

2022-679B

City of **Gainesville**

Affordable Housing Provision (Inclusionary Zoning)

**Department of Sustainable
Development
Juan Castillo**



Affordable Housing Provision (Inclusionary Zoning) Timeline



13 Oct. 2022

City Commission – City Hall



17 Oct. 2022

Advisory Boards and Public Outreach Commences



28 Sept. 2023

Advisory Board and Public Outreach concludes



26 Oct. 2023

City Plan Board votes to Approve IZ text amendments



11 Jan. 2024

Information item comes before the Commission



Present

Voting Item before the Commission

Affordable Housing Provision (Inclusionary Zoning)

- **Target Units** – 10 %
- **Target Tenant** – 80% AMI
- **Target Threshold** – 10 Units
- **Target Incentive** - Mandatory
- **Target Characteristics** – Units to have the same quality and offer the same services as market rate units
- **Offset Incentive** – 30% Density Bonus (With Additional Bonus for exceeding the minimum requirements) and allowance for additional offset incentives if needed.

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
Units / Tenants	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
Threshold	Development Scale (Size of Developments Subject to IZ)	<ul style="list-style-type: none"> Apply IZ requirements to multifamily residential developments with ten or more units
Incentive	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"> 99 years
	Unit Pricing (based on household income and size)	<ul style="list-style-type: none"> Follow existing HUD guidelines
Characteristics	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
Bonus	Offset provision	* 30% Density Bonus and other incentives as applicable



COMPREHENSIVE PLAN AMENDMENT

Residential Low-Density (RL): up to 15 units per acre

This land use category shall allow dwellings at densities up to 15 units per acre. The Residential Low-Density land use category identifies those areas within the City that, due to topography, soil conditions, surrounding land uses and development patterns, are appropriate for single-family development, particularly the conservation of existing traditional low-density neighborhoods, single-family attached and zero-lot line development, and small-scale multifamily development. [In addition to the standard density allowances, a density bonus of up to 30% above the base density units per acre is available for developments that meet affordable housing requirements. Developments that exceed the minimum required affordable housing provisions, or provide for tree preservation, are eligible for additional density bonuses, subject to specific criteria and guidelines established in the Land Development Code.](#)

Land development regulations shall determine gradations of density, specific uses and performance measures. Land development regulations shall specify criteria for the siting of low-intensity residential facilities to accommodate special need populations and appropriate community-level institutional facilities such as places of religious assembly, public and private schools other than institutions of higher learning, and libraries. Land development regulations shall allow home occupations; accessory units in conjunction with single-family dwellings; and bed-and-breakfast establishments within certain limitations.

LAND DEVELOPMENT AMENDMENT

- **Sec. 30-4.18. Density bonus points:**
- 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**

EXPAND

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

Adding Inclusionary Zoning Regulations

DIVISION 6 – AFFORDABLE HOUSING PROVISION

The purpose of this section is to create mixed income, affordable housing through new construction to assist the City in promoting the creation of Affordable Housing as the City grows and attracts new market-rate residential development.

B. Exemptions.

1. Developments receiving the following entitlements on or before the effective date of the Affordable Housing Provision and remaining valid on same said date:

a. Preliminary development plan or final development plan approval; or

b. Rezoning approval to Planned Development (PD);

c. Assisted Living Facilities (ALF)

Sec. 30-4.34 Enforcement

- A. For all developments subject to this Article, the City shall not issue any building permit or use permit for a Proposed Project that is subject to the provisions of this article unless: An Affordable Housing Agreement and/or Affordable Housing Contribution shall be executed between the City of Gainesville and the development.
- B. The City of Gainesville's Code Enforcement Department or any comparable department thereof shall have the authority to enforce the regulations found within this chapter in accordance with Code Enforcement's protocol.
- C. The enforcing official shall be charged with the duty of administering the applicable standards and securing compliance therewith. In furtherance of this responsibility, the enforcing official shall:
 - a. Make such inspections as may be necessary to effectuate the purposes and intent of this article and to initiate appropriate action to bring about compliance with this article, if such inspections disclose any instance of noncompliance.
 - b. Investigate thoroughly any complaints of alleged violations of this article and indicate clearly in writing as a public record in this office the disposition made of such complaints. Only matters or conditions pertinent to this article shall be considered or reported by the enforcing official in his/her inspection recommendations.
 - c. Order in writing as set out below the remedy of all conditions or all violations of the article found to exist in or on any premises; state in the violation order a time limit for compliance with this article as set out below. Request the city attorney to take appropriate legal action upon the failure of the responsible party to comply with the violation order at the time specified therein.

Affordable Housing Provision Regulations

- **10% AH @ 80% AMI = 30% Bonus Density**
- For development providing **10 units or more**
- Fee in lieu off at Market Rate per HUD guidelines
- Provided Units shall be comparable to market rate units
 - Dispersed throughout development
 - Same materials
 - Same services including parking, amenities, etc

Adding Affordable Units Deeper Affordability

Voluntary Provision for deeper affordability up to:
20% above the 30% offset
for a total of **50%**

Additional Incentives

Other potential benefits:

- Reduction off application fees and other fees
- Flexibility with setbacks and lot size requirements
- Expedited Review
- Any other reasonable

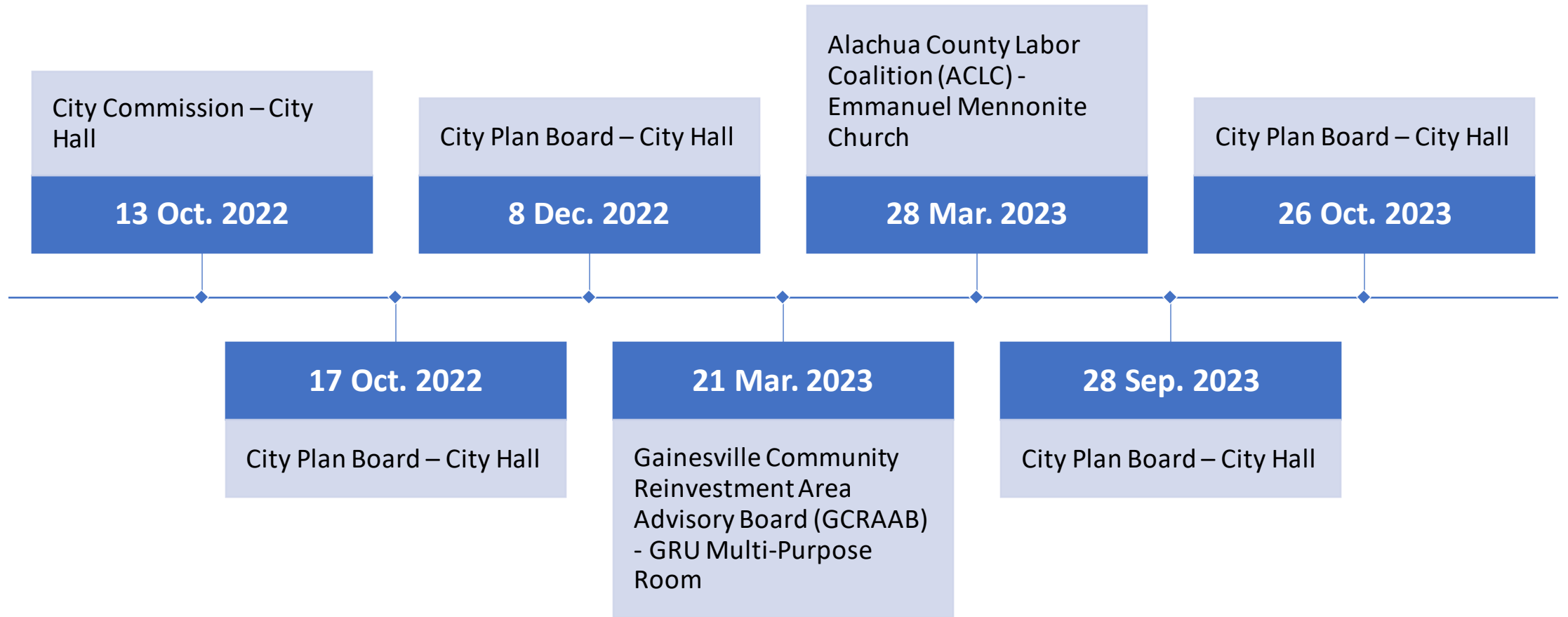
Affordable Housing Advisory Committee (AHAC) ^{2022-679B}

Public Engagement

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**

Non- AHAC Public Engagement



Threshold Study

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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

Timetable

9/28/2023 - Information Item
(discussion)

10/26/2023 - City Plan Board heard the
item and voted

January – Information Item Reading
before the Commission

Present – Voting Hearing

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THANK YOU



Illustrative IZ Policy with Density Bonus Incentive

INCLUSIONARY ZONING

Developers provide affordable housing in exchange for off-set incentives

Without IZ

All market-rate units



With IZ

+ Additional density



+ Affordable units

City Oversees Inclusionary Policy

- Housing
- Planning
- Code Enforcement
- Other Dept. as needed



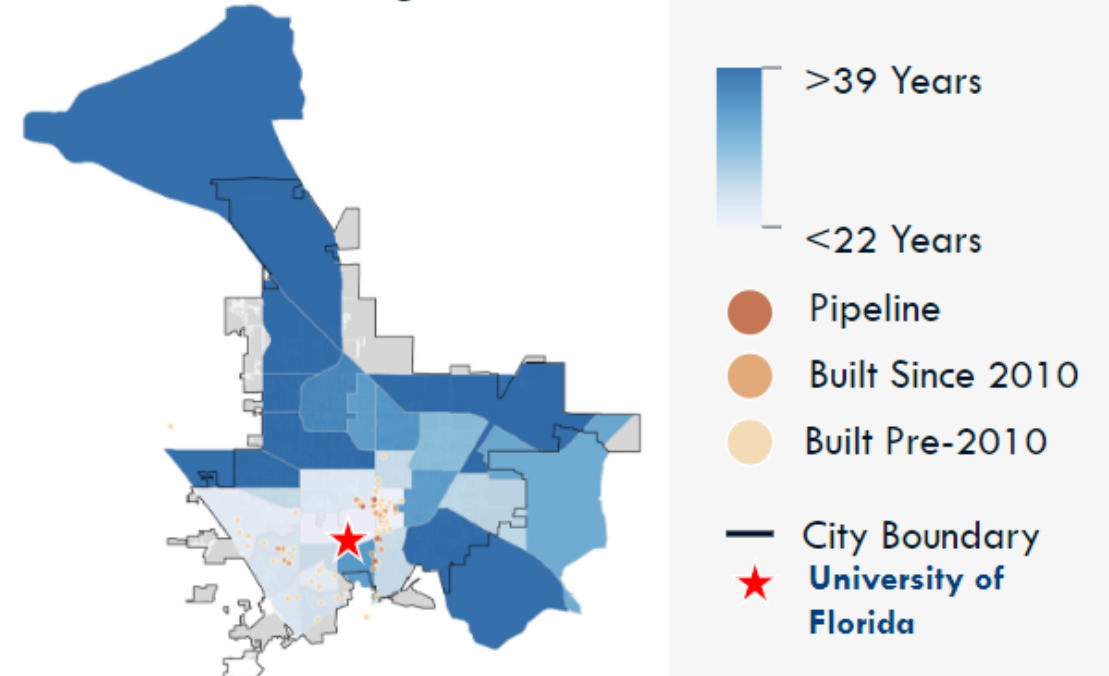
Existing Conditions | The student housing market is the strongest rental market in Gainesville. Non-student renters are not benefitting from new housing at the same rate.



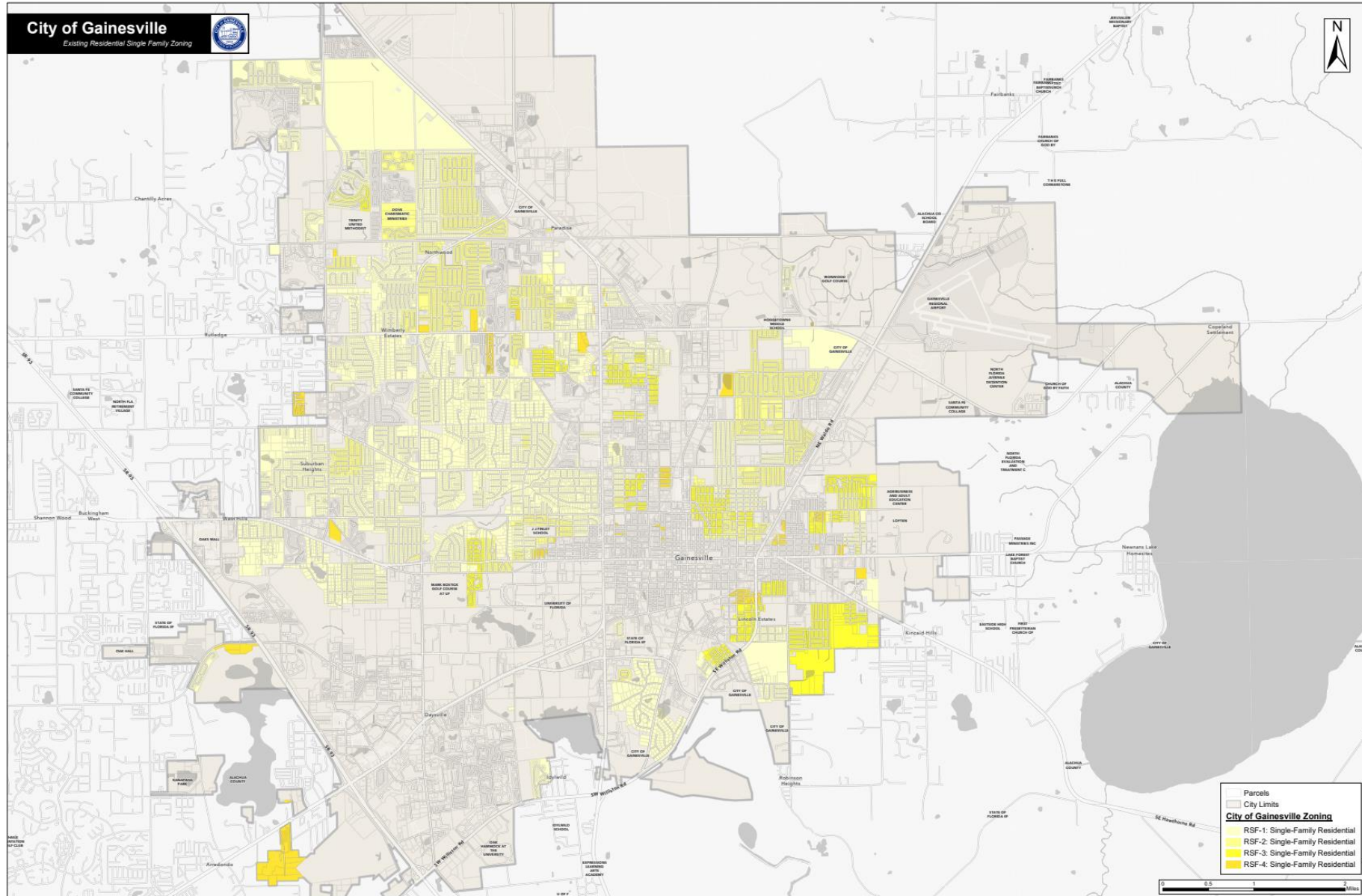
Housing Access and Quality

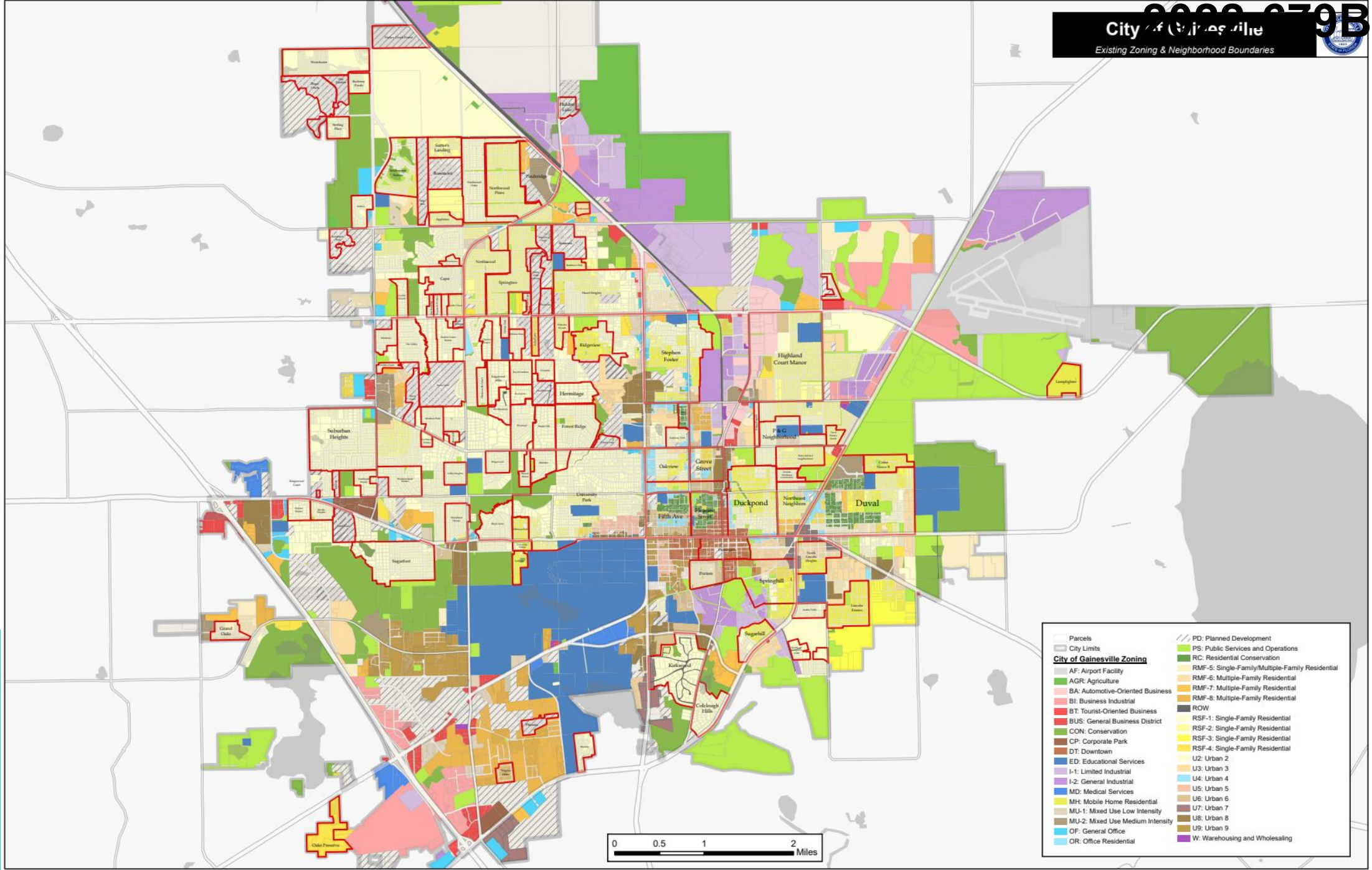
- Student renters are the primary beneficiaries of new rental housing development in Gainesville, which makes it more difficult for non-students to access such housing.
- Student renters make up 36% of the total population but comprise 50% of the population that lives in housing built after 2000.
- The average household in Gainesville struggles to access homeownership, especially Black, Hispanic or Latinx, and renter households. As a result, 61% of households in the City are renters. Less than a third of Black and Hispanic or Latinx households are homeowners.

Median Age by Census Tract and Student Housing*

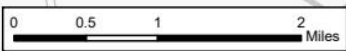


*Includes both student housing (i.e., housing that exclusively serves students) and student-focused housing (i.e., housing that caters to students but is available to all residents).





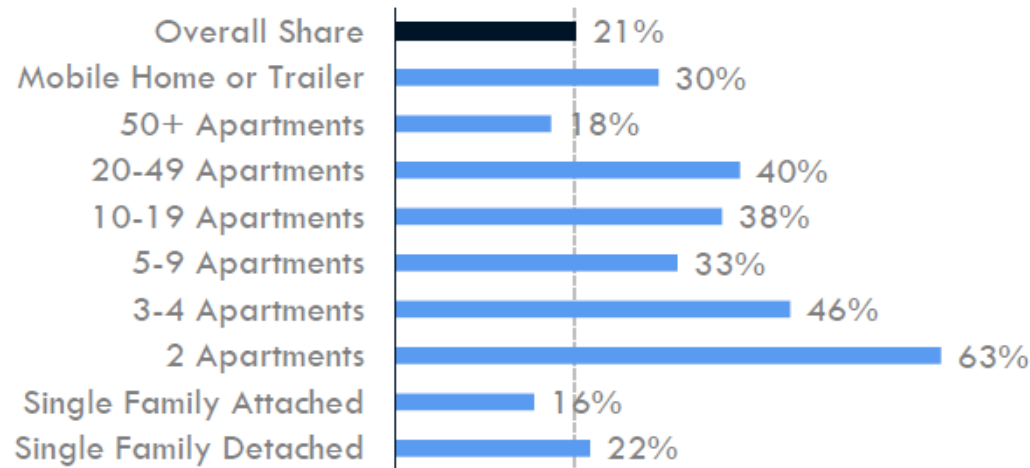
Parcels	PD: Planned Development
City Limits	PS: Public Services and Operations
AF: Airport Facility	RC: Residential Conservation
AGR: Agriculture	RMF-5: Single-Family/Multiple-Family Residential
BA: Automotive-Oriented Business	RMF-6: Multiple-Family Residential
BI: Business Industrial	RMF-7: Multiple-Family Residential
BT: Tourist-Oriented Business	RMF-8: Multiple-Family Residential
BUS: General Business District	ROW
CON: Conservation	RSF-1: Single-Family Residential
CP: Corporate Park	RSF-2: Single-Family Residential
DT: Downtown	RSF-3: Single-Family Residential
ED: Educational Services	RSF-4: Single-Family Residential
I-1: Limited Industrial	U2: Urban 2
I-2: General Industrial	U3: Urban 3
MD: Medical Services	U4: Urban 4
MH: Mobile Home Residential	U5: Urban 5
MU-1: Mixed Use Low Intensity	U6: Urban 6
MU-2: Mixed Use Medium Intensity	U7: Urban 7
OF: General Office	U8: Urban 8
OR: Office Residential	U9: Urban 9
	W: Warehousing and Wholesaling



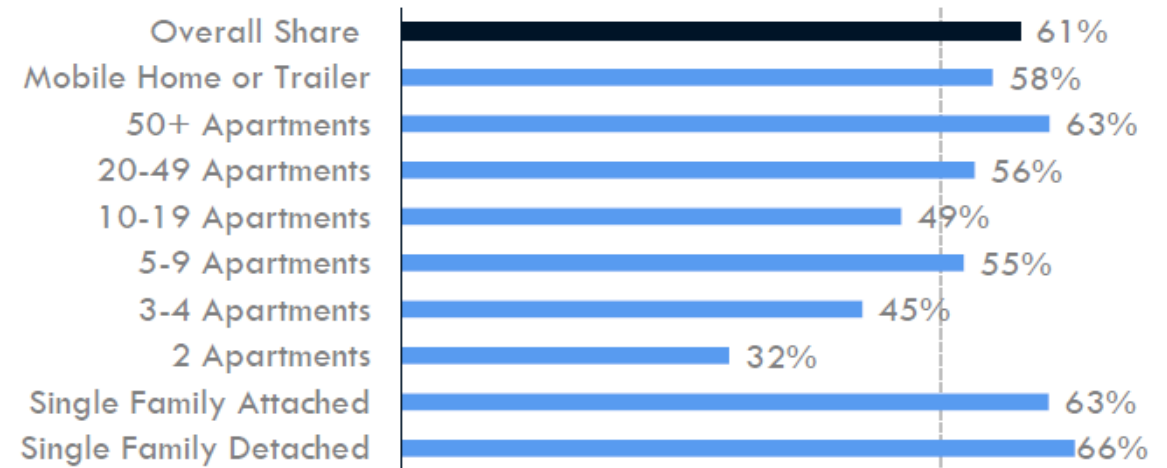
Race determines not only where people live in Gainesville, but also the type of housing in which they live.

Gainesville's Black population occupies "missing middle" housing, or buildings with 2-4 units, at a high rate relative to the population, while white households are underrepresented in this typology. White households are more likely to live in single-family homes (which are typically owned, rather than rented) and large apartment complexes. The differences in occupancy by race reflect housing affordability trends. In Gainesville, missing middle housing tends to be more affordable to low- and middle-income residents compared to single-family homes and multifamily buildings.

Share of Black Households by Housing Type (Non-Student)



Share of Non-Hispanic White Households by Housing Type (Non-Student)



Source: Public Use Microdata Sample (PUMS) ACS 2019 (5-Year Estimates)

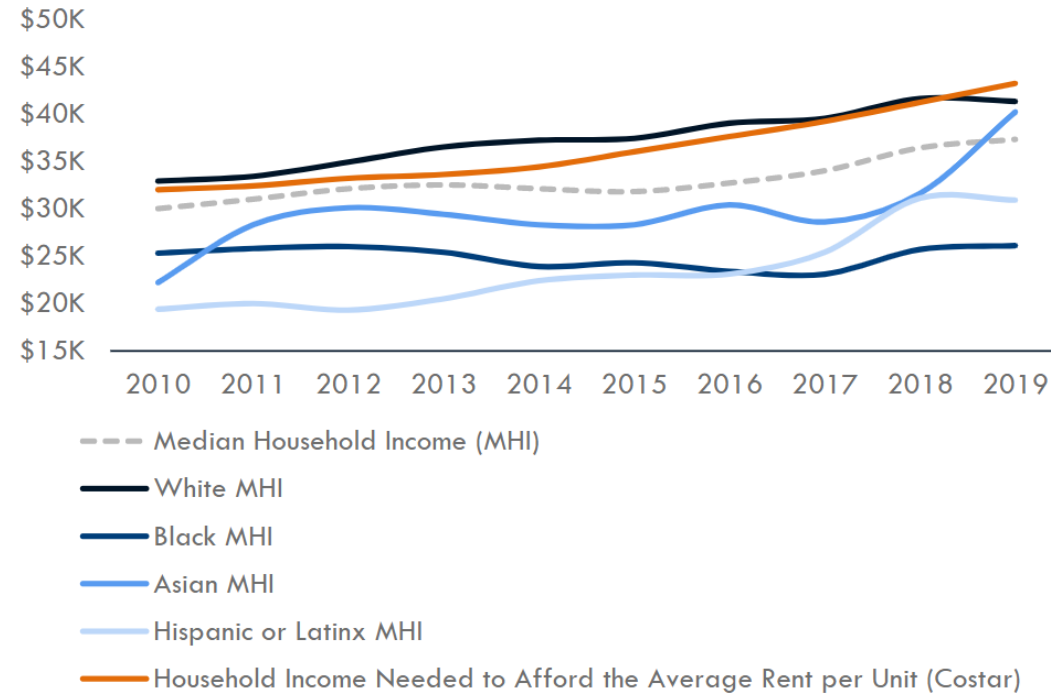
Existing Conditions | Extreme housing cost burden, driven primarily by low incomes, is a key driver of housing instability in Gainesville.



Housing Cost Burden

- Renters across all racial groups earning <\$35K annually experience high rates of housing cost burden.
- Race is a predictor of household income and poverty in Gainesville. Only white and Asian households earn above Gainesville’s median household income. Black households make 73% of the median.
- The average rental unit is currently only affordable to the typical white or homeowner household in Gainesville.

Income at which Average Rental Unit is Affordable by Race (All)



Source: Social Explorer – ACS 2019 (5-Year Estimates)