regarding these sections of the statute will be reviewed, and further recommendations will be made to enhance implementation of affordable housing in the County.

2011 Update:

- Accessory units are permitted in Traditional Neighborhood Design developments.
- Reduction in parking and setback requirements is not part of draft for affordable housing. There is the ability to share parking and perform a parking study to reduce the requirements. The concept of alternative standards has been added to a number of development requirements. There are some provisions for alternative standards to street design requirements – but not geared to affordable housing. The proposed LDC has been significantly revised, formatted and simplified. It is much more intuitive and user friendly. There will be a Development Manual as a user guide.

2011 Implementation Action Recommended: The committee has determined that implementing any alternative standards for affordable housing may stigmatize such housing, and potentially decrease the value thereof. Therefore, it is the committee's decision to not recommend any alternative standards for consideration by the County.

Section 420.9076(4) (k) – the support of development near transportation hubs and major employment centers and mixed-use development.

Issue Identified In 2008: Information is needed about access to services (in general) for greater quality of life for needing affordable housing.

- **Current Action Taken by County:** Community Development has partnerships with multiple social service agencies that assist with the development of social service opportunities. In addition, the Community Services Department provides services across the county for those in need.
- **Further Implementation Action Recommended:** As part of the Northeast Pasco Implementation Plan and further special area studies to be completed by Growth Management, consider both physical and social planning for housing and redevelopment strategies. Continue to build on existing relationships with nonprofit and business partners and, wherever feasible, consider the expansion of public/private partnerships for greater access to social services. Make recommendations to social service agencies on social planning needs as a result of physical infrastructure planning.

2011 Update: The discussion of the relationship between affordable housing, transit, and other quality of life factors has been at the forefront of many of Pasco County's area plans and studies. In addition, it has also been recognized by the federal government as part of the sustainability principles that connect HUD, DOT, and other agencies. Pasco is continuing to seek to implement these connections to increase the amount of affordable living opportunities in the County.

2011 Implementation Action Recommended: The committee identified siting criteria as one of the top priorities for making affordable housing more accessible and affordable. The committee would like to see the County focus on building homes close to transit and employment centers when possible.

Section 420.9076(4) – The advisory committee recommendations may also include other affordable housing incentives identified by the advisory committee.

Issue Identified in 2008: Make contact with municipalities and nonprofit agencies – Involvement in development of affordable housing recommendations and implementation tools

- **Current Action Taken by County:** Interlocal agreements do exist in terms of annexation, joint planning direction, and utility service boundaries.
- **Further Implementation Action Recommended:** As part of the Northeast Pasco Implementation Plan and further special area studies to be completed by Growth Management, evaluate existing interlocal agreements and joint planning agreements and determine what areas can be improved on and expanded for further relationship development between the County and city governments. In addition, agencies supportive of affordable housing should meet on a regular basis (it is proposed to meet annually) to discuss affordable housing issues and strategies. In addition, a more comprehensive marketing strategy, communicating the programs that the Pasco County Community Development Division has to offer to partner agencies, will assist in furthering affordable housing opportunities in the County.

2011 Update:

- The Pasco County Community Development Division has existing agreements with multiple affordable housing agencies through the Pasco Opportunity Program. These agencies meet every quarter to discuss issues related to the implementation of affordable housing in the County and suggestions for improvement of the Community Development Division programs.
- Community Development has a comprehensive marketing strategy, including advertising with the, St. Petersburg Times and its affiliates, the Tampa Bay Times and the Pasco Real Estate Magazine. In addition, the Community Development newsletter is utilized to distribute information about programs and opportunities, as well as the new www.pascohouse.com website that provides direct access to homes available for sale. The Community Development staff holds homebuyer fairs for eligible applicants, and also conducts trainings for essential service personnel giving them information about purchase opportunities.

Issue Identified in 2008: The existing Tree Preservation and Replacement/Landscape and Irrigation Ordinance is an impediment to building affordable housing projects in the County

- **Current Action Taken by County:** This ordinance is being reviewed for any opportunities for improvement as part of the LDC Re-Write
- **Further Implementation Action Recommended:** As part of the LDC Re-Write, consider examining the Landscape Ordinance for ways to streamline process for developers seeking to build affordable housing.

2011 Update:

- Pasco County has committed \$300,000.00 of tree fund dollars to use as leverage for affordable housing projects being built and rehabilitated as part of the

Neighborhood Stabilization 2 Program. This will allow homeowners to have up to three trees planted on their property at no cost to them, based on the limitations of the land development code.

- The LDC has been streamlined and made more user friendly; however, applicants will still have to meet all associated development requirements to receive site plan approval and building permits.

Issue Identified in 2008: Consider restructuring the Land Development Code as such to place all affordable housing incentives in one location

- **Current Action Taken by County:** Currently examining the Land Development Code and re-organizing structure to make it more user friendly. As part of this re-write there is a proposed section added, compiling all aspects of the code relative to Affordable Housing in one location.
- **Further Implementation Action Recommended:** Upon approval of the proposed Land Development Code section, provide copy to Affordable Housing Advisory Committee during next round of meetings for further review and commentary.

2011 Update:

- This was not addressed in the first round of the LDC re-write. It can potentially be included in the 2nd round draft.

Issue Identified in 2008: Ongoing Education – Classes in Homebuyer Education

- **Current Action Taken by the County:** Community Development does provide homebuyer education classes for those seeking down payment assistance.
- **Further Implementation Action Recommended:** Consider providing education to existing homeowners for incentive and credit issues, and purchase of insurance. Also consider a certification program where Community Development can recommend realtors that are skilled in affordable housing options and both the SHIP and Neighborhood Stabilization Programs to offer a second level of assistance to potential homebuyers. In addition, establish continuing education classes for homebuyers, to teach home and financial maintenance after initial purchase of home.

2011 Update:

- Lenders and realtors have to complete annual courses in order to participate in the Community Development programs. Homebuyers have to take course before signing purchase contract – certificate is good for two years after taking course.

2011 Implementation Action Recommended: The committee has identified partnerships as one of the top priorities for making affordable housing more accessible and affordable. The committee would like to see expanded partnerships with agency partners in order to improve housing accessibility.

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

Issue Identified in 2008: Pasco County is in need of an inventory of locally owned public lands suitable for affordable housing.

- **Current Action Taken by County:** There language currently existing in the Local Housing Assistance Plan related to the cataloguing of these lands.
- **Further Implementation Action Recommended:** The Community Development Department, along with the Real Estate Division, is reviewing all properties to determine if any surplus properties are suitable for affordable housing. Currently, there are no suitable lands.

2011 Update:

- The Pasco County Real Estate Department has reported that there are no available properties suitable for affordable housing. Community Development and Real Estate Division are working with the University of South Florida Urban and Regional Planning department to do a more extensive study as a class project.

2011 Implementation Action Recommended: The committee has identified land availability for affordable housing as one of its top priorities for increasing the accessibility and affordability of housing in Pasco County. The committee would like to see a more comprehensive list of available lands prioritized by their build-readiness in order to expand housing options.

Conclusion

While the committee made very few concrete recommendations, the discussion leading up to these recommendations was full of dynamic dialogue about the state of affordable housing, both rental and homeownership, in Pasco County. Throughout the discussion, many of the committee members highlighted their desire to see increased financial incentives for affordable housing in the County; however, due to the current status of the economy and funding resources, the consensus was to defer these discussions until a time when these incentives were more feasible.

In addition, while the committee declined to make recommendations on alternative design standards for affordable housing, their justification in doing so was to not negatively stigmatize or label housing as “affordable”. Instead, the committee sought to find other alternatives for making affordable housing more accessible without imposing these design standards that could negatively impact the appeal and value of affordable housing products.

Further, the committee had lengthy discussions about the possibility of implementing an affordable housing nexus fee and/or inclusionary zoning program, to allow for increased affordable housing in the County. Again, due to economic constraints, and the availability of affordable housing by current market circumstances, the committee chose to defer this discussion until a time when it could be more feasible for implementation.

The committee did make very valuable recommendations about increased partnerships in the development of affordable housing, possibly through coordination with economic development agencies and private developers; and having a better grasp of the available inventory of lands available for affordable housing. Both of these suggestions are implementable by Pasco County.

The County will continue to improve its overall processes, and look for valuable opportunities to increase the accessibility and affordability of affordable housing.