

# Z24-000011: County-Initiated Text Amendment to Alachua County Comprehensive Plan – Inclusionary Housing

Board of County Commissioners Transmittal Public Hearing January 14, 2025

> Ivy Bell, Senior Planner Alachua County Growth Management Department

## What is Inclusionary Housing?

- Land use policy intended to require or incentivize private developers to include affordable units as part of new development.
- Inclusionary housing policies typically specify:
  - Percentage of the total residential units within a development that must be affordable.
  - Target income levels for affordability.
  - Number of years that units must remain affordable.
- Promotes more even geographic distribution of affordable housing throughout the community.

## **Statutory Requirements for Inclusionary Housing**

#### Sec. 125.01055, Florida Statutes:

#### • Inclusionary housing ordinance may require developer to:

- Provide a specified number or percentage of affordable units within a development, or
- Contribute to a housing fund or alternative in lieu of building the affordable housing units

#### • In exchange, a County must:

- Provide incentives to fully offset all costs to developer of its affordable housing contribution

#### • Incentives may include:

- Density or intensity bonuses
- Reducing or waiving application fees or reduced process requirements
- Granting other incentives

### **Inclusionary Housing – Process Timeline**

- December 2022 BoCC direction to work with Florida Housing Coalition (FHC) to conduct Inclusionary Housing Feasibility Study
- August 2023 Study Reports 1 & 2 presented to Alachua County Affordable Housing Advisory Committee (AHAC)
- September 19, 2023 Study Reports 1 and 2 presented to BoCC
- March 5, 2024 Study final recommendations presented to BoCC
  - Direction to follow up with proposed Comprehensive Plan amendments
- September 18, 2024 Proposed Comprehensive Plan policy amendments presented to AHAC
- November 20, 2024 Planning Commission Public Hearing



## **Affordable Housing Need in Alachua County**

From Florida Housing Coalition Inclusionary Housing Study

- Home prices increased twice as fast as area median income from 2016 to 2021
- "Dramatic" need for rental housing supply in unincorporated area, with particular need for rental units at or below 60% AMI
- For homeownership, the greatest need is at or below 80% AMI
- Predominant housing types do not align with household needs
  Abundant supply of single-family 3+ bedroom homes
  - Lack of supply for single-person and smaller households (townhomes, duplex, triplex)

## **Proposed Comprehensive Plan Amendments**

#### **Future Land Use Element**

- 1. TOD/TND enable substitution of a portion of required non-residential floor area with affordable residential units.
- 2. Requirement to provide affordable units as part of proposed land use changes to increase residential density.
- 3. Requirement to provide affordable units as part of proposed expansions of the Urban Cluster

TOD = Transit Oriented DevelopmentTND = Traditional Neighborhood Development

#### **Traditional Neighborhood Development – Current Policy**

- Development type that requires a mix of both residential and nonresidential uses, compact design, and interconnected network of narrow streets to promote bicycle and pedestrian circulation.
- Permitted in Urban Residential Areas within Urban Cluster.
- Requires 10,000 square feet nonresidential base, plus minimum 50 sf and maximum 250 sf per residential unit.



### **Proposed Policy Amendment – TND**

- Allow for substitution of *minimum required* non-residential floor area in exchange for affordable residential units.
  - Substitution rates to be provided in ULDC will allow greater non-residential reduction per unit by providing greater depth of affordability and allow for development of affordable units within unbuilt non-residential phases of existing TNDs that are otherwise substantially built out.
  - Affordable units would not be counted toward maximum allowable residential density or included in calculation of required non-residential floor area.
  - Non-residential could not be reduced below 10,000 sf for the TND
- Allow up to 4 units per acre density bonus if at least 20% of those bonus units are affordable. Bonus units would not be included in calculation of required non-residential floor area.
- Affordability standard is maximum 80% AMI for 30 years.

#### **Transit Oriented Development (TOD) - Current Policy**

- Transit Oriented Development (TOD) is a development type that requires a mix of residential and non-residential uses with density and intensity needed to support transit, with requirement to provide express transit service.
- Compact design with interconnected network of narrow streets to promote bicycle and pedestrian circulation.
- Permitted within Urban Residential areas and Activity Centers within Urban Cluster.



Celebration Pointe TOD

 Requires 10,000 sf non-residential base, plus min. 100 square feet and max. 500 square feet per residential unit.

### **Proposed Policy Amendment – TOD**

- Allow for substitution of *minimum required* non-residential floor area in exchange for affordable residential units.
  - Substitution rates to be provided in ULDC will allow greater non-residential reduction per unit by providing greater depth of affordability and allow for development of affordable units within unbuilt non-residential phases of existing TODs that are otherwise substantially built out.
  - Affordable units would not be counted toward maximum allowable residential density or included in calculation of required non-residential floor area.
  - Non-residential uses could not be reduced below 10,000 sf plus 50 sf per residential unit.
- Allow up to 4 units per acre density bonus for TOD if at least 20% of those bonus units are affordable. Bonus units would not be included in calculation of required non-residential floor area for TOD.
- Affordability standard is maximum 80% AMI for 30 years.

### **Proposed Policy Amendment – Land Use Map Changes**

- Proposed future land use map change applications to increase allowable residential density must include a commitment to provide affordable housing.
- 10% of the *increase* in the number of residential units (calculated as difference between potential maximum number of units allowable on property based on proposed and current future land use categories) required to be designated as affordable to households with income at or below 80% AMI for 30 years.

Example: Proposed future land use map change from Low Density Residential (max. 4 units per acre) to Medium Density Residential (max. 8 units per acre) for 20-acre property Maximum residential units current: 20 acres at 4 units per acre = 80 units Maximum residential units proposed: 20 acres at 8 units per acre = 160 units Increase in maximum number of units resulting from proposed change = 80 units Required number of affordable units = 8 (based on 10% of increase)

### **Proposed Policy Amendment – Urban Cluster Expansion**

- **Proposed Urban Cluster expansion applications** must include a commitment to provide affordable housing.
- 25% of the *increase* in the number of residential units (calculated as difference between potential maximum number of units allowable on property based on proposed and current future land use categories) required to be designated as affordable to households with incomes at or below 80%\* AMI for 30 years.

\* Planning Commission recommended changing this to 50% AMI

Example: Proposed future land use map change for 100 acres from Rural/Agriculture outside Urban Cluster (max. 1 unit per 5 acres) to Low Density Residential within Urban Cluster (max. 4 units per acre)

Maximum residential units current: 100 acres at 1 unit per 5 acres = 20 units Maximum residential units proposed: 100 acres at 4 units per acre = 400 units Increase in maximum number of units resulting from proposed change = 380 units Required number of affordable units = 95 (based on 25% of increase)

### **Proposed Policy Amendments – Housing Element**

- Expand target income levels for land use regulatory incentives to promote the development of new affordable housing to include household incomes up to 80% Area Median Income (AMI). Current policy targets "very low" (50% AMI), and "extremely low" (30% AMI) income levels.
- Adds impact fee and mobility fee assistance among potential incentives that the County could consider for the development of affordable housing. Changes to the County's impact fee and mobility fee ordinances would be necessary to implement this incentive.
- Adds policy to recognize additional density bonuses offered by the County for developments proposed under Florida's Live Local Act.
- Establishes a definition of Inclusionary Housing.

#### **Proposed Housing Element Definition - Inclusionary Housing**

**Inclusionary Housing:** Inclusionary Housing (also referred to as "Inclusionary Zoning") refers to a public policy that requires or incentivizes developers to designate a certain percentage of housing units within new development or redevelopment as affordable to households of specified income levels. Inclusionary Housing policies typically identify a percentage of the total housing units within a development that are required or incentivized to be affordable, target income levels for affordability, and a number of years that those units must remain affordable. Inclusionary Housing is intended to promote the geographic dispersion of affordable housing units throughout the community and encourage a mix of affordable and market rate housing within new development or redevelopment.

# Affordable Housing Advisory Committee (AHAC) Recommendation

AHAC reviewed the policy changes on September 18, 2024, and recommended moving forward with the proposed Comprehensive Plan amendments with the following specific revisions\*:

- Implement tiered substitution rates for TOD and TND which allow greater nonresidential reduction per unit by providing greater depth of affordability.
- Increase inclusionary housing percentage for Urban Cluster expansions to 25% of the increase in the maximum number of residential units realized through the expansion (initial proposal was 10%)

\* These AHAC recommendations have been included in the proposed amendment language.

# **Planning Commission Recommendation**

From public hearing on November 20, 2024

Recommend that the Board of County Commissioners approve transmittal of Comprehensive Plan Amendment Z24-000011 to the state land planning agency and other agencies for review and comment pursuant to Sec. 163.3184, Florida Statutes *with the following change*:

 Policy 7.1.3(e)(2)b. - For Urban Cluster expansions, the affordability level for required affordable units should be <u>50% AMI</u> (proposed policy calls for 80% AMI).

## Staff Recommendation

Approve transmittal of Comprehensive Plan Amendment Z24-000011 to the state land planning agency and other agencies for review and comment pursuant to Sec. 163.3184, Florida Statutes.

### **Questions and Discussion**