

SEMINOLE COUNTY GOVERNMENT AGENDA MEMORANDUM

SUBJECT: Briefing on Status of Attainable Housing

DEPARTMENT: Planning & Development **DIVISION:** Planning

AUTHORIZED BY: Dan Matthys **CONTACT:** Sheryl Stolzenberg **EXT.** 7383

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| Agenda Date <u>06/13/06</u> Regular <input type="checkbox"/> Consent <input type="checkbox"/> Work Session <input type="checkbox"/> Briefing <input checked="" type="checkbox"/> |
| Public Hearing – 1:30 <input type="checkbox"/> Public Hearing – 7:00 <input type="checkbox"/> |

MOTION/RECOMMENDATION:

Direct staff to hold stakeholder work sessions to discuss alternative programs for attainable housing for Seminole County's workforce, including potential text amendments to the Comprehensive Plan and Land Development Code.

District: Countywide Sheryl Stolzenberg, Principal Coordinator

BACKGROUND:

Median household income for Seminole County in 2005 was \$55,100 and for the Orlando Metropolitan Statistical Area (MSA) in 2006 is \$57,400. In March 2006, median sales price for new housing, according to MLA, was more than \$300,000. The federal definition of Fair Market Rent for the County in 2006 is \$870 for a two-bedroom unit, including utilities. The Apartment Association of Greater Orlando reports the County's average market rent for a two-bedroom, two-bath apartment in the second half of 2005 at \$905.

Florida Statutes require all local governments to address housing issues in their Comprehensive Plans, and report on the success of housing initiatives identified in the Plan as part of the Evaluation and Appraisal Report (EAR) process. The Seminole County Comprehensive Plan contains policies in the Future Land Use Element encouraging infill development and other land use patterns that enable affordable housing to be built. The Housing Element provides for a density bonus of up to seven dwelling units per net acre (the 'Alternative Density Bonus', or ADO) if affordable units are built. The existing Land Development Code includes a zoning district specifically called 'Affordable Housing Dwelling District' (R-AH), permitting a variety of housing types with modified subdivision standards.

At the direction of the Board of County Commissioners, Seminole County offers a number of programs to assist very low and low income households with housing costs. The programs include a down payment assistance program providing up to \$20,000 for families that

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| Reviewed by: |
| Co Atty: <u>KPT</u> |
| DFS: _____ |
| Other: <u>TK</u> |
| DCM: <u>AS</u> |
| CM: <u>CS</u> |
| File No. <u>bpdp01</u> |

meet low income eligibility requirements and up to \$40,000 for families meeting very low income eligibility criteria. Assistance is also available for first time buyers through the Florida Housing Finance Corporation, which has a bond program that provides up to \$25,000 in down payment assistance through lenders and is geared toward median income households. However, an increasing number of moderate income households experience greater housing 'cost burdens' and cannot qualify for the assistance from Seminole County. ('Cost burdened' households spend more than 30% of their income for housing.)

With reduced ability to find housing, many members of Seminole County's work force must commute long distances or seek jobs elsewhere. Other Florida communities experiencing a shortage of housing that is attainable by their work force have initiated programs, such as density incentives, land/housing trusts, mandatory "Inclusionary Housing" regulations and linkage fees, to alleviate this burden on the citizens of the community.

Staff attended the May 5, 2006 Regional Summit on Work force Housing to collect information on alternative solutions, and examined programs currently in place in a number of other jurisdictions. Many of the solutions chosen by other communities identified the need for involvement by surrounding communities, lending agencies and developers in order to succeed.

Staff created a list of proposals that may be viable options in Seminole County. Included among the possible solutions are: the use of 'mixed use' and 'infill' development to create opportunities for attainable housing, along with adoption of design standards to ensure that the development is compatible with surrounding areas; the use of a Housing and Land Trust to receive donations that can create attainable housing opportunities countywide; and use of features in newly passed (but not yet signed) House Bill 1363 that may allow a local government to provide a density bonus to an applicant who donates a separate property to the county for use in creating attainable housing.

Input is needed from those who would be directly involved in provision of attainable housing for the County's workforce. A draft list of proposals is attached that can initiate the discussion among stakeholders. A draft work session schedule is also attached.

STAFF RECOMMENDATION:

Recommend the Board direct staff to hold stakeholder work sessions with representatives from the cities, lending agencies and developers of both residential and mixed use projects to evaluate options, including those illustrated in the attachment, and bring back a recommendation to the Board for policy and regulation implementation.

Attachment:

Draft Workforce Housing Proposals for Consideration by Stakeholders

Draft Work Session Schedule

Backup materials

SEMINOLE COUNTY DRAFT WORKFORCE HOUSING PROPOSALS
For
STAKEHOLDER WORK SESSION

| PROJECT | FEATURES | TIMING |
|---|--|---|
| PHASE ONE | | |
| <p><u>Amend the text of the Comprehensive Plan</u></p> | <p>* Amend the definition of “Infill Development Area” in the Introduction Element.</p> <p>* Create a Workforce Housing Overlay Zone in the Future Land Use Element that will:</p> <ol style="list-style-type: none"> 1. Identify goals, objectives, policies and evaluation measures. 2. Define “Workforce Housing”; eligibility for; and length of time housing must remain “Workforce”. 3. Require minimum percentage Workforce housing units on Mixed Use and some HIP lands; allow ‘in-lieu’ payment and/or land donation if Workforce units not provided on site; allow density and/or intensity bonuses for developments exceeding minimum. 4. Allow density bonuses for developments that include Workforce housing on designated residential infill areas, in compliance with design standards. 5. Allow amendments to designate areas as Workforce Housing Overlay Zone, in compliance with specified standards. 6. Provide for annual progress reports to BCC. <p>* Adopt Future Land Use Element policies that allow flexible density within designated infill areas, in compliance with specified standards and conditioned on provision of minimum percentage of Workforce units, and establish maximum allowable densities for lands with HIP and Mixed Development land use designations providing only the minimum percent of Workforce housing.</p> <p>(NOTE: “Mixed Development” is an existing land use designation in the County’s Plan that allows mixed use developments including both a residential component (which may be single family and/or multi-family) and nonresidential uses, including commercial, office, hotel, service and very light industrial. This land use has not yet been applied to lands on the Future Land Use Plan Map.)</p> | <p>Spring 2007 amendment cycle</p> <p>(This is the next cycle. EAR-based amendments will be in the Fall cycle.)</p> <p>* Collect input from SCAC, DAB, public</p> <p>* Planning and Zoning Hearing February 7, 2007</p> <p>* Transmittal hearing March 13, 2007</p> <p>* Adoption Hearing June 12, 2007</p> |

SEMINOLE COUNTY DRAFT WORKFORCE HOUSING PROPOSALS
For
STAKEHOLDER WORK SESSION

| PROJECT | FEATURES | TIMING |
|--|--|---|
| | <ul style="list-style-type: none"> * Adopt Future Land Use Element policies to enable the creation of a Housing and Land Trust for Workforce Housing. * Adopt Design Element policies to identify directions for land development code design standards for mixed use and infill development. | |
| <p><u>Amend the Future Land Use Plan Map</u></p> | <ul style="list-style-type: none"> * Designate unincorporated lands abutting the US 17/92 and other appropriate sites as "Mixed Development." * Designate appropriate infill sites as eligible for bonus density. | <p>Spring 2007 amendment cycle</p> <ul style="list-style-type: none"> * Collect input from SCAC, DAB, public * Planning and Zoning Hearing February 7, 2007 * Transmittal hearing March 13, 2007 * Adoption Hearing June 12, 2007 |
| <p><u>Amend the County Code and Land Development Code (LDC)</u></p> | <ul style="list-style-type: none"> * Add a Chapter to the County Code creating and regulating the Housing and Land Trust for Workforce Housing that will: <ol style="list-style-type: none"> 1. Appoint a Board. 2. Enable the Trust to provide low interest loans to workforce households for home purchase, and to developers for construction of workforce units. 3. Enable the Trust to receive in lieu funds and donated lands 4. Enable the Trust to contract for the construction of workforce units on donated land and sell units but retain land ownership. 5. Enable the Trust to work with HUD and its 'teacher next door', 'officer next door' programs. 6. Require annual progress reports to BCC. * Revise the LDC to include design standards for mixed use and infill development and implementation regulations for the Workforce Housing Overlay Zone. | <ul style="list-style-type: none"> * Issue RFP for design standards by August 2006 * Initiate work January 2007 * Planning and Zoning hearing on LDC design amendments May 2007 Adoption Hearing for both code amendments June 12, 2007, with effective date to be the end of the Notification of Intent (NOI) period for the Plan amendments |

**SEMINOLE COUNTY DRAFT WORKFORCE HOUSING PROPOSALS
For
STAKEHOLDER WORK SESSION**

| PROJECT | FEATURES | TIMING |
|--|---|--|
| PHASE TWO | | |
| <u>Three-year evaluation of accomplishments of Workforce Housing Overlay Zone and Trust</u> | Briefing of BCC | June 2010 |
| <u>If result not satisfactory to BCC: Issue RFP</u> | Economist will conduct rational nexus study for linkage fee assessed upon land uses connected to the need for workforce housing | * Collect input from SCAC, DAB, public * Present to BCC |
| <u>Adopt and implement linkage fee</u> | Fees will be paid to the Housing and Land Trust for Workforce Housing | |

**DRAFT WORK SESSION SCHEDULE
FOR
STAKEHOLDER DISCUSSIONS ON WORKFORCE HOUSING PROPOSALS**

| TASK | PROPOSED COMPLETION DATE |
|--|---------------------------------|
| Create list of community, municipal and industry stakeholders | July 14, 2006 |
| Send invitations and advertise kickoff meeting | July 28, 2006 |
| Kickoff meeting <ul style="list-style-type: none"> • Identify problem, discuss proposals • Build possible consensus for proposals | August 31, 2006 |
| Additional stakeholder meeting(s) as needed <ul style="list-style-type: none"> • Finalize draft policy and regulatory package to recommend to BCC | September 29, 2006 |
| Brief BCC on draft package developed through stakeholder discussions | November 14, 2006 |

ADDITIONAL BACKUP MATERIALS

ALTERNATIVES IN USE FOR ACHIEVING WORKFORCE HOUSING

| Jurisdiction or source | Type of Option(s) | Features | Pros | Cons |
|--|--|--|--|---|
| <i>INCLUSIONARY HOUSING CODE REQUIREMENTS, HOUSING TRUST FUNDS</i> | | | | |
| <p><u>CITY OF GROVELAND, FLORIDA</u> (Ordinances already adopted, but program is new, so no track record yet.)</p> | <ol style="list-style-type: none"> 1. Inclusionary Housing requirements in land development code. 2. Affordable Housing Trust Fund | <p>Inclusionary Housing-</p> <ul style="list-style-type: none"> * Requires all new owner occupied developments of 50 or more units (including mixed use developments) to provide no less than 10% as Inclusionary units, and allows a density bonus of 25%, consistent with comprehensive plan. Inclusionary units may be of any housing type (single family through multi), providing that height, setbacks, massing and exterior appearance is consistent with other residential units in the development. * Allows a density bonus for developments of less than 50 units if they also provide no less than 10% units as Inclusionary. * Inclusionary unit cost shall be no greater than the "Maximum affordable sales price" (MASP), which is determined annually by the Community Development Director and is based on median income. * Eligible households earn 70% - 120% of median income. * City Council may grant waivers if not consistent with comp plan. * Continued affordability requirements for 99 years through deed restrictions and resale restrictions. * Alternatives include: in lieu fee (deposited in Affordable Housing Trust Fund); off-site construction of units and land donation. * Exemptions are identified, | <ul style="list-style-type: none"> * Includes mixed use developments among those required to address Inclusionary units. * Provides for alternatives, such as in lieu payments, land donation, etc. * Allows elected officials to waive requirement if a comp plan problem results. * Recognizes that the cost of housing needs to be adjusted annually, instead of setting a specific maximum cost. * Provides for more than one housing-related incentive (not just density bonus, but allows multiple housing types). * Does not require the density bonus housing units to be part of the calculation for the 10% that has to be Inclusionary, and does not count any accessory units as part of the total for which 10% must be Inclusionary. | <ul style="list-style-type: none"> * Incentives are related to housing; for mixed use, no option is provided to allow an incentive that increases nonresidential square footage. * Burden is on City staff to determine the maximum cost of the Inclusionary housing units * Enforcement of the 99 year requirements to keep Inclusionary units within required price range may be a challenge for the City, and property owners may object. * It is not clear whether Trust Fund is allowed to subsidize individual mortgages for buyers, or only developers. * Where density bonuses would create a conflict with the comp plan, instead of allowing a waiver, consideration should have been given to requiring off-site construction, off-site land donation or in lieu fee. Implementation of the waiver will probably mean no Inclusionary housing in low density areas. |

ALTERNATIVES IN USE FOR ACHIEVING WORKFORCE HOUSING

| Jurisdiction or source | Type of Option(s) | Features | Pros | Cons |
|---|---|--|--|--|
| | | including multi-family rental. Affordable Housing Trust Fund * Creates a 5 member Trust Fund Board * Identifies eligible types of uses for funds and requires that any expenditure in excess of \$200,000 must be approved by City Council. * Eligible uses include: acquiring property and property rights; planning, subsidizing, increasing and improving the supply of rental and for sale affordable housing for eligible persons living or working in the City (or who used to live in the City and want to return for employment or family reasons.) | | |
| <p><u>CITY OF TALLAHASSEE, FLORIDA</u> (ordinance adopted, but challenged in court)</p> | <p>Inclusionary Housing requirements in land development code</p> | <ul style="list-style-type: none"> * Requires new site plans with 50 or more units to provide a statement as to whether they are to be owner or renter; if owner and within specified areas of the City, a minimum of 10 % must be at prices no greater than "MASP" (see definition below) and City allows no less than 10% and as much as 100% of the units to be eligible for development incentives as Inclusionary housing. * Developments outside of the specified areas are also eligible for incentives if they reserve no less than 10% and as much as 100% of units for Inclusionary housing. | <ul style="list-style-type: none"> * Provides for alternatives (fee in lieu of building units and building units off site.) * Allows developments outside of specified areas to build Inclusionary units and receive density bonuses. * Requirement for bonding can insure that Inclusionary units are built. | <ul style="list-style-type: none"> * Ordinance provision that establishes maximum price of housing may create too great an intrusion of local government authority into the housing market. * No mention is made in the ordinance of the management of the 'in lieu' fee. City Commission administrative policies found online show that an Inclusionary Housing Trust Fund has been established and is to be overseen by one of the City departments, and a list of permitted uses for the funds are provided. However, details explaining how this is to take place are lacking. Same for the lots given in lieu of units. Presumably, this is all a staff |

ALTERNATIVES IN USE FOR ACHIEVING WORKFORCE HOUSING

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| | | <p>* Other incentives in addition to or instead of density: choice of housing type for Inclusionary units; alleviation of setback and lot size requirements for entire development; alleviate of buffering and screening requirements for Inclusionary units; expedited review with no fee for request for deviation from design standards; transportation concurrency exemption; developer may also request additional incentives, as long as not inconsistent with comp plan.</p> <p>* Maximum affordable sales prices ("MASP") for Inclusionary units is established at the effective date of the ordinance as \$159,378. The MASP shall be reviewed each year by the City Commission and reset if necessary.</p> <p>* Eligible households are residents of the City earning 70% - 100% of the county median income (although provision is made for some households earning less than 70%.)</p> <p>* City Commission can grant waivers if not consistent with comp plan, or site plan is part of a larger project.</p> <p>* Alternatives: fee in lieu of providing units (fee is spelled out in terms of median sales prices of units – if sale price is up to 110% of MASP, fee is \$10,000 per unit ; if sale price is up to 175% of MASP, fee is \$15,000 per unit, etc., but this can't be done in certain areas of City or in DRIs); construction of multi-family rental</p> | | <p>function. Fees also seem fairly low.</p> <p>* Allowing setback, lot size, buffering relief as incentives can create a 'project-like' development for the Inclusionary housing that renders it less acceptable to surrounding areas and to the potential buyers themselves. Not a good incentive.</p> <p>* Allowing an exemption from Transportation Concurrency may violate state law, and will definitely cause traffic problems unless the areas receiving the benefit are transportation concurrency exception areas where alternative modes are available. Rewarding the inclusion of alternative modes of transport (such as integrating a bus stop into the development) would have been a better direction.</p> <p>* Too many sections of the City seem to be exempt.</p> <p>* If mixed use is allowable in the City, mixed use developments should have been considered as required sites for Inclusionary housing.</p> <p>* The income limitations for eligibility are very restrictive; the program will not benefit much of the 'workforce' it is supposedly designed to help. The program is also only designed to help those already residing in the City, so it can't be used by those commuting to the City and desiring to live in the City (and thus reduce traffic congestion.)</p> <p>* Automatic sunseting of the</p> |

ALTERNATIVES IN USE FOR ACHIEVING WORKFORCE HOUSING

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|------------------------|-------------------|--|------|---|
| | | <p>units on site; dedication of lots on site to the City, and construction of units off site.</p> <p>* Developer financial responsibility: at time of site plan or plat approval for project required to provide Inclusionary units, applicant has to post bond equivalent to fee in lieu of providing the units. City retains the bond in an interest-bearing account for no less than 3 years or until City has documented that required units have been provided.</p> <p>* Exemptions are allowed for multifamily rental, although Inclusionary rents may have to be allowed; manufactured homes are not subject to the requirement to provide Inclusionary housing and may not be provided to satisfy Inclusionary housing requirements; nursing homes and group homes and the like, and developments within certain specified areas, such as the Lake Protection area, DRIs, and other specified areas.</p> <p>* The program is administered by two City departments in consultation with the joint City-County Planning Department; they all provide interpretations.</p> <p>* This program (ordinance) automatically sunsets on October 1, 2007 unless City Commission conducts a review of the program prior to that date and passes a resolution extending the term of the ordinance that set up the program.</p> | | <p>ordinance after such a short time period does not allow time to evaluate how well or how poorly the program is operating.</p> <p>* Assigning administration of and interpretation of this ordinance to three different staff departments is a recipe for disaster.</p> |

ALTERNATIVES IN USE FOR ACHIEVING WORKFORCE HOUSING

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|--|---|--|---|--|
| <p>CITY OF FORT LAUDERDALE draft ordinance (action postponed at April 18, 2002 City Commission meeting.)</p> | <p>Workforce Housing regulations and Workforce Housing Trust Fund</p> | <ul style="list-style-type: none"> * Workforce housing requirements are to be met in instances of rezonings and land use amendments that would increase density, :PUD or DRI approvals, and allocation of units in the Regional Activity Center (mixed use) land use designation. Fifteen percent (15%) of the new units must be workforce. * Requires all other new developments with more than 25 new units (or more than 25 units per acre – ordinance has internal conflicts) to provide 10% workforce housing. * Maximum workforce rents (\$1,305 for a 3 bedroom) and Maximum Workforce sales price (\$253,652) are established. * Eligible households have a maximum income limit from 80% - 120% of the area median income and are City residents. * Provides for exemptions, adjustments and appeals from the Workforce housing requirements. * Alternatives: an in lieu fee – maximum is \$97,400 per unit, but City Commission can establish a graduated fee based on the average market sales price of units in the development; also, can built workforce-rate rental housing on same site as primary development. * A Workforce Housing Trust Fund is established to manage the funds and operate Workforce Housing programs, including first mortgage to first time homebuyers, down payment | <ul style="list-style-type: none"> * Requires Workforce housing in areas with mixed use land use (Regional Activity Center), not just areas with residential land use. * Has a broader eligibility in terms of income, so can be of assistance to 'workforce'. * A Workforce Housing Trust is established and specific types of assistance to those seeking to buy or seeking to build workforce rental units are spelled out. * The 'in lieu' fee is more realistic in terms of creating sufficient funds to enable the Workforce Trust to be able to assist. * The restriction that holds a unit in 'workforce affordability' is for a more reasonable time period, and enables a homeowner to realize profit but still reimburse the Housing Trust so assistance can continue for others. * An appeal process is provided. | <ul style="list-style-type: none"> * Ordinance provision that establishes maximum price of housing may create too great an intrusion of local government authority into the housing market * No incentives are provided. * Persons who have to commute to jobs in the City and might like to live there are not eligible for assistance. This undercuts the usefulness of the ordinance. * It is not clear whether the intent is to require Workforce units of all developments in excess of 25 units, or 25 units per acre. If the latter, this means that a small infill development of fewer than 25 units that is located on land allowing high density will be required to include 10% workforce units. Since no incentives (such as density bonuses) are provided, this can mean infill residential development will stop because it won't be financially feasible. * It is unclear why minimum square footages for units are included, as the building code does address this issue. * It is not clear from the ordinance how the Workforce Housing Trust Fund will be operated. No mention is made of a board to operate it, but since the ordinance indicates that the Trust Fund will fund the City of Ft. Lauderdale's Workforce Housing programs, it can be concluded that the City will operate the Trust Fund. |

ALTERNATIVES IN USE FOR ACHIEVING WORKFORCE HOUSING

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|------------------------|-------------------|---|------|------|
| | | <p>assistance in the form of a second mortgage, second mortgage to rehab foreclosed or abandoned house and rental rehab loans to landlords who will rent to workforce tenants at rates approved by HUD, and will monitor tenant incomes.</p> <p>* Requires a restrictive covenant to be filed at time of closing on a Workforce housing unit that renders the unit as Workforce housing for 10 years. If owner sells unit after that, any Workforce Housing Trust funds used for purchase must be paid back to the Trust Fund, plus a share of the appreciated value.</p> <p>* Exempt developments are identified, including developments that voluntarily restrict their sale or rental costs for ten years to amounts not exceeding the Workforce sale and rental level.</p> <p>* Developers must execute a Workforce Housing Agreement at time of building permit issuance or other final approval; the Agreement shall be recorded in the County public records and the obligations shall be covenants running with the land.</p> <p>* Minimum square footages of Workforce units are provided (1 bedroom units must be a minimum of 650 sf; 2 bedroom, 950 sf and 3 bedroom, 1160 sf)</p> <p>* An appeal to City Commission is allowed, following a decision by the Planning & Zoning Dept. on any matter governed by this ordinance, including that the units are required, the number of unit</p> | | |

ALTERNATIVES IN USE FOR ACHIEVING WORKFORCE HOUSING

| Jurisdiction or source | Type of Option(s) | Features | Pros | Cons |
|--|--------------------------|--|--|---|
| | | required and the amount of the in lieu fee. Applicants not satisfied by the outcome of this appeal can then proceed to Circuit Court. | | |
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| <p>PALM BEACH COUNTY Interim Workforce Housing Program (took effect April 5, 2006 for all projects submitted on or after that date; final program this fall.)</p> | <p>Workforce Housing</p> | <ul style="list-style-type: none"> * Requires all new developments with a residential component of 10 units or more to provide 7% as workforce if using standard zoning, 25% if using PUD zoning. * Allows a density bonus of 30%, but 50% of the bonus units must be workforce units. * Except for land located within the Urban/Suburban Tier (receiving urban levels of service), all density bonuses have to be achieved through transfer of development rights; for this program, a TDR will have a very low cost. As another incentive in urban/suburban areas, if project traffic is less than or equal to up to 5% of peak season, peak hour LOS D on any link or intersection, project need not meet LOS standards for traffic. * For projects required to provide at least 10 workforce units: a minimum of 25% shall be built on site; of the remaining 75%, applicant can: build them off-site; buy the equivalent number of existing market rate units and deed them to the County; donate buildable land acceptable to the County in an amount equal to the buyout cost of the remaining units; provide a combination of these options; use in-lieu payment for half of the required units. For projected required to provide less than 10 units, all these options are available, and | <ul style="list-style-type: none"> * Included mixed use projects and requires a greater percentage of units in those projects taking advantage of the existing ability to increase density by rezoning to PUD. * Allows a range of options for developers who don't want to include units on site. * Allows a density bonus, although the bonus units must also include workforce units. * The density bonus program for areas outside of the urban/suburban area requires the use of transfer of development rights (TDR) within the rural area, in order to avoid creating extra density within rural areas. | <ul style="list-style-type: none"> * Although this ordinance does provide for multiple price points based on ranges of incomes of potential buyers and renters, ordinance provisions that establishes maximum price of housing may create too great an intrusion of local government authority into the housing market. * Although the ordinance does require mixed use projects to provide for workforce units, the only incentive offered is density bonuses. No effort is made to allow for increased nonresidential square footage, which would, in reality, pay for the cost of the workforce housing – especially since 50% of the bonus density units allowed must also be workforce level cost. * Requiring workforce units in the rural area creates more problems than it solves. There may be a need for lower cost farm worker housing in rural areas, but the majority of those needing workforce housing need to be located in proximity to urban area jobs (service jobs, etc.) Rural areas are poorly served by transit, so an increase in workforce housing in rural areas will contribute to roadway problems. * It is not clear what will become of the in lieu payments. * Enforcement of the 25 year affordability requirement when |

ALTERNATIVES IN USE FOR ACHIEVING WORKFORCE HOUSING

| Jurisdiction or source | Type of Option(s) | Features | Pros | Cons |
|---|--|---|---|---|
| | | <p>the requirement to construct onsite may be waived.</p> <p>* If homes in the proposed development are valued at 200% or more than the median County home value of January 2006, the applicant shall be able to choose from these options: build 100% of the required units on site; purchase equivalent number of existing market rate homes and deed to County; donate buildable land acceptable to the County in an amount equal to the buyout cost for the remaining units; use the in lieu option for half or less of the units required; a combination of these options.</p> <p>* The County establishes prices and rents of workforce units annually, by income range, using the County median income. All workforce units are to be attainable by households with incomes from 60% to 150% of the median income. Twenty-five percent of required units will be for those in the 60% - 80% of median range; 25% for those in the 80 - 100% range and so on.</p> <p>* Maintenance of affordability – a deed restriction is recorded guaranteeing affordability for 25 years. If the unit is sold before then, the deed restriction is re-recorded and the 25 year period begins again.</p> | | <p>units are sold prior to 25 years will be a challenge. It is not clear why this is a requirement, unless the units are built with County assistance from the in lieu funds.</p> |
| COMMUNITY LAND TRUSTS/COMMUNITY HOUSING TRUSTS | | | | |
| <u>SARASOTA COUNTY</u> | Community land trust/Community housing trust | * Community Land Trust is central to the mission of the Community Housing Trust | * Removing cost of land from cost of housing is a major step in ensuring a more reasonable cost | * Income limitations mean that many workforce households will not be able to benefit. |

ALTERNATIVES IN USE FOR ACHIEVING WORKFORCE HOUSING

| Jurisdiction or source | Type of Option(s) | Features | Pros | Cons |
|------------------------|-------------------|--|--|--|
| | | <ul style="list-style-type: none"> * Community Housing Trust (CHT), a nonprofit incorporated in 2005, exists to create opportunities for and stewardship of a permanent stock of affordable housing. * Governed by a 15-member volunteer board, some of whom are direct beneficiaries of the program. * In its capacity as a Land Trust, the Housing Trust will acquire and hold land and make it possible for households in the eligible income ranges to buy and own homes on the land that is leased from the CHT through 99-year, renewable, inheritable ground leases. This eliminates the cost of land from the cost of the houses. * Restrictions on the resale value of the house allow fair equity return to homeowner but keep the house affordable for next owner. * Before house is put on market, homeowners have to give the CHT the right to buy. * Effort aims to increase home ownership for working families, but is limited to those at or below 100% of the median income. * The CHT will not build homes, but will work with for profit and nonprofit builders. * The CHT will acquire both individual lots and large tracts, and will rely heavily on donated land and funds as it does not yet have a dedicated funding source. | <p>for housing.</p> <ul style="list-style-type: none"> * Allowing sale of houses with some recovery of equity is less punitive than the provisions of typical Inclusionary housing ordinances. * The ordinances creating the CHT do not dictate maximum housing costs, so neither the government nor the Trust are intruding too deeply into the private market. | <ul style="list-style-type: none"> * Lack of a dedicated funding source can be a problem. * It is unnecessarily restrictive to keep the CHT from actual involvement in construction; as a nonprofit, the CHT could be eligible for tax exemptions and fee reductions not available to the private sector that can help keep housing costs lower. |

ALTERNATIVES IN USE FOR ACHIEVING WORKFORCE HOUSING

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|---|-------------------------|--|---|---|
| <u>DELRAY BEACH</u> | Community Land Trust | <ul style="list-style-type: none"> * A 10-member interim board has been meeting monthly since January of 2006 to establish the trust as a nonprofit intended to preserve affordability of homes and maintain some control over their market values, adopt bylaws, create leasing guidelines and a reselling formula and determine how to select property owners. * Initial efforts will focus on a dozen donated single family lots and specified units in future building projects that have been dedicated to the CLT. | <ul style="list-style-type: none"> * Allows CLT to become involved in construction. | <ul style="list-style-type: none"> * Rules regarding eligible income ranges, length of lease, etc., not yet identified – this is a work in progress. |
| <u>MONROE COUNTY – MIDDLE KEYS</u> | Community Land Trust | <ul style="list-style-type: none"> * Trust will construct and sell homes, but retain the land. * Homebuyer has a 99-year renewable ground lease. * A resale formula is agreed to by the homebuyer so that affordability of the unit is retained. * Homebuyers or renters must become members of the Land Trust and attend meetings, assist others to achieve the same opportunity | <ul style="list-style-type: none"> * Allows CLT to become involved in construction | <ul style="list-style-type: none"> * Allows for a renewable ground lease, but does not address ability to inherit the lease. * Requires buyer to enter into a resale agreement in advance that may or may not allow some recapture of equity – the clear intent of the Trust, as stated by board members, is to ensure safe, good housing and not to emphasize any investment aspect of housing. This may discourage some buyers. |
| WORKFORCE HOUSING OVERLAY DISTRICT | | | | |
| <u>SARASOTA COUNTY</u> | Zoning Overlay District | <ul style="list-style-type: none"> * Can be applied throughout the County or to specific areas, based on criteria such as proximity to major employment centers, existing or planned infrastructure, proximity to major transit service. * Can be applied to any development with a residential component being platted, | <ul style="list-style-type: none"> * If limited to specified areas of the County, ensures that County does not have to be concerned about developers proposing workforce housing to get density bonuses in rural or preserve areas. * Ties in with Trust Fund well. * Protects neighborhood by | <ul style="list-style-type: none"> * Range of income eligibility is too limited; will not assist full 'workforce' range. * May require a land use amendment if not located on mixed use land use designation, as it permits density up to 120% of the land use designation(?) * Does not provide any guidance |

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| Jurisdiction or source | Type of Option(s) | Features | Pros | Cons |
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| | | <p>replatted or seeking site plan approval with more than 20 total units (intended to exclude smaller developments, particularly small infill within Urban Service area.)</p> <p>* Each new development within the overlay zone that proposes more than 20 units would provide a minimum of 15% of the units as workforce, up to a maximum of 17% as workforce.</p> <p>* A density bonus of up to 25% may be applied to the existing zoning designation, not to exceed 120% of the density designated on the Future Land Use Plan Map. Density bonuses would not allow a change in type of unit to be built on the site; if the district is a single family district, the bonus units would be single family.</p> <p>* The workforce housing units would be distributed throughout the development, not clustered in one area; would vary in numbers of bedrooms just as other units in the development did; would be constructed of comparable material and detail and would be landscaped in the same manner.</p> <p>* Alternatives: workforce housing may be constructed on an alternative site, or developer may pay in lieu fee based on one of three options: flat fee, construction cost fee (1.2 times the cost of construction of the unit) or 'gap fee' – fee based on the difference between what a workforce household could afford to pay for a unit and the median price of a unit in the County. In lieu payments would be deposited</p> | <p>requiring bonus units to be compatible and scattered throughout site.</p> <p>* Does not involve government in setting specified housing prices.</p> | <p>about how unit prices are set.</p> <p>* Although this overlay is allowed to be used for mixed use projects, no consideration is given to providing an incentive through increased nonresidential square footage.</p> |

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| Jurisdiction or source | Type of Option(s) | Features | Pros | Cons |
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| | | <p>into the County's Housing Fund, and could then be used for down payment assistance for households within the income target range (for Sarasota County, range is from 80% - 100% of median income.)</p> <p>* Term of affordability: if unit is not built on land owned by Community Land Trust, a ten year period of affordability was recommended, with the return on a unit sold within the first 3 years limited to up to 8% increase in price, with increased up to 100% by year 10.</p> <p>* If the developer donates (or sells) the workforce units to the Community Land/Housing Trust, the developer is not required to oversee the processing of applicants to determine eligibility, and the land can be retained in affordability perpetually.</p> | | |
| REGULATORY INCENTIVES | | | | |
| <u>BROWARD AND PALM BEACH COUNTIES</u> | Impact fee relief | Both counties pay the impact fees for affordable/workforce units | Since impact fees will continue to increase, this can be a useful incentive | This incentive requires a steady, dedicated funding source. |
| <u>SARASOTA COUNTY (Proposed)</u> | Permit fee reduction | Fees to be reduced in proportion to the sale price or size of unit. | Since permit fees may be linked to cost of housing, this can be a useful incentive. | Care must be taken to ensure that fee reductions do not result in a negative impact on staffing levels in the Building Division. |
| <u>SARASOTA COUNTY (Proposed)</u> | Increase height limits in designated areas | Would apply only to new developments, not replats. | Can be a helpful incentive in both mixed use land use areas and higher density areas. | Requires design standards to ensure neighborhood compatibility; also necessary to avoid creation of 'project' |
| <u>SARASOTA COUNTY (Proposed)</u> | Reduce lot area requirements in MF districts | Would apply only to new developments, not replats. | Can be a helpful incentive in both mixed use land use areas and higher density areas. | Requires design standards to ensure neighborhood compatibility; also necessary to avoid creation of 'project' |

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| <u>CITY OF ORLANDO</u> | Reduce front, rear and side yard setbacks as well as lot widths and lot depths for housing certified as affordable | In Chapter 67 of the City's development code, alternative development standards are provided for affordable housing and an affordable housing fund is established to help with financing. | * Recognition of the impact that land costs have on housing costs. | * Raises concerns about neighborhood compatibility. |
| <u>SEMINOLE COUNTY</u> | R-AH Affordable Housing Zoning District | Reduced yard and site regulations, reduced lot size, reduced minimum house size | * Recognition of the impact that land costs have on housing costs | * Raises concerns about neighborhood compatibility. * Requires a rezoning and is likely to encounter opposition. |
| <u>ACCESSORY DWELLING UNITS (PER 163.31771, FLORIDA STATUTES</u> | Permitting of accessory dwelling units in single family areas to increase affordable rentals as a public purpose to solve affordability problems. | <p>* Local government must make a finding that there is a shortage of affordable rentals within its jurisdiction, and can then adopt an ordinance to allow accessory units in any area zoned for single family use.</p> <p>* In this section of law, 'accessory unit' means an ancillary or secondary unit with a separate kitchen, bathroom and sleeping area either existing within the same structure or on the same lot as the primary dwelling unit.</p> <p>* This is limited to very -low, low and moderate income persons.</p> <p>* An application for a building permit under this law must include an affidavit attesting that the unit will be rented to an income qualified person.</p> <p>* Each accessory unit allowed under this ordinance applies toward satisfying the affordable housing component of the local government comprehensive plan.</p> | | |
| <u>SARASOTA COUNTY (Proposed)</u> | Granny Flats | <p>* Allowed for new developments only, no replats.</p> <p>* Allowed in all zoning districts</p> | Interesting concept | No explanation provided as to how this works in multifamily districts. |

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| Jurisdiction or source | Type of Option(s) | Features | Pros | Cons |
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| LINKAGE FEES | | | | |
| <p>1000 Friends of Florida – Jaimie Ross, Affordable Housing Director</p> | <p>Linkage Fee</p> | <p>* Provides 'a means for local governments to collect monies to help support affordable housing construction. These fees, collected from nonresidential and market-rate residential development, are placed in a trust fund for others to use in building the lower-cost homes. Linkage fees are important as a recognition that the low-wage workers ...need adequate housing within the community that they can afford. Any smart growth legislation should recognize the need for this balance between affordable housing and workers.' (From the website of 1000 Friends of Florida)</p> <p>* In conversation with Ms. Ross, she recommended that any community considering linkage fees conduct a nexus study using an economic expert who can defend the findings if the need arises. The study can be used to determine which types of nonresidential use should be assessed, whether nonresidential uses below a certain square footage can be exempt, etc. She advised that a presentation on linkage fees and Inclusionary housing is available from Stan Fiderman at (352) 344-5812, should we want to provide this information to the BCC.</p> | <p>* Ms. Ross points out that incorporating linkage fees into a community's workforce housing program is an approach that is greater in fairness, because it acknowledges the role of nonresidential uses in creating a need for workforce housing, and does not shift all of the impact of ensuring workforce housing onto residential development alone. The use of linkage fees can provide a steady source of funding for a Community Land/Housing Trust.</p> | <p>* Commissioners may be concerned that the use of a linkage fee can discourage employers from locating in the County. The study would need to identify the type of nonresidential uses that would generate a need for workforce level housing costs.</p> |
| <p><u>CITY OF WINTER PARK</u></p> | <p>Linkage Fee and Affordable Housing Trust</p> | <p>* Established a fee of \$.15 per square foot for residential construction and nonresidential</p> | <p>* Both residential and nonresidential uses participate in solving the problem.</p> | <p>* The linkage fee is not directly linked to actual costs associated with construction of</p> |

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| | Fund | <p>construction, except for nonprofit institutions, when first passed in 1989. Jeff Briggs, Winter Park City Planner, says fee has been increased to \$.50.</p> <p>* The fee is assessed for all new construction, building additions, and renovation when the value of the renovation or improvement exceeds 50% of the cost of the building at the time of construction.</p> <p>* Other exemptions include: residences built as part of the City's affordable housing program; residential projects that contain a set-aside of housing units that qualify as affordable housing; nonresidential that is for educational, literary, scientific, religious, charitable or governmental use (IRS Code); nursing homes and assisted living facilities, but not retirement homes.</p> <p>* Establishes an Affordable Housing Trust Fund for the fees collected and a program that carries out the City's affordable housing goals.</p> | <p>* The fee is so low that it has not been challenged; this is especially helpful, in that the City adopted it as a mechanism to implement its comprehensive plan goals, and not as an 'impact fee' based on a nexus study.</p> <p>* Since the program went into effect, the City has been able to buy 25 lots to deed to Habitat for Humanity, and has built a 30 unit apartment complex to rent to qualified households. Grants of \$20,000 have been provided to moderate income working households, even if not first time home buyers.</p> | <p>workforce/affordable housing, so the amount made available for City programs is low.</p> <p>* Jaimie Ross suggests that this was a good initial step, but newer linkage fee ordinances in other states provide a model that relates more directly to the actual impact caused by service level employers.</p> |
| <u>CITY OF COCONUT CREEK</u> | Linkage Fee | Details forthcoming – Program just adopted | | |
| <u>CITY OF OAKLAND, CALIFORNIA</u> | Linkage Fee ('Jobs/Housing Impact Fee') | <p>* Applied to office and warehouse distribution uses</p> <p>* Provides a formula (number of gross square feet in the development devoted to these uses minus 25,000 square feet, multiplied by \$4.00 = amount of fee.)</p> | * Incorporating linkage fees into a community's workforce housing program is an approach that is greater in fairness, because it acknowledges the role of nonresidential uses in creating a need for workforce housing, and does not shift all of the impact of ensuring workforce housing onto | * Potentially inhibits development of offices (except all surrounding communities are doing the same thing.) |

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| | | <p>* Establishes a Housing Trust Fund to receive the fees. The Housing Trust Fund is used to assist in development of affordable housing.</p> <p>* Allows an alternative to the linkage fee – developer can produce affordable housing units.</p> | residential development alone | |

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| <p>Phase 1 Create Community Land and Housing Trust</p> | <ol style="list-style-type: none"> 1. Exists to foster opportunities for creation of and retention of good quality housing affordable to workforce households. 2. Receives 'in-lieu' payments from developers choosing not to build workforce units. 3. Receives land donated by developers choosing not to build workforce units and land donated for other reasons. 4. Receives funds donated by organizations, corporations or individuals interested in encouraging workforce housing. 5. Provides low interest loans to buyers within the workforce income range (80% - 150% of County median income) seeking mortgages in the private sector who might otherwise not qualify financially. Buyers sign an agreement that they will stay in the home for three years, and, if sold after that, right of first refusal for sale is to the Trust; if Trust declines, an increasing percentage of the appreciation of the cost of the unit is given to the Trust. If buyers want to buy only the house and will allow the Trust to buy the land, the cost of the house will be more affordable to the buyer and the Trust will provide a 99- | <ul style="list-style-type: none"> • A community land and housing trust benefits workforce households by providing access to sound, reasonably priced housing while keeping the housing within the income range of future residents. • A land trust is used because separating the cost of a housing unit from the cost of land helps to ensure that the house is within financial reach of workforce households, and can enable them to build a limited equity so they can acquire future housing units. At the same time, retention of the land by the Trust enables the community to continue to ensure the availability of sound, workforce-cost housing. • A housing trust is used to enable the County to offer options to developers who don't want to either construct workforce housing on site, or will construct it but don't want to manage a workforce housing program. • Assistance in the formation |

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| | <p>year renewable, inheritable ground lease.</p> <p>6. Provides low interest supplemental loans to developers intending to build workforce housing for ownership or rental purposes. Developer of rental units signs agreement that units remain rental and workforce level for ten years. Other provisions also apply if sold, or converted to condominiums.</p> <p>7. For individual donated lots, if scattered: donates to nonprofit organizations to build workforce homes. For donated parcels, contracts with builders to construct workforce housing, sells homes to workforce buyers who sign an agreement that they will stay in the home for three years, and, if sold after that, right of first refusal for sale is to the Trust; if Trust declines, an increasing percentage of the appreciation of the cost of the unit is given to the Trust. If unit is sold within first ten years, must be to a workforce household. Trust retains ownership of the land; only units are sold. Buyer is given a 99-year renewable, inheritable ground lease.</p> <p>8. If financially feasible, buys land to be used for construction of workforce</p> | <p>and operation of a community land and housing trust can be provided by the Florida Community Land Trust Institute, a collaboration between 1000 Friends of Florida and the Florida Housing Coalition. Florida Housing Coalition can be contacted at (850) 878-4219. Jaime Ross, Affordable Housing Director at 1000 Friends of Florida, (850) 222-6277.</p> |

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| | <p>housing.</p> <p>9. Accepts ownership of land with workforce units built for ownership or rental by developers who do not want to operate a program of verifying that buyers or renters are eligible for workforce housing; Trust retains ownership of the land while selling the home and operates the rental units.</p> <p>10. If owners of land used for older mobile home parks are interested in selling land, seek to acquire and stabilize the mobile home park by providing low interest loans to existing residents to enable them to acquire upgraded modular or manufactured homes.</p> <p>11. Can partner with programs that provide loans or mortgages to police officers, firefighters, teachers, nurses, etc. ("Officer Next Door", The Teacher Next Door", etc. programs operated through HUD, or can set up own program, such as San Jose, California's zero-interest loan for teacher housing.)</p> <p>12. Shall be governed by a board appointed by the BCC and permitted to hire a professional staff paid for through the in lieu fees, a county annual appropriation and county space allocation.</p> | |

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| <p>Phase 1.5 Identify locations for Workforce Housing; amend the Future Land Use Element Map (FLUP) and Design Element; adopt Workforce Housing Overlay District Ordinance</p> | <ol style="list-style-type: none"> 1. Identify areas where greater density, mixed use and greater building height are acceptable; including, unincorporated sites along US 17/92 corridor, such as Big Lots location, location of Bob Dance car sales site, site around Lake Irene, sites currently identified as HIP that do not have direct access to major arterials and are judged to be inadequate sites for Target Industries by the Small Area Study, infill sites with Medium Density Residential where High Density Residential could be served and neighborhood compatibility protected, and infill sites with Low Density Residential where Medium Density Residential could be served and neighborhood compatibility protected, etc. 2. Amend the Future Land Use Plan map to identify the Mixed Use Land use sites, with minimum and maximum permitted residential units per net acre and minimum and maximum permitted nonresidential square footage, to identify any existing medium density sites that can be amended to high density and any low density sites that can be amended to medium density. 3. Amend the Design Element to create | <ul style="list-style-type: none"> • The proposal encourages developer participation by providing a number of incentives, including additional nonresidential square footage for mixed use developers. (That incentive can also result in an increased number of jobs in proximity to residential units.) • The proposal locates density and intensity where the comprehensive plan anticipates serving it. • The proposal offers a method of establishing housing prices or rental rates that does not place the responsibility for pricing in the hands of government. • The proposal envisions the continued availability of workforce housing by involving the previously established Community Land and Housing Trust (CLHT) as recipient of in lots (should the developer choose this alternative), and the lots will remain in the ownership of the CLHT even as houses are sold. |

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| | <p>compatibility standards for infill development in urban areas.</p> <ol style="list-style-type: none"> 4. Amend the land development code to incorporate design standards for infill areas. 5. Draft a Workforce Housing Overlay District ordinance with input from 1000 Friends of Florida, stakeholders, DAP, SCAC. Basic provisions: 6. Overlay district will be applied at the locations designated as Mixed Use, Medium or High Density Residential on the FLUP and must meet minimum requirements if a developer seeks to have the overlay applied (i.e., must be within a central water and sewer service area and cannot be in East Rural Area, Wekiva area; must be located near major employer or public transportation; must be within Urban Services Area). 7. Within the overlay district, developer seeking to build more than either the minimum permitted per net acre or up to 25 units per net acre on Mixed Use land use must, at a minimum, provide for 10% workforce housing. To earn the right to build the permitted maximum number of units per net acre, the developer must provide for 15% workforce housing. | <ul style="list-style-type: none"> • In addition, the CLHT will receive in lieu fees, should the developer choose that alternative, and can use those fees to either directly aid those applying for loans or to contract for housing construction. |

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| | <p>8. If developer builds the units onsite, they must be distributed throughout the residential portion of the site, exteriors must be constructed of same materials as market rate units and landscaped with the same materials as the market rate units.</p> <p>9. Mixed use developers seeking to build above the minimum in nonresidential square footage shall provide for a range of 10% to 15% of their total number of residential units as workforce, depending upon the level of nonresidential square footage desired. If the developer builds the units onsite, they shall be as specified under point number 6.</p> <p>10. Alternatives: developer can build the required number of workforce units on another site; developer can donate lots throughout the residential portion of the development equal to the number of required workforce units to the Community Land and Housing Trust (CLHT); developer can pay an 'in-lieu' fee for each required workforce unit equal to 1.2 times the cost of construction of each unit to the CLHT.</p> <p>11. If developer builds the workforce units but does not want to operate a program verifying that units are sold as</p> | |

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| | <p>required by this ordinance, developer may donate the units and lots to the CLHT. Upon sale of each workforce unit, CLHT will reimburse developer that portion of construction costs equal to the building and plan review fees for that unit.</p> <p>12. For units that are sold by the developer, the Inclusionary unit cost shall be no greater than a "Maximum Affordable Sales Price" (MASP) established annually by an advisory board of mortgage companies appointed by the Board of County Commissioners; buyers shall earn between 80% and 150% of the County median income and shall sign a recorded deed restriction indicating that they will live in the house a minimum of 3 years before selling, that first right of refusal shall be given to CLHT, that a specified percentage of appreciated value at time of sale shall be donated to CLHT and that sale shall be to a household earning between 80% - 150 % of County median income during the year of sale. Market rate rental complexes built in the Workforce Housing overlay shall also set aside the required number of workforce units, which shall be rented</p> | |

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| | <p>to households earning between 80% to 150% of the County median income, and annual rents shall not cause a household to pay more than 35% of the household's annual income in housing expenses. Market rate rental complexes within the Workforce Housing Overlay that elect to convert to condominiums shall either reserve a minimum of 10% to a maximum of 15% of units to be priced as workforce units, or shall donate 10% of the units to the CLHT.</p> <p>13. Households eligible to buy or rent workforce units shall be those residing in the County and earning between 80% and 150% of the median income, or households where one member holds a permanent job within the County and the household income is between 80% and 150% of the County median income, or adult children of County residents with a household income between 80% and 150% of the County median income.</p> <p>14. Multi-family residential rental units that are built under income restriction funding arrangements, housing built through funding arrangements for very low, low and moderate income households, state licensed nursing</p> | |

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| | homes, state licensed assisted living facilities and life care facilities, newly proposed manufactured home parks and housing built by a religious institution whose residency is restricted to members of the religious organization are exempt from the ordinance. | |
| <p>Phase 2 Evaluation and Nexus Study for Linkage Fee</p> | <ol style="list-style-type: none"> 1. The CLHT Board shall provide annual reports to the Board of County Commissioners regarding the number of workforce owner and renter occupied housing units constructed each year. 2. Three years after the creation of the CLHT and the adoption of the Workforce Overlay District, a report shall be issued by the CLHT regarding the degree of difficulty in finding appropriate housing experienced by workforce personnel within the County. 3. Should the report indicate that the measures taken to date have not offered sufficient relief, the County shall contract with an economist to perform a nexus study to determine whether a linkage fee imposed upon new nonresidential construction is needed to help ensure availability of workforce housing resulting from pay scales of employers in the County. | <p>Should the CLHT and overlay district alone fail to make sufficient progress in addressing the issue, incorporating linkage fees into a community's workforce housing program is an approach that is greater in fairness, because it acknowledges the role of nonresidential uses in creating a need for workforce housing, and does not shift all of the impact of ensuring workforce housing onto residential development alone. The use of linkage fees can provide a steady source of funding for a CLHT.</p> |

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| <p>Phase 3 Adoption of Nexus Study and Linkage Fee</p> | <ol style="list-style-type: none"> 1. Based on findings of the Nexus Study, a fee schedule assessing a rate per usable square foot of new nonresidential projects in excess of an established minimum (25,000 square feet, for example) shall be assessed at time of building permit approval. Usable square feet shall not include stairways, elevator shafts, structured parking, parking lots, restrooms, utility and storage closets and the square footage of the roof. 2. The linkage fee shall be paid to the CLHT for use in programs to ensure the creation and preservation of workforce housing. 3. The annual reports of the CLHT shall include reports on the use of the linkage fees. 4. Should the workforce housing stock reach an equilibrium situation, where sufficient stock exists to meet needs, the linkage fee can be sunsetted. | <p>Should the CLHT and overlay district alone fail to make sufficient progress in addressing the issue, incorporating linkage fees into a community's workforce housing program is an approach that is greater in fairness, because it acknowledges the role of nonresidential uses in creating a need for workforce housing, and does not shift all of the impact of ensuring workforce housing onto residential development alone. The use of linkage fees can provide a steady source of funding for a CLHT.</p> |
| <p>NOTE: The County may consider initiating the process of meeting workforce housing needs by identifying surplus lots and parcels suitable for use as workforce housing, and deeding the lands to the CLHT. The County may also consider whether its plans for the Five Points campus can include identifying a site that can be given to the CLHT.</p> | | |