

Affordable Housing Advisory Committee (AHAC) Report to Ocala City Council
SHIP Affordable Housing Incentive Strategies

Submitted to Ocala City Council
Date Submitted: December 17, 2024

Submitted to Robert Dearduff
Florida Housing Finance Corporation

Date Submitted:

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Director, Community Development Services

Background / Purpose Information:

The following member(s) were appointed/reconfirmed to the Affordable Housing Advisory Committee (AHAC) by Resolution 2023-16 on February 7, 2023.

Dr. Gwendolyn B. Dawson, as a citizen who is actively engaged as a not-for-profit provider of affordable housing; and

Kristen Dreyer, as a local elected official; and

Tasha Osbourne, as a citizen who is actively engaged as a real estate professional in connection with affordable housing; and

Davida Randolph, as a citizen who is residing within the jurisdiction of the local governing body making the appointments; and

Henry Samuels, as a citizen who is actively engaged as an advocate for low-income persons in connection with affordable housing; and

Cory Weaver, as a citizen who represents employers withing the jurisdiction; and

The following member(s) were appointed/reconfirmed to the Affordable Housing Advisory Committee (AHAC) by Resolution 2024-12 on February 6, 2024.

Rob Peters, as a citizen who is actively engaged as a not-for-profit provider of affordable housing.

The following member(s) were appointed/reconfirmed to the Affordable Housing Advisory Committee (AHAC) by Resolution 2024-19 on March 19, 2024.

Jeff Hill, as a citizen who is actively engaged in the banking or mortgage banking industry in connection with affordable housing.

Background

By state Statute and per City of Ocala Council's actions, the Committee is made up of appointed and ad hoc members representing a cross-section of the affordable housing development community. The 2006 Affordable and Workforce Housing report prepared by the Public Policy Institute was used as a baseline for completing the goals required by §420.9076, Fla. Stat. (2006), which required the establishment of an affordable housing advisory committee to recommend monetary and nonmonetary incentives as part of an affordable housing incentive plan. The meetings were advertised as required by the Sunshine Law and open to the public. In addition to the hours spent at these meetings, Committee members spent many additional hours reviewing materials, including studies and reports from other jurisdictions, in developing their recommendations.

Purpose

The purpose of the Incentive Plan is to set out the deliberations and recommendations for monetary and non-monetary incentives targeting regulatory reform with respect to affordable housing including the evaluation of the established City policies, procedures, ordinances, land development regulations and the comprehensive plan. All recommendations should encourage or facilitate affordable housing while protecting the ability of the property to appreciate in value. §420.9071(2), Fla. Stat. (2006) defines affordable to mean “... that monthly rents or mortgage payments including taxes and insurance do not exceed 30 percent of that amount which represents the percentage of median annual gross income for the households as indicated in subsection (19) [low-income household: 51-80% of area median income (AMFI)]; subsection (20) [moderate income household: 81-120% AMFI]; or subsection (28) [very low-income household: 0-50% AMFI]”.

Synopsis of Meetings

On December 4, 2024, the AHAC Committee met to review and discuss the current eleven (11) incentives. It was discussed to continue the three-year plan to focus on 4 of the 11 incentives. The following incentives were approved to present to the Ocala City Council:

- Expedited Process of Development Approvals
- Flexible Lot Considerations
- Ongoing Regulatory Review Process
- Surplus Lands Inventory

2024 Committee Recommendations

Incentive Strategy (a) Expedited process of development approvals
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Florida Statutes 420.9076(4)(a) (2006) “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 Florida Statutes, Sec. 163.3177(6)(f)3.”

Existing Strategy:

The City shall engage in an ongoing process for review of local policies, ordinances, regulations, and plan provisions that increase the cost of housing prior to their adoption. As part of the development review process, when code amendments, future land use classification changes, zoning changes, and site plans are reviewed by city staff, the proposal is evaluated for potential impacts on housing affordability.

2024 Recommendations:

- Have City Staff engage in monthly meetings across departments to identify ways to improve the permitting process.
- Work with the Building Department to revise current permitting applications to reflect an affordable housing type.
- Permitting expedited with a goal of approval within 25 business days.
- Perform case study analysis on the most cumbersome permit request to determine where the process went wrong.
- Have current developers present at AHAC meetings to discuss success and concerns with the permitting process.

Incentive Strategy (b) Impact fee modifications, waivers, or reimbursements
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Florida Statutes 420.9076(4)(b) (2006) “The modification of impact-fee requirements, including reduction or waiver of fees and alternative methods of fee payment for affordable housing.”

Existing Strategy:

The City uses its Affordable Housing Fund as a tool to incentivize the development of affordable housing units. Funding may be used to mitigate the impact fees associated with developing affordable housing units. In the past grant year, the City expanded the fund uses and increased the maximum award amounts to assist in offsetting rising permit fees.

2024 Recommendations:

- None currently

Incentive Strategy (c) Flexibility in density
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Florida Statutes, 420.9076(4)(c) (2006) “The allowance of flexibility in densities for affordable housing.”

Existing Strategy:

The City uses density bonuses to help facilitate the further development of affordable housing.

2024 Recommendations:

- None currently.

Incentive Strategy (d) Reservation of infrastructure capacity
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Florida Statutes, Sec. 420.9076 (4) (d) “The reservation of infrastructure capacity for housing for very-low-income persons, low-income persons, and moderate-income persons.”

Existing Strategy:

The City shall improve the efficiency, affordability, availability, and supply of safe and sanitary housing within the City of Ocala, placing emphasis on the needs of very low-, low-, and moderate-income families and those of the elderly by seeking, applying for, and administering grant funds. The City has applied for the HUD Pro Housing Grant, that is currently under review.

2024 Recommendations:

- None currently

Incentive Strategy (e) Accessory dwelling units
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Florida Statutes 420.9076(4)(e) “The allowance of affordable accessory residential units in residential zoning districts.”

Existing Strategy:

To meet the objective of providing dwelling units of varying types, sizes and costs throughout the city, the City shall permit, where appropriate, infill development of various housing types such as but not limited to apartments over garages, mother-in-law apartments, multi-generational housing, live-work units, and residential units above commercial activity.

2024 Recommendations:

- None currently

Incentive Strategy (f) Reduction of parking and setback requirements

Florida Statutes 420.9076(4)(f) “Reduction of parking and setback requirements for affordable housing.”

Existing Strategy:

The City shall continue to develop strategies to improve the housing review process. Such actions will include reviewing existing ordinances, codes, and regulations and eliminating unreasonable requirements in the permitting process or adding requirements in order to increase private and non-profit involvement, while continuing to ensure the health, welfare and safety of the City's population.

2024 Recommendations:

- None currently

Incentive Strategy (g) Flexible lot considerations

Florida Statutes 420.9076(4)(g) (2006) “The allowance of flexible lot configurations, including zero-lot line configurations for affordable housing.”

Existing Strategy:

The City shall review lot size and land use requirements to encourage mixed use development that meets the needs and character of the individual neighborhoods.

2024 Recommendations:

- Allow home size flexibility on smaller lots in Residential zones by using alternate development standards for affordable/work force housing, where water and sewer infrastructure are available to allow for smaller homes.
- On a case-by-case basis allow zero lot line exemptions.
- Produce a specific affordable housing zoning code.
- Allow quadraplexes to have duplex set back requirements.
- Make modifications to lots of record definition to the current zoning code to allow building on a lot without the requirement of having a prior structure on it.

Incentive Strategy (h) Modification of street requirements

Florida Statutes 420.9076(4)(h) “The modification of street requirements for affordable housing.

Existing Strategy:

There is no current strategy for the modification of street requirements for affordable housing.

2024 Recommendations:

No recommendation currently.

Incentive Strategy (i) Ongoing regulatory review process

Florida Statutes 420.9076(4)(i) (2006) “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.”

Existing Strategy:

The City shall engage in an ongoing process for review of local policies, ordinances, regulations, and plan provisions that increase the cost of housing prior to their adoption. As part of the development review process, when code amendments, future land use classification changes, zoning changes, and site plans are reviewed by city staff, the proposal is evaluated for potential impacts on housing affordability. The city uses objectives and policies in the comprehensive plan as well as density bonuses, local housing incentive funds, and state or federal grants to help facilitate development that provides additional affordable housing for our community. Code amendments are evaluated for consistency with the future land use element and housing element of the comprehensive plan, both of which include objectives and policies that facilitate affordability in our housing market.

2024 Recommendations:

- Meet regularly to review policies, procedures, ordinances, regulations, and plan provisions that increase the cost of housing. Continue conversations with community partners to stay updated on the current housing market needs.
- Review above existing strategies for possible revisions, as applicable.

Incentive Strategy (j) Surplus lands inventory

Florida Statutes 420.9076(4)(j) (2006) “Prepare a printed inventory of locally owned public lands suitable for affordable housing. Determine a method for selling or donating this land for affordable housing development.”

Existing Strategy:

The City established an initial surplus land inventory of 61 lots. These lots are designated to be used in an infill development program that will produce single and some multi-family affordable housing units. The lots are distributed through Request for Proposals (RFPs) from for profit and not-for-profit affordable housing developers at the assessed value, and via City Council approved donations to not-for-profit affordable housing developers.

2024 Recommendations:

- Continue utilizing Surplus Property for the purpose of producing affordable housing units
- Review existing strategies on determination of surplus property for affordable housing.
- Update the surplus land inventory annually.

Incentive Strategy (k) Transportation hubs and transit-oriented development
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Florida Statutes 420.9076(4)(k) (2006) “The support of development near transportation hubs and major employment centers and mixed-uses.”

Existing Strategy:

There is currently not an incentive strategy to address transportation hubs and transit-oriented development.

2024 Recommendations:

- None currently