



**ALACHUA COUNTY GROWTH MANAGEMENT
DEVELOPMENT SERVICES
STAFF REPORT**

PRIVATELY INITIATED UNIFIED LAND DEVELOPMENT CODE TEXT AMENDMENT

SUBJECT: A privately initiated request to amend Unified Land Development Code (ULDC) Chapter 404 Use Regulations Sec. 404.20.5 Multiple-family dwelling adaptive reuse limited use standards in the Business Highway (BH) zoning district.

APPLICANT: eda consultants, inc.

APPLICATION NUMBER: Z24-000006

CHRONOLOGY:

Preapplication Meeting	06/04/2024
Application Submittal	07/15/2024
Clarification Request	08/07/2024
Application Response	08/13/2024
BoCC Adoption Hearing	09/24/2024

STAFF RECOMMENDATION:

To adopt the staff revision of the proposed amendment to Unified Land Development Code Sec. 404.20.5.

Summary of Proposed Amendment

In January 2021, the Board of County Commissioners approved new adaptive use standards to promote converting existing hotel/motel for infill and affordable housing. These standards, detailed in Sec. 404.20.5, apply specifically to hotel/motel structures in the Business Highway (BH) zoning district, which is primarily commercial. Those standards allowed for doubling of the existing hotel/motel rooms to units and required connection to centralized sewer and water.

The proposed text amendment, initiated privately by eda consultants, Inc., aims to update the limited use standards in Sec. 404.20.5. The changes would permit replacing all existing buildings, mandate affordable housing, and reduce parking requirements if the project is in an Activity Center.

Applicant's Proposed Text Amendment

Words ~~stricken~~ are deletions; words underlined are additions

Sec. 404.20.5. - Multiple-family dwelling.

A multiple-family dwelling is allowed as permitted use in R-2, R-2a, R-3, RP, within TNDs/TODs, and as a limited use in BH subject to the following standards.

*(a) ~~Adaptive reuse.~~ Multiple-family dwellings must be a part of an adaptively reused hotel or motel structure or redevelopment of a hotel or motel site with new multiple-family structure(s) within an Activity Center. Expansion of the use in newly constructed structures is allowed such that the total number of dwelling units is equivalent to no more than two hundred (200) percent of the number of rooms in the existing hotel or motel structure. **At least 40% of the units shall be maintained as affordable and for rent at or below 80% of the area median income for a period of not less than 30 years.***

(b) Water/sewer. The use must be served by centralized water and sewer.

(c) Parking may be reduced to 50% of the code requirement for multiple-family dwellings (Table 407.14.1 Parking Schedule) where the project site is located within an Activity Center and served by mass transit / bus stop within 1/4 mile.

Staff Analysis of Applicant's Proposed Text Amendment

Comprehensive Plan Consistency

Some Comprehensive Plan policies are being revised based on direction from the Board of County Commissioners following the Florida Housing Coalition (FHC) housing reports presented in 2023. Those reports recommend changes to support inclusionary housing policies and boost affordable housing in the County. When relevant, the FHC reports and the 2016 Alachua County Housing Summit Report, will be referenced to support staff's review of the proposed amendments' consistency with the Comprehensive Plan policies.

Staff finds the proposed amendments to be internally consistent with the Alachua County Comprehensive Plan as a whole, and in particular with the following policies:

Housing Element

Objective 1.1

Alachua County shall provide for the development of affordable housing, dispersed throughout the County, through policies which focus on the following areas:

Policy 1.1.1 *Alachua County shall, through the policies in the Future Land Use Element, provide areas for residential development which would be suitable for the development of affordable housing. These areas shall take into account the availability of infrastructure and land, the accessibility to employment and services, the proximity to shopping, daycare facilities, transit corridors, and the promotion of infill opportunities.*

Policy 1.1.4 *It is and shall be the policy of the Board of County Commissioners to promote the dispersion of newly built affordable housing units within developments throughout the entire County. This should include areas which are proximate to schools, shopping, employment centers, daycare facilities, and transit corridors. The Board of County Commissioners shall promote the development of affordable housing in the areas identified in the Housing Study that are deficient in market produced, or incentive based, affordable housing. This policy shall be used as a guideline to determine future affordable housing development goals.*

Policy 1.1.1 & 1.1.4 refers to areas identified through a detailed housing study as needing affordable housing. The 2023 Florida Housing Coalition reports identified the need for affordable housing to have access to amenities and vital services report 2 (page 10). The amendment would target Activity Centers where those amenities and services are available. Additionally, the County Commission reaffirmed on January 9, 2023, during its regular evening meeting, its commitment to directing affordable housing development west of Main Street in Gainesville. All hotel/motel structures within BH zoning districts in Activity Centers are located west of Main Street.

Objective 1.2

Policy 1.2.2 *Alachua County shall provide incentives in the land development regulations for the development and redevelopment of affordable housing. These incentives may include but are not limited to:*

- (a) fee relief;*
- (b) provisions for expedited development review, approval, and permitting processes;*
- (c) special provisions for reservation of infrastructure capacity for concurrency;*
- (d) density bonuses;*
- (e) provisions for reduced lot sizes and modification of setback requirements; and*
- (f) grants and other financial incentives.*

Currently, Sec. 404.20.5 offers a 200% increase in housing density for adaptive reuse as an incentive. The applicant is proposing the additional incentives to reduce parking requirements by 50%, if in an Activity Center, and to permit redevelopment of hotel/motel sites without the need to reuse the existing structures. Staff supports these proposed incentives, as they offer flexibility for innovative infill development in exchange for affordable housing located within an Activity Center.

Policy 1.2.4 *Alachua County shall periodically review and evaluate its zoning and other regulations to ensure that requirements are reasonable and do not unduly limit opportunities for lower income groups to secure housing in desirable locations, consistent with the health, safety, and welfare of the public.*

The amendment would create more housing opportunities for lower-income households by mandating that 40% of the units are affordable to rent to those earning 80% of the Area Median Income (AMI) for 30 years. Hotel/motel locations in Activity Centers are desirable due to their existing infrastructure, proximity to employment centers, transit, and schools, all of which support lower-income households.

Policy 1.2.8. *Establish regulatory incentives for the development and redevelopment of housing units affordable to very low [50%] and extremely low [30%] income households. The new units are to be located within proximity to major employment centers, high performing public schools and public transit.*

The amendment proposes regulatory incentives by reducing the parking requirements by 50% and expands adaptive reuse to include full replacement. This is in addition to the currently offered incentive of a 200% increase in the number of existing rooms for new units.

The amendment would create more housing opportunities for lower-income households by mandating that 40% of the units are affordable to rent to those earning 80% of the Area Median Income (AMI) for 30 years. According to the FHC report #2 (page 3) "Based on findings from Report 1, the County should consider housing needs at higher target income levels than those explicitly identified in the Comprehensive Plan, namely up to 80% Area Median Income (AMI) for rental and 120% AMI for homeownership strategies." The Comprehensive Plan is currently undergoing an update process that will broaden the AMI targets as recommended in the FHC reports.

Staff recognize the diverse housing needs in our community and support the amendment by expanding the income target to 80% AMI or below. The set-aside of 40% of the units is discretionary as there are no Comprehensive Plan policies that require a specific number of affordable units, staff support this number as proposed by the applicant, as being similar to other affordable housing programs, like the Florida Live Local Act.

Furthermore, by limiting its application to Activity Centers, this amendment ensures that new multiple-family units are near major commercial employment centers, public transit, and schools complying with this policy.

Objective 2.4

Policy 2.4.6. *Amend the land development regulations to allow for adaptive reuse to facilitate the repurposing of existing vacant structures for affordable housing for very low [50%] and extremely low [30%] income households.*

The amendment expands adaptive reuse to include full replacement and 40% of the units are affordable at 80% AMI for 30 years. Setting the AMI target at 80% aligns with the recommendation from the FHC Report #2 (page 3) to update this policy by addressing housing needs at higher income levels. The report notes, "Based on findings from Report 1, the County should consider housing needs at higher target income levels than those explicitly identified in the Comprehensive Plan, namely up to 80% AMI for rental and 120% AMI for homeownership strategies."

Staff opinion is that the amendment has met the policy's intent for repurposing hotels/motels for multiple-family units with affordable housing at 80% AMI, as an upcoming Comprehensive plan update will be expanding the AMI in this policy in response to the FHC recommendation.

Future Land Use Element
Urban Activity Center Policies
Objective 2.1

Policy 2.1.3 *New development and redevelopment within Activity Centers shall be consistent with the design standards of Policies 2.1.4 through 2.1.12.*

The additional incentives proposed for the redevelopment or repurposing of hotel/motel structures to multiple-family housing in BH zoning districts are aimed within Activity Centers. If such a development is submitted for review, staff will assess its compliance with both Comprehensive Plan policies and all pertinent land development regulations before action can be taken for development.

Policy 2.1.10 *The County shall initiate master plans for Activity Centers where necessary to promote redevelopment in accordance with Objective 2.1 and Policies 2.1.1 through 2.1.8 "...The County shall explore potential opportunities for public/private partnerships in developing Activity Center master plans."*

Adaptive reuse in Activity Centers was recommended in the 2016 Alachua County Housing Summit Report (page 14) as a strategy to support and encourage public-private partnerships to boost the supply of affordable housing. As this amendment promotes potential redevelopment opportunities for Activity Centers initiated by the private sector it is aligned with this policy.

(c) *Parking standards which establish maximum limits on parking for various land uses and include opportunities for shared parking arrangements where adjacent land uses within a mixed-use area have different peak usage hours.*

This policy subsection endorses parking maximum limits, not minimums limits. This amendment seeks to reduce parking requirements by up to 50% by limiting use to Activity Centers that provide various mobility options for using buses, bicycles and pedestrian pathways, that support and justify the reduction in parking.

(f) *Provision of a range of housing types and sizes to provide for affordable housing.*

This amendment proposes that 40% of the multiple-family housing as affordable at the 80% AMI and located in Activity Centers which is an appropriate area of dispersion and supported by this policy subsection.

Economic Element

OBJECTIVE 1.1 - ECONOMIC DIVERSITY AND SUSTAINABILITY

Policy 1.1.10 *Recognizing constraints such as location, site access, existing utility infrastructure, or other conditions that may constrain redevelopment in compliance with generally applicable standards, the County shall establish criteria for sites where it would be appropriate to facilitate redevelopment of existing properties based on alternative standards.*

This policy supports the amendment by offering alternative standards for redeveloping hotel/motel sites in BH Zoning districts, provided they are located in Activity Centers and have access to centralized water and sewer systems.

Staff Analysis of Applicant's Proposed Amendment

The applicant's proposed language would alter Sec. 404.20.5 by adding the Activity Center redevelopment option, affordable housing and a 50% reduction in parking. Generally, staff support the proposed amendment but find that the parking evaluation provided by the applicant, that include Alachua County and City of Gainesville developments, to justify the 50% parking reduction are not applicable and staff will offer alternative policy support for the reduction.

Parking Reduction Evaluation

The City of Gainesville comparisons are not applicable because all development examples cited comply with different land development regulations than those in the unincorporated Alachua County. Additionally, those developments are marketed to students at the University of Florida with their proximity to campus with robust mobility options for bus, bicycle and pedestrian pathways that would support a reduction in parking.

The Alachua County examples are not easily applicable because they all are TND/TOD developments with specialized design requirements and regulatory incentives. The parking in a TND/TOD development do not mandate off-street parking as per Sec. 407.68 (c), but when off-street parking is provided, there are maximum parking standards for multiple-family units (0.5 spaces per 400 square feet of gross floor area) specified in Table 407.68.2, rather than minimum requirements. As the applicant noted in their analysis that “*Most parking spaces are on-street and some may also be utilized for non-residential uses.” Staff do not consider TND/TOD development requirements for parking as a suitable assessment to request a parking reduction.

Staff support the 50% reduction in parking primarily due to the mobility options around Activity Centers that are designed to be pedestrian-friendly and transit-supportive, with potential for shared parking, as outlined in ULDC Article II Activity Center Development and Design Standards. Additionally, staff support this trade-off for the reduced parking as a regulatory incentive for infill redevelopment and affordable housing that complies with the Comprehensive Plan Housing Element Policies 1.2.2, 1.2.4, and 1.2.8 and Future Land Use Policy 2.1.10.

Staff Parking Reduction Example

Current standards for parking requirements for multiple-family residential use are regulated by ULDC Table 407.14.1 which require 1.5 parking spaces per DU for 1-bedroom units with 1 extra parking space per 10 bedrooms and 2 parking spaces per DU for 2-bedroom or higher units with 1 extra parking space per 10 bedrooms.

Multiple-Family 145 units 170 Bedrooms	Parking Calculation Parking Schedule 407.14.1	50% Reduction
All two+ bedroom units.	145 units x 2 parking spaces = 290; +1 space per 10 bedrooms = 17. 290 + 17 = 307 parking spaces (2.12 per unit / 1.8 per bedroom)	154 parking spaces (1.1 per unit / .91 per bedroom)
A 50/50 split of one bedroom / two+ bedroom units.	72.5 units x 1.5 parking spaces = 109; 72.5 units X 2 parking spaces = 145; +1 space per 10 bedrooms = 17. 109 + 145 + 17 = 271 parking spaces (1.87 per unit / 1.59 per bedroom)	135 parking spaces (0.93 per unit / .93 per bedroom)

Fiscal Impact Analysis

Impact on the initial cost of housing and the long-term cost of homeownership.

Typically, most multiple-family units are rentals, but as this amendment requires that only 40% of the units be set aside as affordable rentals for 30 years, the remaining 60% could potentially be sold. According to the Florida Housing Coalition Inclusionary Housing Report, the median sales price for townhomes and condos in the Gainesville MSA area (excluding Gilchrist) was \$184,000 in 2023, compared to \$330,000 for single-family homes—a 44% cost reduction. Thus, if the non-affordable units are sold, they offer a lower cost of initial homeownership, though other long-term expenses such as condo association fees, insurance, property taxes and regular maintenance costs are harder to predict.

Impact to the County and County Taxpayers.

Staff cannot assess the impact on taxable revenue of converting or redeveloping a hotel/motel into multiple-family residences (either rented or owned) compared to the commercial property taxes, sales tax, and bed-tax revenue of the original hotel/motel, as that will be determined by the Alachua County Property Appraiser. However, if the comparison is between a vacant building and one that is functioning as part of an Activity Center, the ad valorem assessments will likely be higher, and there is a good chance that the residents of the units will be participating in the local economy.

Staff Recommendation

Staff has found the proposed privately-initiated ULDC text amendment to be consistent with the Comprehensive Plan, with staff proposed revisions, and recommends that the Board of County Commissioners:

1. Convene as the Land Development Regulation Commission and find the proposed amendment consistent with the Comprehensive Plan.
2. Reconvene as the Board of County Commissioners to adopt Z24-000006 amendment to the text of the Unified Land Development Code (ULDC).

Staff recommends amending the text of Sec. 404.20.5 as follows:

Sec. 404.20.5. Multiple-family dwelling.

A multiple-family dwelling is allowed as permitted use in R-2, R-2a, R-3, RP, within TNDs/TODs, and as a limited use in BH, within an Activity Center, subject to the following standards:

- (a) ~~Adaptive reuse.~~ Multiple-family dwellings must be a part of an adaptively reused hotel or motel ~~structure site in existing or new multiple-family structure(s).~~ Expansion of the use in newly constructed structures is allowed such that the total number of dwelling units is equivalent to no more than two hundred (200) percent of the number of rooms in the existing hotel or motel structure.
- (b) ~~Water/sewer.~~ The use must be served by centralized water and sewer.
- (c) For sites within one-quarter (¼) mile of an existing transit route, or a future route identified in the Transportation Mobility Element, the parking required in Table 407.14.1 may be reduced up to 50%.
- (d) At least 40% of the units shall be maintained as affordable and for rent at or below 80% of the area median income for a period not less than 30 years. Prior to issuance of a Construction or Building Permit, all applicants for this section must sign and record a Land Use Restriction Agreement (LURA), in a form established by the County for compliance monitoring and penalties, that is irrevocable for a period of 30 years from development approval.