



Agenda Item Summary

File #: 23-00551

Agenda Date: 9/19/2023

Agenda Item Name:

Inclusionary Housing Feasibility Study Update and Discussion

Presenter:

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Description:

Alachua County and Florida Housing Coalition staff will present the results of the Inclusionary Housing Feasibility Study work that has been completed to date. Based on the results of the Study, staff is seeking direction from the Board of County Commission (Board) about whether to proceed with developing an ordinance to establish a mandatory Inclusionary Housing Program for Alachua County, and any general parameters for such a program.

Recommended Action:

Provide direction if the Board of County Commission (Board) wishes to proceed with developing an ordinance to establish a mandatory Inclusionary Housing Program and any general parameters for such a program.

Prior Board Motions:

December 13, 2022: The Board approved a Scope of Work from Florida Housing Coalition in the amount of \$50,000 to assist the County in conducting an Inclusionary Housing Feasibility Study. The Board approved a related budget amendment to utilize reserves to fund the Study with that cost to be reimbursed from American Rescue Plan State and Local Fiscal Recovery Funds.

Fiscal Note:

On December 13, 2022, the Board approved a Scope of Work from Florida Housing Coalition in the amount of \$50,000 to conduct the Inclusionary Housing Feasibility Study; the Board also approved a budget amendment to utilize reserves to fund the Study with that cost reimbursed from American Rescue Plan (ARPA) State and Local Fiscal Recovery Funds. On February 28, 2023, the Board approved a recovery plan to secure the use of ARPA funds for the purpose of conducting the Study. The Scope of Work for the Study is approximately half completed at this point and is expected to be completed by early 2024.

Strategic Guide:

Housing

Background:

Inclusionary housing is a local land use policy that is intended to increase the supply and dispersal of

affordable housing throughout the community by requiring and/or incentivizing housing developers to include affordable units as part of new residential developments.

A mandatory inclusionary housing program would typically require a housing developer to designate a certain percentage of the housing units in a development as affordable to certain income levels, or to pay a fee in lieu of constructing the affordable units. Local governments that enact inclusionary housing requirements are required to provide incentives, such as bonus residential density, to fully offset the costs to the housing developer for providing such affordable housing units (or fee-in-lieu) pursuant to Florida Statute Section 125.01055.

In December 2022, the Board approved a Scope of Work from Florida Housing Coalition to assist the County in conducting an Inclusionary Housing Feasibility Study. The Study provides a data-based foundation for the potential establishment of a mandatory Inclusionary Housing Program and ensures that such a program would comply with the technical requirements of Section 125.01055, Florida Statutes, regarding cost offsets to the housing developer. The Study also helps to determine which locally available incentives may be the most effective and feasible and determines the dollar value of those incentives.

Florida Housing Coalition has submitted its first two deliverable reports for the Inclusionary Housing Study, which are attached to this agenda item and will be presented to the Board.

Report #1 focuses on framing the need and context for an Inclusionary Housing Program in Alachua County. This report utilizes recently completed studies and planning documents, county permit data, Census data, data compiled by the Shimberg Center for Housing Studies, and other readily available sources to identify key data points on local affordable housing needs. Report #1 examines these key data points to help guide the County in determining whether an inclusionary housing ordinance is appropriate to meet its affordable housing goals given the local development context.

Report #2 analyzes potential outcomes from implementing an Inclusionary Housing Program, as well as the feasibility of adopting an effective program in compliance with State law with a resulting menu of regulatory options for the County's consideration.

In light of the information and recommendations presented in the first two consultant reports, staff is seeking direction from the Board on whether to proceed with developing an ordinance to establish mandatory inclusionary housing requirements for Alachua County, and any general parameters for such a program.

Pursuant to the approved Scope of Work with Florida Housing Coalition, there are two more steps (or "reports") remaining after this point. Report #3 will focus on calculating the value of incentives for purposes of the cost offset to the housing developer as required by Florida Statutes. Report #4 will focus on community engagement, preparation of a draft ordinance for the Board's consideration, and staff-level operational considerations for implementation. Staff estimates that the Study will be completed by late 2023 or early 2024.