

2022-677B

City of
Gainesville
Inclusionary Zoning

Department of Sustainable
Development
July 18th, 2024



Illustrative IZ Policy with Density Bonus Incentive

INCLUSIONARY ZONING

Developers provide affordable housing in exchange for offset incentives

Without IZ

With IZ

All market-rate units



+ Additional density



+ Affordable units

Inclusionary Zoning | Proposal to adopt an IZ policy with a 10% set-aside for households earning up to 80% AMI, with the option of an in-lieu fee.

These requirements should be periodically reviewed and adjusted, every two years.

Key Program Design Element	Recommendation
Set Aside & Affordability Requirements: calibrating depth and amount of affordable units, vs. feasibility of requiring units	<ul style="list-style-type: none"> 10% affordable units at 80% AMI
In-Lieu Fee / Flexibility for Compliance	<ul style="list-style-type: none"> Establish in-lieu fee option, set at \$120-160K per affordable unit that would have been built under IZ; adjust fee level every two years
Development Scale (Size of Developments Subject to IZ)	<ul style="list-style-type: none"> Apply IZ requirements to multifamily residential developments with fifty or more units
Applicability (Voluntary vs. Mandatory, Applicability to Existing Developments)	<ul style="list-style-type: none"> Voluntary opt-in for geographies outside of IZ policy Incentives applicable to non-market rate units Not applicable to existing development
Affordability Term / Duration	<ul style="list-style-type: none"> Life of development as residential use
Unit Pricing (based on household income and size)	<ul style="list-style-type: none"> Follow existing HUD guidelines
Unit Characteristics	<ul style="list-style-type: none"> Ensure affordable units are identical with market-rate units
Concurrency of Delivery of Affordable Units	<ul style="list-style-type: none"> Include a concurrency requirement
Fractional Units	<ul style="list-style-type: none"> Adopt normal rounding rules, rounding up for fractional units above 0.5
Offset provision	<ul style="list-style-type: none"> * 30% Density Bonus and other incentives as applicable

COMPREHENSIVE PLAN AMENDMENT

Inclusionary Zoning Density
Bonus: 30%-50%



Future Land Use categories
supporting residential uses
are eligible for a density
bonus up to 50% (includes
affordable housing and tree
preservation options)

Adding Inclusionary Zoning Regulations (LDC)

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Sec. 30-2.1 - Definitions

Affordable housing means residential housing that is restricted to and affordably priced, meaning **no more than 30 percent of household income is spent on housing**, for occupancy by households whose **combined annual income for all members does not exceed 80 percent of the most current Area Median Income** published by the United States Department of Housing and Urban Development (HUD) for the City of Gainesville Metropolitan Statistical Area (MSA).

Area Median Income or AMI means the most current median income by household size for the City of Gainesville Metropolitan Statistical Area (MSA) as published by the United States Department of Housing and Urban Development (HUD).

Adding Affordable Housing Division (LDC)

ARTICLE IV

DIVISION 6. – AFFORDABLE HOUSING

Sec. 30-4.29. – Purpose.

The purpose of this division is to create mixed-income affordable housing through new residential development.

Sec. 30-4.31

- A. Affordable housing requirement. When multiple-family dwelling residential developments: 1) result in **50 or more newly created residential dwelling units**; and 2) are **located in the U5, U6, U7, U8, U9, and DT zoning districts**, a minimum of 10% of the total number of dwelling units must be reserved for and legally restricted to affordable housing, as defined in this chapter.
- B. Affordable housing option. Residential developments that are not subject to the affordable housing requirement of subsection A in this section may voluntarily comply with subsection A and this division to receive the available offsets.

Mandatory Inclusionary Zoning Regulations (LDC)

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- 10% AH units at 80% AMI = 30% Density Bonus
- For development providing 50 units or more in U5, U6, U7, U8, U9, and DT Transect Zones
 - Voluntary for other zoning districts/developments less than 50 units
- Fee in lieu of providing units option

Voluntary Provisions

Voluntary Provision for deeper affordability

- Higher affordability percentage
 - 80% AMI = 30% bonus, 50% AMI = 40% bonus, 30% AMI = **50% bonus (max)**
- Additional number of affordable units
 - 10 unit interval above minimum = 10% Density Bonus (**50% bonus max**)

Unit Characteristics

- Provided units shall be comparable to market rate units
 - Dispersed throughout development
 - Same materials and services including parking, amenities, etc.
- Affordability period = until the development is demolished or converted to non-residential use

Other Offsets

- Expedited application processing
- Administrative review process
- Up to 3 additional stories above bonus height
- Reduction off fees related to development
- Flexibility with form and design standards

Other Amendments



Development criteria described in the density bonus points manual, when met, shall allow increases in development intensity based upon the limits in this section. These increases in intensity shall be allowed should a developer propose to undertake a project that will result in a development sensitive to the unique environmental and developmental needs of the area. For each criterion met by the developer, certain points shall be credited to the project. Those points, calculated in accordance with the Density Bonus Points Manual, shall determine the maximum allowable density.

Table V-6: Permitted Density Using Density Bonus Points

RMF-6		RMF-7		RMF-8	
Points	Max. residential density (du/ac)	Points	Max. residential density (du/ac)	Points	Max. residential density (du/ac)
0	10	0	14	0	20
26	11	20	15	16	21
52	12	39	16	30	22
79	13	59	17	46	23
108	14	79	18	59	24
138+	15	98	19	75	25

Affordable Housing Advisory Committee (AHAC) Public Engagement

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Commission asks AHAC to lead Public Outreach (October 13th 2022)

- East Gainesville Alliance - *Lincoln Middle School* – **January 23rd 2023**
- City Services Fair – *Senior Recreation Center* (two sessions) – **February 4th 2023**
- Parkview Baptist Church – **February 21st 2023**
- Holy Faith Catholic Church – **February 28th 2023**

AHAC Public Engagement cont'd..

AHAC Regular meetings where Inclusionary Zoning was discussed, and the public had a chance to comment:

November 1st 2022

December 13th 2022

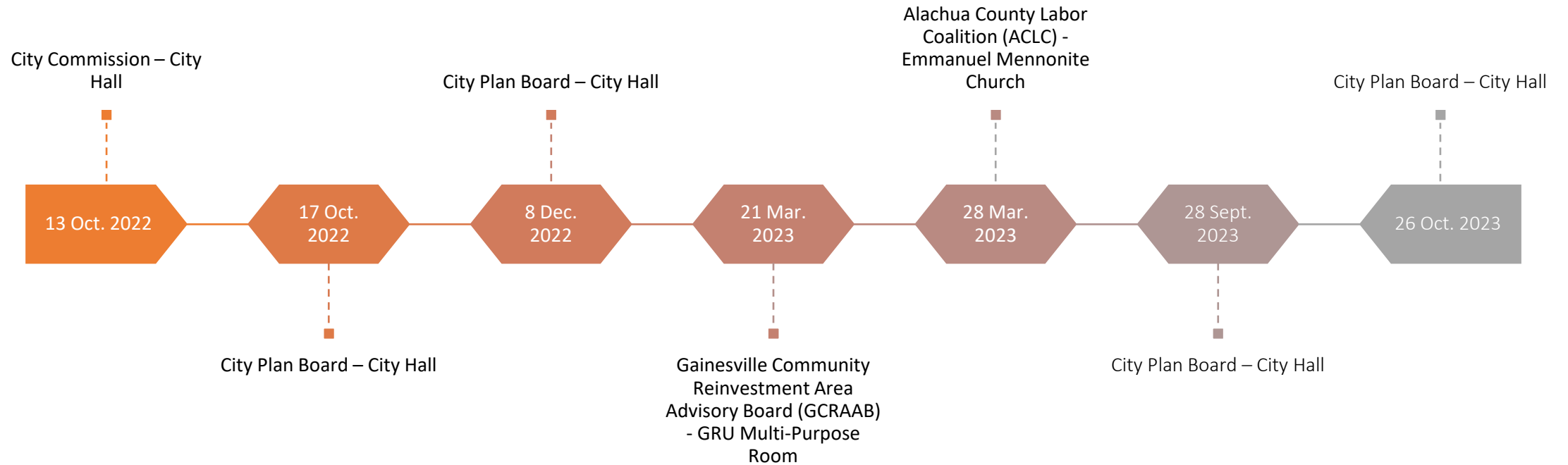
January 10th 2023

February 13th 2023

March 14th 2023

April 18th 2023

Non- AHAC Public Engagement



Threshold Comparison

Developments Under
and Over 51

Developments under 51	Units provided	Potential Affordable Housing Units	Developments over 51	Units provided	Potential Affordable Housing Units
8	185	19	20	3906	391
Min:10 Max:49			Min:62 Max:364		

Data: Taken from ProjectDox report. Approved Projects between 2021-2023

Recommendation

Staff Recommendation: Approve ordinance as drafted

City Plan Board: Recommended approval with a 10-unit threshold, did not apply to specific zoning districts

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THANK YOU

