



2022 Affordable Housing Incentive Strategies Report

Prepared by:

Affordable Housing Advisory Committee

Prepared for:

Volusia County Council

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Florida Housing Finance Corporation



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Executive Summary

The Volusia County Affordable Housing Advisory Committee consists of nine members who were appointed by County Council in 2022 in accordance with the requirements of local ordinance and the State Housing Initiatives Partnership program statute (SHIP Act). At a minimum, the AHAC is required to complete an evaluation every year of eleven affordable housing incentive strategies detailed in the SHIP Act. The annual review is to include the status of implementation of adopted strategies, and recommendations of the AHAC regarding the incentive strategies to the Volusia County Council. The report commences with the Executive Summary, followed by the full report. The full report contains the detailed listing of all the recommendations made by the 2022 AHAC for each strategy. Previously, six of the eleven strategies were recommended by the AHAC, adopted by County Council, and included in the most recent LHAP. This year's review resulted in recommendations for the six ongoing strategies and three additional strategies.

Incentive strategies required for continued SHIP funding

The SHIP Act requires that two of the eleven incentive strategies detailed in the statute (Strategy (A) and (I)) must be adopted and incorporated into the SHIP jurisdiction's local housing assistance plan, and must be implemented in order to continue to receive SHIP funding. County Council originally adopted Strategy (A) and (I) in 2009 and most recently on May 7, 2019.

Strategy A: The processing of approvals of development orders or permits for affordable housing project is expedited to a greater degree than other projects, as provided in s. 163.3177(6)(f)3.

- Two recommendations were made by the AHAC which focused on communication and drafting changes that will lead to an affordable housing review team.

Strategy I: The establishment of a process by which a local government considers, before adoption, policies, procedures, ordinances, regulations, or plan provisions that increase the cost of housing.

- Three recommendations were made by the AHAC that focused on a series of comprehensive plan changes and an affordable housing ordinance relating to fee waivers, deferrals, density bonuses, supports to developers, and administrative modifications to zoning requirements.

Additional Incentive Strategies

In addition to the two required affordable housing incentive strategies, the SHIP Act includes nine incentive strategies that must be considered by the AHAC but are not required to be adopted by a SHIP jurisdiction. These strategies are grouped together as the “Additional Incentive Strategies” in the Executive Summary, and in the full report which follows the Executive Summary.

Strategy B: All allowable fee waivers provided for the development or construction of affordable housing.

- Two recommendations were made by AHAC involving changes to fee waivers, deferrals, density bonuses, and supports to developers.

Strategy C: The allowance of flexibility in densities for affordable housing.

- Three recommendations were made by the AHAC that focused on a series of comprehensive plan changes and an affordable housing ordinance relating to fee waivers, deferrals, density bonuses, supports to developers, and administrative modifications to zoning requirements.

Strategy D: The reservation of infrastructure capacity for housing for very-low income persons, low-income persons, and moderate-income persons.

- No recommendations were made.

Strategy E: Affordable accessory residential units.

- One recommendation was made by AHAC relating to allowing administrative modifications to zoning requirements.

Strategy F: The reduction of parking and setback requirements for affordable housing.

- One recommendation was made by AHAC relating to allowing administrative modifications to zoning requirements.

Strategy G: The allowance of flexible lot configurations, including zero-lot-line configurations for affordable housing.

- One recommendation was made by AHAC relating to allowing administrative modifications to zoning requirements.

Strategy H: The modification of street requirements for affordable housing.

- No recommendations were made.

Strategy J: The preparation of a printed inventory of locally owned public lands suitable for affordable housing.

- One recommendation was made to create a Community Land Trust.

Strategy K: The support of development near transportation hubs and major employment centers and mixed-use developments.

- One recommendation was made by AHAC relating to encouraging affordable housing development in identified geographic areas.

Affordable Housing Advisory Committee Role and Composition

The Volusia County Affordable Housing Advisory Committee (AHAC) was created by ordinance adopted by the Volusia County Council on May 22, 2008. On June 19, 2008, the County Council appointed by resolution eleven (11) members to serve on the Committee (the 2008 AHAC). The 2008 AHAC held public meetings and reviewed current and proposed policies, ordinances, comprehensive plan provisions and other materials concerning the development of affordable housing in the county. On November 14, 2008, the 2008 AHAC held a public hearing to receive public comment and adopt recommendations for each of the affordable housing incentive strategies. A report was issued that includes current policies and further recommendations for each of the statutorily mandated incentive strategies.

The 2008 AHAC report was presented to the Volusia County Council for action, and on February 19, 2009, the council adopted two of the recommended strategies, Strategy A and I. In compliance with statutory requirements, the AHAC was reconstituted in 2012 and 2016 in order to complete the triennial evaluation and report to Florida Housing Finance Corporation and County Council on the affordable housing incentive strategies.

County Council approved amendments to the Volusia County ordinance on April 3, 2018 and December 15, 2020 in order to conform to changes made to the SHIP Act regarding the AHAC's required membership and composition. The AHAC must consist of nine members, one of which is a County Council member and eight others that represent at least six of the statutory membership categories as provided in Section 420.9076 (2). The County Council subsequently appointed one County Council member, six members that fit within six of the required categories, and two additional members to the 2022 AHAC as shown below:

Committee Member	Representative Membership Category
Anne B. Evans	Citizen who is actively engaged as a not-for-profit provider of affordable housing
Mark Billings	Citizen engaged in residential home building industry in connection with affordable housing
Waylan Niece	Citizen who is an advocate for low-income persons in connection with affordable housing
Peggie Hart	Other eligible applicant that does not fit other categories
D.J. Lebo	Citizen who represents essential service personnel, as defined in the Volusia County local housing assistance plan
Susanne I.Odena	Citizen who is actively engaged as a real estate professional in connection with affordable housing
Sarah Ulrich	Other eligible applicant that does not fit other categories

Committee Member	Representative Membership Category
Dawson Walker	Citizen who is actively engaged in the banking or mortgage banking industry in connection with affordable housing
Barbara Girtman	County Council Member

On April 13, 2022 an organizational meeting of the 2022 AHAC was held and Ann B. Evans was elected to serve as the Chair, D.J. Lebo was elected to serve as the Vice-Chair, and Waylan Niece was elected to serve as the Secretary. All meetings were conducted as public meetings. The meetings included presentations and discussions by Volusia County staff from the Growth and Resource Management (GRM) and Community Assistance Division (CAD) to provide information to the committee relative to incentives for affordable housing and the status of implementation.

On February 4, 2020 the duties of the Volusia County AHAC were expanded by a resolution approved by the County Council; therefor the AHAC has had several meetings that did not relate specifically to the review of incentive strategies. Beginning on May 18, 2022, meetings focused on the statutory requirements of the AHAC to complete the annual evaluation of the incentive strategies. The review included analysis of the implementation by Volusia County of the previously adopted incentive strategies and the status of policies and processes that relate to the incentive strategies listed in s. 420.9076 (4) (a)-(k), F.S. Of the 11 incentive strategies that are to be considered by the AHAC, only two of the incentives are statutorily required to be included in Volusia County's local housing assistance plan (LHAP) as a condition of receiving SHIP funding. The two required incentive strategies are Strategy A, expedited review for affordable housing projects, and Strategy I, the process for regulatory review of decisions that impact housing cost.

A required notice was published in a newspaper and the AHAC held a public hearing on October 12, 2022, to receive public comment to the proposed recommendations. The AHAC report and recommendations will be submitted to the Florida Housing Finance Corporation and presented to the Volusia County Council for review and action at their regularly scheduled meeting on November 15, 2022 in the County Council Chambers, Thomas C. Kelly Administration Building, 110 W. Indiana Avenue, DeLand, Florida.

Affordable Housing Incentive Strategies Review and Recommendations

From review, consideration, and evaluation of the strategies provided in the SHIP Act at Florida Statutes, Sec. 420.9076 (4), the AHAC makes the recommendations listed on the following pages. The SHIP Act requires that two of the eleven incentive strategies detailed in the statute must be adopted in the SHIP jurisdiction's local housing assistance plan and implemented in order to commence SHIP funding, and continue to receive SHIP funding, those two strategies are listed first with the remaining strategies listed subsequently in alphabetical order.

Expedited Process of Development Approvals

Strategy A: The processing of approvals of development orders or permits for affordable housing projects is expedited to a greater degree than other projects, as provided in s. 163.3177(6)(f)3.

Existing Strategy Status:

- The Land Development Office continues to have an ombudsman for affordable housing projects. A pre-application meeting is held with potential applicants to review the process, procedures, and requirements for developing a project.
- The affordable housing ombudsman provides a single point of contact with developers of affordable housing. His job is to facilitate the communication between county staff and developers to ensure a seamless approach to addressing affordable housing projects.
- The technical review process is the means by which all parties can gather together to discuss proposals
 - The Community Assistance Division certifies potential affordable projects, and a multi-disciplinary technical staff review meeting is organized through the Land Development Office to provide written comments from engineering, environmental, building, fire, planning, zoning, and other county staff early in the process.
 - Each division provides information to the applicant in an in-person meeting where potential incentives and costs are discussed
 - There has only been one affordable housing project within the county's jurisdiction since 2015 that has gone through this process, Lisbon Parkway Townhomes.
 - The project is currently under construction in the Spring Hill Community Development Area (CRA).

- Volusia County is sponsored an Affordable Housing Initiative which included affordable housing webinars and an affordable housing summit. This included a comprehensive effort to involve the not-for-profit sector, developers, and other parties who are involved with or interested in affordable housing.

Recommendation 1:

Create an environment supportive of new affordable housing development through effective communication and collaboration by developing and implementing a communication plan for “The Path Forward – Strategies for Success” Five-Year Plan to distribute in the community and shift the narrative and by developing and implementing a dashboard to report progress on a quarterly basis.

Recommendation 2:

Draft comprehensive plan changes and an affordable housing ordinance to include an affordable housing review team to decrease the time and expense to build affordable housing by drafting comprehensive plan changes and affordable housing ordinance.

Ongoing Regulatory Review Process

Strategy 1: The establishment of a process by which a local government considers, before adoption, policies, procedures, ordinances, regulations, or plan provisions that increase the cost of housing.

Existing Strategy Status:

- The primary charge of the Development Review Committee (DRC) is to review and permit development. The committee considers waivers to development requirements, where appropriate.
- Section 72-501(b)(3)(c) states, “When in the judgement of the DRC, strict application of the requirements of this article would result in an inequitable or unreasonable result, stifle innovative or creative design, or create undue hardship when applied to a specific project or development, the DRC may modify such requirements to the extent necessary to achieve equity or reasonableness, or relieve the undue hardship...” This provision allows for the consideration of housing costs, and it allows the DRC to reasonably reduce costs by allowing flexibility in affordable housing developments.
- There have been no changes to the definition or classifications of future land use, zoning, density, or land development procedures in the past three years. Section 72-379 of the

zoning ordinance remains in place to provide for relief of minimal dimensional requirements.

- Changes to the impact fee schedule were approved by the County Council in 2018.
- Impact fees continue to be reviewed on a regular schedule as required by law.

Recommendation 1:

Draft comprehensive plan changes to include options for fee waivers and deferrals and density bonuses for affordable housing projects based on the following:

- Determine what criteria qualifies projects for affordable housing bonuses, waivers, and deferrals
- Determine criteria for a restrictive covenant if bonuses, donations, funding, and fee waivers are received to include in draft comprehensive plan changes to include options for fee waivers and deferrals and density bonuses for affordable housing projects

Recommendation 2:

Draft an affordable housing ordinance and modifications to the comprehensive plan to clearly delineate the supports available to developers of affordable housing and the accompanying responsibilities and commitments expected.

Recommendation 3:

Draft comprehensive plan changes and affordable housing ordinance to allow for reasonable administrative modifications to zoning requirements for affordable housing projects.

Fee Waivers for the Development or Construction of Affordable Housing

Strategy B: All allowable fee waivers provided for the development or construction of affordable housing.

Existing Strategy Status:

- Per a 1991 ordinance, the County currently waives one unit per impact fee zone per year for Habitat for Humanity. These fees are paid by the Community Assistance Division.
- Impact fees related to affordable housing is one of the tools discussed during the Affordable Housing Initiative which included webinars and a summit.

Recommendation 1:

Draft comprehensive plan changes to include options for fee waivers and deferrals and density bonuses for affordable housing projects based on the following:

- Determine what criteria qualifies projects for affordable housing bonuses, waivers, and deferrals
- Determine criteria for a restrictive covenant if bonuses, donations, funding, and fee waivers are received to include in draft comprehensive plan changes to include options for fee waivers and deferrals and density bonuses for affordable housing projects

Recommendation 2:

Draft an affordable housing ordinance and modifications to the comprehensive plan to clearly delineate the supports available to developers of affordable housing and the accompanying responsibilities and commitments expected.

Flexibility in Density

Strategy C: The allowance of flexibility in densities for affordable housing.

Existing Strategy Status:

- The County recently updated its conservation subdivision rules to implement smart growth initiatives outlined in the comprehensive plan.
 - It allows a flexible process for authorizing conservation subdivisions with innovative design and provides standards and locational criteria to size lots in an area suitable for development. This smart growth initiative provides for clustering in support of density increases for all developments, including affordable housing.
- The comprehensive plan sets density bonuses for affordable housing.
 - The Housing element requires a minimum of 10 percent for a density increase.
 - The Future Land Use element allows increased density for affordable housing based on land use designations.
 - Low Impact Urban allows an increase up to 5 dwelling units per acre.
 - Urban Low Intensity allows an increase of up to 8 dwelling units per acre.
 - Urban Medium Intensity allows an increase of up to 14 dwelling units per acre.
 - Urban High Intensity allows up to 20 dwelling units per acre.
 - The Planned Unit Development process is the mechanism used by the Land Development and Planning staff to allow density bonuses for affordable housing.

Recommendation 1:

Draft comprehensive plan changes to include options for fee waivers and deferrals and density bonuses for affordable housing projects based on the following:

- Determine what criteria qualifies projects for affordable housing bonuses, waivers, and deferrals
- Determine criteria for a restrictive covenant if bonuses, donations, funding, and fee waivers are received to include in draft comprehensive plan changes to include options for fee waivers and deferrals and density bonuses for affordable housing projects

Recommendation 2:

Draft an affordable housing ordinance and modifications to the comprehensive plan to clearly delineate the supports available to developers of affordable housing and the accompanying responsibilities and commitments expected.

Recommendation 3:

Draft comprehensive plan changes and affordable housing ordinance to allow for reasonable administrative modifications to zoning requirements for affordable housing projects.

Reservation of Infrastructure Capacity

Strategy D: The reservation of infrastructure capacity for housing for very-low income persons, low-income persons, and moderate-income persons.

Existing Strategy Status:

- The AHAC did not make any recommendations on Strategy D in the last report, no action has been taken by County Council.

The AHAC did not make any recommendations regarding this incentive strategy.

Accessory dwelling units

Strategy E: Affordable accessory residential units.

Existing Strategy Status:

- The Volusia County Council approved a new ordinance for accessory dwelling units in July 20, 2021.
 - The ordinance will allow one accessory dwelling unit (ADU) between 240 and 1,200 square feet per parcel where a principal structure is present.
 - The ADU will not require the payment of utility impact fees if it has a kitchen.
 - It does require one parking space, but it eliminates the need for a garage structure.

Recommendation 1:

Draft comprehensive plan changes and affordable housing ordinance to allow for reasonable administrative modifications to zoning requirements for affordable housing projects.

Reduction of Parking and Setback Requirements

Strategy F: The reduction of parking and setback requirements for affordable housing.

Existing Strategy Status:

- Affordable housing projects are reviewed through the PUD process, which allows for flexibility in the minimum yard requirements.
 - For individual remodels or individual new construction projects, the variance process is used as the mechanism to allow flexibility to the minimum yard requirements.
 - Four administrative zonings were completed in various areas throughout the county in 2018 and 2019 to reduce the minimum yard requirements in areas where the parcel sizes in platted subdivisions could not meet the minimum yard requirements of the designated zoning classifications.

Recommendation 1:

Draft comprehensive plan changes and affordable housing ordinance to allow for reasonable administrative modifications to zoning requirements for affordable housing projects.

Flexible Lot Configurations

Strategy G: The allowance of flexible lot configurations, including zero-lot-line configurations for affordable housing.

Existing Strategy Status:

- Changes to the minimum lot size are reviewed as part of the PUD process and subject to the density bonuses outlined in the Future Land Use element of the comprehensive plan.
- Nonconforming dwelling units may be replaced in the same footprint.
 - If the dwelling unit cannot be replaced size for size, it must meet the current zoning code requirements.
 - The variance process is in place to help those applicants who cannot meet the minimum dimensional requirements of the zoning code.

Recommendation 1:

Draft comprehensive plan changes and affordable housing ordinance to allow for reasonable administrative modifications to zoning requirements for affordable housing projects.

Modification of Street Requirements

Strategy H: The modification of street requirements for affordable housing.

Existing Strategy Status:

- The Development Review Committee would be the venue to consider allowing a waiver to the current code requirements for on-street parking based on recommendations from the fire official, the county traffic engineer, and the public works department.

The AHAC did not make any recommendations regarding this incentive strategy.

Surplus Lands Inventory

Strategy J: The preparation of a printed inventory of locally owned public lands suitable for affordable housing.

Existing Strategy Status:

- The Planning and Development Services Division has a full time position that is used to manage surplus county lands.
- The surplus property list is regularly reviewed by the Community Assistance team to determine which parcels could be used for affordable housing. This list was approved by Volusia County Council in early 2021.
 - Community Assistance identifies parcels on the affordable housing list that are suitable for building single-family homes using grant funding. Those homes are sold to low-income households. This method has been used to build six new homes in the last five years and three additional homes are underway.
- The surplus property list will continue to be reviewed regularly for affordable housing opportunities.
- Surplus properties are advertised on the county website as they become available for purchase.

Recommendation 1:

Develop, issue, and evaluate proposals received from a competitive solicitation, seeking proposals from organizations that will partner with the county in the formation of a Community Land Trust in Volusia County.

Transportation Hubs and Transit-Oriented Development

Strategy K: The support of development near transportation hubs and major employment centers and mixed-use developments.

Existing Strategy Status:

- Volusia County created the Sunrail DeLand Area Activity Center and the Southwest Activity Center to allow an increase development density near transportation hubs.
- The County Council approved the allocation of development costs for the Sunrail DeLand Station in early 2021.
- There have been no certified affordable housing proposals in these areas to date. The Farmton DRI and Farmton Local Plan guide the future of a large-scale, regional development with a 50-year planning horizon that will include the infrastructure to support clustered housing near 1-95 and major employment centers.

Recommendation 1:

Determine the areas of highest need for affordable housing to plan for future modifications to the comprehensive plan to include an affordable housing zoning overlay to encourage affordable housing development in identified geographic areas.