

Lee County Affordable Housing Advisory Committee

Affordable Housing Incentive Review Report

SHIP Affordable Housing Incentive Strategies

AFFORDABLE HOUSING ADVISORY COMMITTEE REVIEW & PUBLIC HEARING
SEPTEMBER 13, 2021

SUBMITTED TO: LEE COUNTY BOARD OF COUNTY COMMISSIONERS

DATE SUBMITTED: September 23, 2021

SUBMITTED TO: ROBERT DEARDUFF, FLORIDA HOUSING FINANCE CORPORATION

DATE SUBMITTED: September 23, 2021

BACKGROUND

As a recipient of State Housing Initiative Partnership (SHIP) funds, Lee County established an Affordable Housing Advisory Committee (AHAC) on April 15, 2008 as required by the Florida Statutes, Sec. 420.9076. The AHAC is responsible for reviewing and evaluating local plans, policies, procedures, land development regulations, the Comprehensive Plan, and other aspects of Lee County housing activities that impact the production of affordable housing. Further, the AHAC is required to consider and evaluate the implementation of the incentives provided in Florida Statutes, Sec. 420.9076 (4)(a)-(k).

COMMITTEE COMPOSITION

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

Name	Category Represented	Date Appointed
1. Commissioner Ray Sandelli	Elected Official	April, 2020
2. Ms. Marion B. Briggs	A citizen who is actively engaged in the residential home building industry in connection with affordable housing.	October 18, 2016
3. Ms. Jill Morrissey	A citizen who is actively engaged in the banking or mortgage banking industry in connection with affordable housing.	May 21, 2019
4. Mr. Michael Wukitsch	A citizen who represents employers within the jurisdiction.	April 16, 2019
5. Mrs. Melisa W. Giovannelli	A citizen who is actively engaged as a real estate professional in connection with affordable housing.	September 1, 2020
6. Mr. Charles S. Wood	A citizen who is actively engaged as a real estate professional in connection with affordable housing.	September 5, 2018
7. Mr. Shawn M. Williams	A citizen who is actively engaged as a for-profit provider of affordable housing.	October 16, 2018

8. Mr. Al J. Giacalone, III	A citizen who is actively engaged as a real estate professional in connection with affordable housing.	October 18, 2016
9. Mr. Henry J. Zuba	A citizen who actively serves on the local planning agency pursuant to s. 163.3174.	December 4, 2018
10. Mrs. Ramie Hall	A citizen who is actively engaged as an advocate for low-income persons in connection with affordable housing.	September 1, 2020

AFFORDABLE HOUSING RECOMMENDATIONS

Per Florida Statutes, Sec. 420.9076(4), annually the Committee will submit a report to the County Commissioners and to the Florida Housing Finance Corporation with recommendations on the implementation of affordable housing incentives in the following 11 areas (incentive strategies required by Florida Statutes, Sec. 420.9071(16) are in bold type):

420.9076(4)(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.

420.9076(4)(b) All allowable fee waivers provided for the development or construction of affordable housing.

420.9076(4)(c) The allowance of flexibility in densities for affordable housing.

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

420.9076(4)(e) Affordable accessory residential units.

420.9076(4)(f) The reduction of parking and setback requirements for affordable housing.

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

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

420.9076(4)(i) The establishment of a process by which a local government considers, before adoption, policies, procedures, ordinances, regulations, or plan provisions that increase the cost of housing.

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

420.9076(4)(k) The support of development near transportation hubs and major employment centers and mixed-use developments.

The AHAC reviewed, considered, and evaluated the affordable housing incentives provided in Florida Statutes, Sec. 420.9076(4) and makes these recommendations to the Board of County Commissioners:

A. **420.9076(4)(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.**

1. Incentive Description: EXPEDITED PERMITTING

The Planning Section of the Lee County Department of Community Development provides procedural and technical assistance to developers of Affordable Housing Developments (AHDs). Developers of AHDs in unincorporated Lee County may request from the Planning Section expedited permit processing. The approval for expedited processing is routed with each county permit for the AHD to assure that the processing of approvals for construction of the AHD will be expedited to a greater degree than other projects.

2. Adopting Ordinance or Resolution Number or identify local policy:

- 2020/2021-2022/2023 Local Housing Assistance Plan – Page 25
- Lee County Comprehensive Plan (Lee Plan)
- Policy 135.1.5
- Policy 135.4.15

3. Implementation Schedule (Date): Ongoing

4. AHAC Recommendation: Continue Strategy

B. 420.9076(4)(b): All allowable fee waivers provided for the development or construction of affordable housing.

1. Incentive Description: MODIFICATION OF IMPACT FEES

- a. **Impact Fee Reimbursement Program** - Reimbursement of up to half (50%) of the amount paid for school impact fees for new construction of affordable residential single-family or multi-family homes to be occupied by income eligible households. These funds are available above and beyond any other assistance awarded.

This program is available for housing units built anywhere in Lee County where school impact fees have been paid within the past calendar year. The maximum purchase price of a home is the maximum established for the SHIP Program. Income limits apply to families purchasing the unit.

To encourage broad participation, there is a ceiling on the cumulative total of reimbursement distributed to any single builder per County fiscal year (10/1 – 9/30).

- b. **Impact Fee Exemption Program** - Exemptions for payment of Road, Regional Park, Community Park, Fire Protection and Emergency Medical Services Impact Fees are provided for residential building permits in Harlem Heights, Charleston Park, and the Fort Myers/Lee County Enterprise Zone.

Dwellings in subdivisions, mobile home or manufactured housing parks, and multi-family dwellings that are operated as a community for older persons that also prohibit persons under the age of 18 from residing within the dwellings as a permanent resident are exempt from payment of School Impact Fees.

- c. **Utility Connection Fees Deferral Program** - Deferral of Lee County Utilities connection fees for Very-Low and Low Income housing developed by non-profit organizations until the time of building permit application. Without the deferral, regulations require that 50% of the connection fees be paid at the time the County is asked to commit to the capacity availability and the remaining 50% at final acceptance of infrastructure. The program provides non-profits more cash flow as an incentive to constructing housing for the most needy.

- d. **Building Permit Fee Waivers** - The FHFC's State Apartment Incentive Loan Program (SAIL) provides low-interest loans on a competitive basis as gap financing to leverage mortgage revenue bonds and Low-Income Housing Tax Credit resources. This allows developers to obtain the full financing needed to construct or rehabilitate affordable rental units. The application for this program allows Lee County to make commitments to multiple projects, and the minimum commitment amount is \$50,000. The local government contribution for projects awarded SAIL financing are provided as building permit fee waivers.

2. Adopting Ordinance or Resolution Number or identify local policy:

Impact Fee Reimbursement Program

- 2020-2021-2022/2023 Local Housing Assistance Plan – Page 27
- Lee County Administrative Code
 - 13-4 Administrative Procedures Governing Reimbursement of Lee County School Impact Fees
- Lee County Comprehensive Plan (Lee Plan)
 - Policy 135.1.5

Impact Fee Exemption Program

- Lee County Land Development Code
 - Chapter 2, Article VI, Division 2. Road Impact Fee – Section 2-274 Exemptions

- Chapter 2, Article VI, Division 3. Regional Parks Impact Fee – Section 2-312 Exemptions
- Chapter 2, Article VI, Division 4. Community Parks Impact Fee – Section 2-352 Exemptions
- Chapter 2, Article VI, Division 5. Fire Protection and Emergency Medical Services Impact Fee – Section 2-394 Exemptions

3. Implementation Schedule: Ongoing

4. AHAC Committee Recommendation: Continue strategy with addition of fee waiver incentive approved by BOCC on June 15, 2021.

C. 420.9076(4)(c): The allowance of flexibility in densities for affordable housing.

1. Incentive Description: FLEXIBLE DENSITIES

The Lee County Comprehensive Plan provides increased densities for housing that is affordable to very-low, low, moderate, and workforce-income families. The program provides both a construction option (affordable units must be constructed) and cash option (market priced units may be constructed in exchange for a cash contribution to the Affordable Housing Trust Fund).

2. Adopting Ordinance or Resolution Number or identify local policy:

- Lee County Administrative Code
 - AC13-5
- 2020/2021 – 2022/2023 Local Housing Assistance Plan – Page 28
- Lee County Comprehensive Plan (Lee Plan)
 - Policy 135.1.4
 - Policy 135.4.16
- Lee County Land Development Code
 - Chapter 2, Article IV, Section 2-146 and 2-147

3. Implementation Schedule (Date): Ongoing

4. AHAC Committee Recommendation: Continue Strategy

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

1. Incentive Description: RESERVATION OF INFRASTRUCTURE CAPACITY

There are currently no restrictions on the availability of infrastructure capacity. Therefore, the reservation of capacity for very-low, low, and moderate income households is not necessary.

2. Adopting Ordinance or Resolution Number or identify local policy: Not Applicable

3. Implementation Schedule (Date): Not Applicable

4. AHAC Committee Recommendation: No Change

E. 420.9076(4)(e): Affordable accessory residential units.

1. Incentive Description: AFFORDABLE ACCESSORY RESIDENTIAL UNITS

The Lee County Land Development Code allows accessory apartments by right in certain areas, regardless of density provisions, which provides opportunities for additional affordable housing units. The purpose of allowing accessory residential units is to facilitate the provision of affordable housing, to strengthen the family unit, and to provide increased opportunities for housing the elderly and persons with special needs.

2. Adopting Ordinance or Resolution Number or identify local policy:

- 2020/2021 – 2022/2023 Local Housing Assistance Plan – Page 28
- Lee County Land Development Code
 - Chapter 34, Article VII, Section 34-1177

3. Implementation Schedule (Date): Ongoing.

4. AHAC Committee Recommendation: Continue Strategy.

F. 420.9076(4)(f): The reduction of parking and setback requirements for affordable housing.

1. Incentive Description: PARKING AND SETBACK REQUIREMENTS

The Land Development Code provides several avenues for relief in parking and setbacks:

- Developments within the Mixed Use Overlay (MUO) are subject to reduced parking, setbacks, open space and landscaping standards.
- Parking and setback requirements may be reduced through the planned development rezoning process by requesting deviations from the property development regulations.
- Similar to the deviation process, variances may be requested in conventional zoning districts to reduce parking and setback requirements.
- Reduced parking requirements are provided for Assisted Living Facilities, Continuing Care Facilities, Independent living facilities, including group quarters, health care, social services and similar uses.

2. Adopting Ordinance or Resolution Number or identify local policy:

- 2020/2021 – 2022/2023 Local Housing Assistance Plan – Page 29
- Lee County Comprehensive Plan
 - Policy 2.6.2
 - Objective 11.2
- Lee County Land Development Code
 - Chapter 10, Article II, Division 2, Subdivision II, Section 10-104
 - Chapter 34, Article IV, Division 2, Section 34-373
 - Chapter 34, Article IV, Division 3, Section 34-411
 - Chapter 34, Article VII, Division 26, Section 34-2020

3. Implementation Schedule (Date): Ongoing

4. AHAC Committee Recommendation: Continue Strategy

G. 420.9076(4)(g): The allowance of flexible lot configurations, including zero-lot-line configurations for affordable housing.

1. Incentive Description: FLEXIBLE LOT CONFIGURATIONS

The Land Development Code provides options for allowing flexible lot configurations, including zero-lot-line configurations.

- Developments within the Mixed Use Overlay (MUO) are subject to reduced parking, setbacks, open space and landscaping standards which allows for flexible lot configurations, including zero-lot-line configurations for affordable housing.
- The planned development rezoning process allows for flexible lot configurations with approval of deviations from development design standards. Similar to the deviation process, variances may be requested in conventional zoning districts.

2. Adopting Ordinance or Resolution Number or identify local policy:

- 2020/2021 – 2022/2023 Local Housing Assistance Plan – Page 30
- Lee County Comprehensive Plan
 - Policy 135.4.15
 - Objective 11.2
- Lee County Land Development Code
 - Chapter 10, Article II, Division 2, Subdivision II, Section 10-104
 - Chapter 34, Article IV, Division 2, Section 34-373
 - Chapter 34, Article IV, Division 3, Section 34-411

3. Implementation Schedule (Date): Ongoing

4. AHAC Committee Recommendation: Continue Strategy

H. 420.9076(4)(h): The modification of street requirements for affordable housing.

1. Incentive Description: MODIFICATION OF STREET REQUIREMENTS

The Land Development Code allows for the modification of street requirements through the planned development rezoning process. Through this process, an applicant can design their own property development regulations for lot configuration and setbacks and seek deviations in roadway designs and parking. Variances are available for conventional zoning districts.

2. Adopting Ordinance or Resolution Number or identify local policy:

- 2020/2021 – 2022/2023 Local Housing Assistance Plan – Page 30
- Lee County Comprehensive Plan
 - Policy 135.4.15
- Lee County Land Development Code
 - Chapter 10, Article II, Division 2, Section 10-291(3)
 - Chapter 10, Article II, Division 2, Section 10-296(d)(2)
 - Chapter 34, Article IV, Division 2, Section 34-373

3. Implementation Schedule (Date): Ongoing

4. 2021 Committee Recommendation: Continue Strategy

I. 420.9076(4)(i): The establishment of a process by which a local government considers, before adoption, policies, procedures, ordinances, regulations, or plan provisions that increase the cost of housing.

1. Incentive Description: PROCESS OF ONGOING REVIEW

Lee County created an Executive Regulatory Oversight Committee with the responsibility to review and consider the impact of development regulations being considered for adoption on the cost of development.

2. Adopting Ordinance or Resolution Number or identify local policy:

- 2020/2021 – 2022/2023 Local Housing Assistance Plan – Page 25
- Lee County Comprehensive Plan
 - Policy 135.1.3
 - Policy 158.6.1
 - Policy 158.6.2
- Lee County Administrative Code
 - AC-2-22 Executive Regulatory Oversight Committee (EROC)

3. Implementation Schedule (Date): Ongoing

4. AHAC Committee Recommendation: Continue Strategy

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

1. Incentive Description: PUBLIC LAND INVENTORY

The Department of County Lands reviews County owned surplus real estate for possible disposal either by donation or sale, as the case may be, for disposition of governmentally owned real estate. The Department of County Lands regularly makes available its inventory of public lands for evaluation by government agencies and non-profit and for-profit affordable housing providers for the construction and development of affordable housing.

2. Adopting Ordinance or Resolution Number or identify local policy:

- 2020/2021 – 2022/2023 Local Housing Assistance Plan – Page 32
- Florida Statutes 125.35 and 125.38
- Lee County Ordinance 02-34 Lee County Surplus Lands

3. Implementation Schedule (Date): Ongoing

4. 2021 Committee Recommendation: Continue Strategy

K. 420.9076(4)(k): The support of development near transportation hubs and major employment centers and mixed-use developments.

1. Incentive Description: SUPPORT OF DEVELOPMENT NEAR TRANSPORTATION HUBS

Contiguous and compact growth patterns are promoted through the rezoning process to contain urban sprawl, minimize energy costs, conserve land, water, and natural resources, minimize the cost of services, and prevents development patterns where large tracts of land are by-passed in favor of development more distant from services and existing communities.

The Mixed Use Overlay (MUO) incentivizes redevelopment located within areas that have existing services and infrastructure. The MUO allows properties within the designated areas to develop under the conventional zoning district with reduced regulations. The required open space is reduced by 50%, buffer widths and setbacks are reduced, up to 60% of the parking space requirement is reduced, allows for increased heights, and there are no maximum lot size or coverage requirements.

2. Adopting Ordinance or Resolution Number or identify local policy:

- 2020/2021 – 2022/2023 Local Housing Assistance Plan – Page 30
- Lee County Comprehensive Plan (Lee Plan)
 - Goal 2
 - Objective 2.1
 - Policy 2.1.1
 - Objective 2.2
 - Policy 5.1.6
 - Policy 5.1.7
 - Policy 5.1.8
 - Objective 11.2
- Lee County Land Development Code
 - Chapter 2, Article II, Division 1, Section 2-41

3. Implementation Schedule (Date): Ongoing

4. AHAC Committee Recommendation: Continue Strategy