
City of Pompano Beach Affordable Housing Advisory Committee



2017 Affordable Housing Incentive Strategy Report

***AFFORDABLE HOUSING ADVISORY COMMITTEE
REPORT TO THE CITY OF POMPANO BEACH MAYOR AND CITY COUNCIL
SHIP AFFORDABLE HOUSING INCENTIVE STRATEGIES***

November 15, 2017

PREPARED BY: The City of Pompano Beach Office of Housing and Urban Improvement in coordination with the Florida Housing Coalition.

SUBMITTED TO: Mayor and City Commission of the City of Pompano Beach
FLORIDA HOUSING FINANCE CORPORATION

INTRODUCTION/BACKGROUND

As a recipient of State Housing Initiative Partnership funds, the City of Pompano Beach established an affordable housing advisory committee as required by the Florida Statute section 420.9076. The Affordable Housing Advisory Committee (AHAC) is responsible for reviewing policies, land development regulations, the Comprehensive Plan Policy, and other aspects of the City's policies and procedures that affect the cost of housing. In addition, the AHAC is responsible for making recommendations to encourage affordable housing.

The AHAC is required to submit an incentive report every three years. The report includes recommendations by the committee as well as comments on the implementation of incentives for at least the following eleven distinct areas:

- The processing of approvals of development orders or permit, as defined in Florida Statute 163.3164 (7) and (8), for affordable housing projects is expedited to a greater degree than other projects.
- The modification of impact-fee requirements, including reduction or waiver of fees and alternative methods of fee payment for affordable housing.
- The allowance of flexibility in densities for affordable housing.
- The reservation of infrastructure capacity for housing for very low-income persons, low-income persons, and moderate-income persons.
- The allowance of affordable accessory residential units in residential zoning districts.
- The reduction of parking and setback requirements for affordable housing.

- The allowance of flexible lot configurations, including zero-lot-line configurations for affordable housing.
- The modification of street requirements for affordable housing.
- 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.
- The preparation of a printed inventory of locally owned public lands suitable for affordable housing.
- The support of development near transportation hubs and major employment centers and mixed-use developments.

COMMITTEE COMPOSITION

All members were appointed to the Committee in accordance with Section 420.907 of the Florida Statutes lists the categories from which committee members must be selected. There must be at least 8 committee members with representation from at least 6 of the following categories:

- Citizen actively engaged in the residential home building industry in connection with affordable housing.
- Citizen actively engaged in the banking or mortgage banking industry in connection with affordable housing.
- Citizen representative of those areas of labor actively engaged in home building in connection with affordable housing.
- Citizen actively engaged as an advocate for low-income persons in connection with affordable housing.
- Citizen actively engaged as a for-profit provider of affordable housing.
- Citizen actively engaged as a not-for-profit provider of affordable housing.
- Citizen actively engaged as a real estate professional in connection with affordable housing.
- Citizen actively serving on the local planning agency pursuant to Florida Statute 163.3174.
- Citizen residing within the jurisdiction of the local governing body making the appointments.
- Citizen who represents employers within the jurisdiction.
- Citizen who represents essential services personnel, as defined in the local housing assistance plan.

The appointed AHAC Committee members are included here, along with their category affiliation.

Name	Category Represented
1. DeAngelis, Gail	Actively engaged as a for-profit provider of affordable housing.
2. Ellington, Emma	Actively engaged as an advocate for low income persons in connection with affordable housing.
3. Gomez, Jennifer	Actively engaged in the local planning agency pursuant to s.163.3174.
4. Howard, Wylie Rev. (Vice-Chair)	Actively engaged as a not-for-profit provider of affordable housing.
5. McDougle, Marcus	Actively engaged and who resides within the jurisdiction of the local governing body making the appointments.
6. McLennon, Sharon	Actively engaged as a real estate professional in connection with affordable housing.
7. Perry, Debbie (Chair)	Actively engaged as a not-for-profit provider of affordable housing.
8. Rome, Susan	Citizen residing within the jurisdiction of the local governing body making the appointments.
9. Toth, Scott	Actively engaged in the banking or mortgage banking industry in connection with affordable housing.
10. Walker, Jessie	Actively engaged as an advocate for low income persons in connection with affordable housing.
11. Woods, Robert	Actively engaged in the residential home building industry in connection with affordable housing.
Ex-officio Member Noble, Patrick BSO Deputy	Actively engaged and represents essential services personnel as defined in the housing assistance plan.

AFFORDABLE HOUSING INCENTIVES

Staff presented the latest affordable housing practices and recommendations on incentives. Each of the eleven affordable housing incentives recommended by the State were examined and discussed with AHAC members. This plan is a result of the recommendations from the AHAC and meetings. If approved by Mayor and city Council, the recommendations are used to amend the Local Housing Assistance Plan (LHAP) and the local Comprehensive Plan-Housing Element, ordinances or governing resolutions to incorporate these changes.

EXPEDITED PERMITTING

(a) The processing of approvals of development orders or permits for affordable housing projects is expedited to a greater degree than other projects, as provided in s. 163.3177(6)(f)3.

Meeting Synopsis: The committee discussed the current process for expedited permitting. Staff provided an update on how the process was working and felt that it was effective. The committee discussed the process used by different cities across Florida and their timelines for processing permits. After a lengthy discussion the committee concurred with staff that the current process was effective.

Existing Strategy: This incentive is presently implemented. Once a project is identified as an affordable housing project, reviewers have five days (5) to review and process the plans for affordable housing. If on the 3rd submittal, the resubmitted plans are not 100% corrected, the contractor will then be required to submit his plans through the normal permitting process for a building permit.

AHAC Recommendation: The Affordable Housing Advisory Committee recommends that the City continue implementing the current incentive.

MODIFICATION OF IMPACT FEES

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

Meeting Synopsis: There was a lengthy discussion on impact fees. The City cannot waive water and sewer fees due to bond obligations. The City staff recommended a flat fee structure for new construction of single family affordable housing projects funded by the OHUI. The current fee is high and reduces the funds that are available in the program for affordable housing. The number of homes built in a year normally do not exceed 5 so the fiscal impact to the City of reduced revenue would be small but it would be a great investment in helping to develop additional affordable housing units.

Existing Strategy: The Office of Housing and Urban Improvement using grant funds currently pays the impact fees for contractors to reduce the cost of housing to low and

moderate-income homebuyers. The individual applicant submits the request to the Office of Housing and Urban Improvement, who review the request and approves them on a case by case basis, and subject to funding availability. The criterion for eligibility determination is based on whether the tenants are low to moderate income households or the project is a senior facility and the amount of funds requested and the amount of funds available to pay these fees.

AHAC Recommendation: The committee recommends a flat fee as an alternative method of fee payment for new construction of single family affordable housing projects funded by the OHUI. The amount of the flat fee will be \$2,000. The \$2,000 fee will cover all fees assessed by the City in connection with OHUI new construction of new single family affordable housing (households with incomes that do not exceed 120% AMI), including, but not limited to, fees assessed by Fire, Zoning, Landscape, Park Impact Fees, Capital Recovery Fees, and Engineering. Development Services, in conjunction with Finance, will determine how the Affordable Housing Alternative Fee Payment will be allocated. Fee amounts not covered by the Affordable Housing Alternative Fee Payments will be reimbursed to the affected City accounts from the General Fund account, which shall be budgeted to OHUI for that purpose yearly. City Management may select other non-OHUI funded reimbursement sources from time to time as it determines appropriate.

Implementation: A resolution must be passed by the Mayor and City Council authorizing a \$2,000 flat fee for new construction of single family affordable housing projects funded by the OHUI. The committee recommends that the City conduct an assessment and identify the fiscal and budgetary impact prior to implementation.

FLEXIBLE DENSITIES

(c) The allowance of flexibility in densities for affordable housing.

Meeting Synopsis: Jennifer Gomez discussed flexibility in densities within the City. Every parcel has density restrictions. Flexibility in densities is currently achieved through flex units. If a developer receives flex units, the developer will be required to develop affordable housing units or contribute to the affordable housing trust fund. The committee felt that this was a good incentive and did not recommend any changes.

Existing Strategy: Flexibility and densities for affordable housing can be captured through the use of flexibility units for commercial land use designations. If flex units are awarded to a property, in accordance with the requirements of 154.61, applicants will either need to build affordable housing or can pay into the affordable housing trust fund.

AHAC Recommendation: The Affordable Housing Advisory Committee recommends that the City continue implementing the current incentive.

RESERVATION OF INFRASTRUCTURE CAPACITY

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

Meeting Synopsis: Jennifer Gomez explained that the City is not running low on infrastructure capacity. It was felt that this incentive could be adopted by cities where this was a potential issue, but this was not an issue within the City of Pompano Beach.

Existing Strategy: No existing strategy. The City is not running low on infrastructure capacity.

AHAC Recommendation: The Affordable Housing Advisory Committee did not recommend any action.

AFFORDABLE ACCESSORY RESIDENTIAL UNITS

(e) The allowance of affordable accessory residential units in residential zoning districts.

Meeting Synopsis: Allowing the development of affordable accessory dwelling units provides additional affordable rental housing and extra income for residents. Currently the City allows accessory residential units but with specific density requirements. The density requirements would need to be waived to add flexibility in the use of accessory structures. There was concern about the use of these properties for vacation, rental and the monitoring illegal usage. The committee was satisfied with the current incentive and did not recommend any changes.

Existing Strategy: Section 155.4303 of the City's zoning Code allows accessory Dwelling Units. For purposes of determining maximum density, an accessory dwelling unit shall be considered to be a half dwelling unit. Additional use specific standards to regulate this use exist within the zoning code.

AHAC Recommendation: The Affordable Housing Advisory Committee recommends that the City continue implementing the current incentive.

PARKING AND SETBACK REQUIREMENTS

(f) The reduction of parking and setback requirements for affordable housing.

Meeting Synopsis: Staff explained that planned unit developments are currently allowed in addition to administrative adjustments or variances. Anyone who want to reduce parking and setback requirements can use this method to achieve the reduction.

Existing Strategy: Affordable housing projects taking advantage of the Residential Planned Unit Development process can determine what parking requirements and setbacks their project will have. Additionally, the City allows for major and minor administrative adjustments at varying percentage rates from code requirements. Deed-restricted workforce and/or affordable housing can be used to demonstrate a public benefit to compensate for the requested modification of standards

AHAC Recommendation: The Affordable Housing Advisory Committee recommends that the City continue implementing the current incentive.

FLEXIBLE LOT CONFIGURATIONS

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

Meeting Synopsis: Jennifer Gomez explained that the City currently allows flexible lot configurations in certain areas of the City. This flexibility is applicable to all developments including affordable housing developments.

Existing Strategy: Flexible lot configurations (including zero lot line) are currently permitted in RS-4, all RM districts, and the DPOD district. Additionally, affordable housing projects can consider the RPUD process, which can offer further flexibility in private development.

AHAC Recommendation: The Affordable Housing Advisory Committee recommends that the City continue implementing the current incentive.

MODIFICATION OF STREET REQUIREMENTS

(h) The modification of street requirements for affordable housing.

Meeting Synopsis: The committee and staff did not perceive this to be a barrier to the development of affordable housing within the City.

Existing Strategy: If street modification of streets are desired, modified streets can be permitted by rezoning to the planned development process.

AHAC Recommendation: The Affordable Housing Advisory Committee recommends that the City continue implementing the current process.

PROCESS OF ONGOING REVIEW

(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.

Meeting Synopsis: Mark Korman discussed the current process for compliance with the ongoing review process. The OHUI will be involved in the Development Review committee to provide greater input and oversight in identify affordable housing projects.

Existing Strategy: The Office of Housing and Urban Improvement will be assigned to the City's Development Review Committee (DRC) team as an optional reviewer. Wherein, all proposed development can be reviewed and commented on by the Office of Housing and Urban Improvement. These comments are then submitted to the various governing boards. Additionally, the Office of Housing and Urban Improvement will by matter of policy be consulted on all matters that impact affordable housing.

AHAC Recommendation: The Affordable Housing Advisory Committee recommends that the City add the OHUI to the Development Review Committee in accordance with Section 155.2207. CITY STAFF (B)(2)(b) which allows the Development Services Director the authority to add other reviewers to the DRC.

PUBLIC LAND INVENTORY

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

Meeting Synopsis: There was discussion on the current process to identify affordable housing parcels. Most parcels and donated to the City by the County and the OHUI has used many of those parcels to develop affordable housing. The City is in the process of hiring a full-time employee to acquire, dispose and manage the inventory of affordable housing. The staff felt hat this was a full-time job and that City should move forward with filling this position. The committee concurred.

Existing Strategy: In 2015, a group of city staff in conjunction with staff from the CRA meet bi-weekly for a 6-month period. The purpose of these meetings was to review all property owned by the City and CRA, in order to identify the current or future intended purpose for the land. In the end, the committee presented the work to the City Manager.

A report was produced by the CRA, with the information that the Development Services Department assembled. Development Services still has this database and updates it as needed. As a result of this intense review process, it was a recommendation to the City Manager to create a new for job for someone to manage and review all that is related to the acquisition, management and maintenance of these properties. Until such time that this position is filled, this Department has the database/inventory of all City Owned land.

AHAC Recommendation: The Affordable Housing Advisory Committee recommends that the City move forward with its current plan to hire a full-time employee to acquire, dispose and manage its surplus lands.

SUPPORT OF DEVELOPMENT NEAR TRANSPORTATION HUBS

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

Meeting Synopsis: Jennifer Gomez explained that the City currently supports the development of housing near transportation hubs. The City has zoning that is transit oriented in the downtown area additionally, developers who build larger developments of 100 units or more must have a set aside of affordable units or contribute to the affordable housing trust fund. The committee was satisfied with the current incentive and did not recommend any changes.

Existing Strategy: The City has a current transit oriented district and a proposed transit oriented corridor. There is the existing Downtown Pompano Transit Oriented District and the proposed East Transit Oriented Corridor. The ETOC or East Transit Oriented Corridor is a designated area where the City is proposing major land use plan and zoning code changes to implement a district that allows mixed use development with commercial uses on the first floor, primarily along US 1 and Atlantic Boulevard, and residential units on upper floors. Affordable housing must be addressed in any land use plan amendments that increase permitted residential units by more than 100 units. To meet County requirements in the ETOC, 15% or 360 units, of the additional 2,399 units will be affordable housing or the developer will have to pay an in lieu of fee into the City's Affordable Housing Trust Fund to buy out of the affordable housing requirement.

AHAC Recommendation: The Affordable Housing Advisory Committee recommends that the City continue implementing the current incentive.