



2023 Affordable Housing Incentive Strategies Report

Prepared by:

Affordable Housing Advisory Committee

Prepared for:

Volusia County Council

Submitted to:

Florida Housing Finance Corporation



Contents

Executive Summary.....	1
Affordable Housing Advisory Committee Role and Composition.....	4
Affordable Housing Incentive Strategies Review and Recommendations.....	6
<i>Expedited Permitting</i>	6
<i>Process of Ongoing Reviews</i>	7
<i>Modification of Impact Fees</i>	7
<i>Flexible Densities</i>	8
<i>Reservation of Infrastructure Capacity</i>	9
<i>Affordable Accessory Residential Units</i>	9
<i>Parking and Setback Requirements</i>	10
<i>Flexible Lot Configurations</i>	10
<i>Modification of Street Requirements</i>	11
<i>Public Land Inventory</i>	11
<i>Support Development Near Transportation</i>	12

Executive Summary

The Volusia County Affordable Housing Advisory Committee consists of nine members who were appointed by County Council 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 2023 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 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 2023 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
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
Josephine Callis	Other eligible applicant that does not fit other categories
Dwight Selby	Citizen who represents employers within the county
Jake Johansson	County Council Member

On April 12, 2023 an organizational meeting of the 2023 AHAC was held and Waylan Niece was elected to serve as the Chair, Anne Evans was elected to serve as the Vice-Chair, and D.J. Lebo 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; therefore, the AHAC has had several meetings that did not relate specifically to the review of incentive strategies. Beginning on April 12, 2023, 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 September 13, 2023, 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 7, 2023 in the County Council Chambers, Thomas C. Kelly Administration Building, 123 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 Permitting

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:

- Strategy A is a required strategy that was previously adopted.
- 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.

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:

Implement 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.

Process of Ongoing Reviews

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.

Existing Strategy Status:

- Strategy I is a required strategy that was previously adopted.
- The county considers the cost to implement new regulations for all new ordinances.
- 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.
- Changes to the impact fee schedule were approved by the County Council for 2023.

Recommendation 1:

Implement comprehensive plan changes including options for fee waivers and deferrals and density bonuses for affordable housing projects that meet qualifying criteria and, if applicable, agree to restrictive covenants.

Recommendation 2:

Implement 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:

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

Modification of Impact Fees

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

Existing Strategy Status:

- Strategy B has not been previously adopted.
- Per a 1991 ordinance, the County waives one unit per impact fee zone per year for Habitat for Humanity. These fees are paid by the Community Assistance Division.
- Comprehensive plan revisions that set the overall guidance for affordable housing development in unincorporated Volusia County were transmitted to the Department of Economic Opportunity on August 1, 2023. Upon adoption, an affordable housing ordinance will be presented to county council outlining recommendations for flexibility, density bonuses, impact fee deferrals, and fee waivers to reduce the cost of building affordable housing units.

Recommendation 1:

Implement comprehensive plan changes including options for fee waivers and deferrals and density bonuses for affordable housing projects that meet qualifying criteria and, if applicable, agree to restrictive covenants.

Recommendation 2:

Implement 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.

Flexible Densities

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

Existing Strategy Status:

- Strategy C was previously adopted.
- To foster the creation of affordable housing, a density bonus is permitted for affordable housing projects through the Planned Unit Development process. The maximum increase in density per acre is five units for Low Impact Urban, eight for Urban Low Intensity, and 14 for Urban Medium Intensity.

Recommendation 1:

Implement comprehensive plan changes including options for fee waivers and deferrals and density bonuses for affordable housing projects that meet qualifying criteria and, if applicable, agree to restrictive covenants.

Recommendation 2:

Implement 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:

Implement 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:

- Strategy D has not been previously adopted.
- 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.

Affordable Accessory Residential Units

Strategy E: Affordable accessory residential units.

Existing Strategy Status:

- Strategy E was previously adopted.
- The Volusia County Council approved an ordinance for accessory dwelling units on July 20, 2021.
 - The ordinance allows one accessory dwelling unit (ADU) between 240 and 1,200 square feet per parcel where a principal structure is present.
 - The maximum of 1,200 square feet was removed for parcels that are an acre or greater in an ordinance approved in 2023.
 - The ADU does require one parking space, but it eliminates the need for a garage structure.

Recommendation 1:

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

Parking and Setback Requirements

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

Existing Strategy Status:

- Strategy F was not previously adopted.
- Affordable housing projects are reviewed through the DRC process which may approve modifications to lot sizes, lot widths, house sizes, setbacks, parking requirements, lot coverage, height requirements, open space, landscaping, and any other development standards in Chapter 72 Land Planning by up to 40 percent for certified affordable housing projects, unless governed by the state or federal law.
- Comprehensive plan revisions that set the overall guidance for affordable housing development in unincorporated Volusia County were transmitted to the Department of Economic Opportunity on August 1, 2023. Upon adoption, an affordable housing ordinance will be presented to county council outlining recommendations for flexibility, density bonuses, impact fee deferrals, and fee waivers to reduce the cost of building affordable housing units.

Recommendation 1:

Implement 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:

- Strategy G was previously adopted.
- The DRC may approve modifications to lot sizes, lot widths, house sizes, setbacks, parking requirements, lot coverage, height requirements, open space, landscaping, and any other development standards in Chapter 72 Land Planning by up to 40 percent for certified affordable housing projects, unless governed by the state or federal law
- 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:

Implement 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:

- Strategy H has not been previously adopted.
- 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.

Public Land Inventory

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

Existing Strategy Status:

- Strategy J was previously adopted.
- 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 may be suitable for affordable housing. Proposed parcels are brought before Volusia County Council for review to be added to the list of county-owned parcels suitable for affordable housing. This process is done as frequently as needed, no less than every three years as required by state statute.
- Once a list is established, parcels are evaluated for the best use for affordable housing, including the uses described below which all include an affordability period in which the property will be restricted for this use.

- Building affordable housing using grant funding. The land and units can be donated to a non-profit organization or sold to low-income households. Nine new single-family homes have been built in the last five years using this method.
- Donating to a non-profit organization to use for affordable housing.
- Making available to affordable housing developers to use for affordable housing.
- A competitive solicitation for a Community Land Trust (CLT) to operate in Volusia County was issued and an evaluation and proposed award is underway. If awarded, the CLT would be an eligible non-profit organization for land parcel donations.
- As required by the Live Local Act, the established inventory list will be published on the county's website on or before October 1, 2023.

Recommendation 1:

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 and make an award.

Support Development Near Transportation

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

Existing Strategy Status:

- Strategy K has not been previously adopted.
- Comprehensive plan revisions that set the overall guidance for affordable housing development in unincorporated Volusia County were transmitted to the Department of Economic Opportunity on August 1, 2023. Upon adoption, an affordable housing ordinance will be presented to county council outlining recommendations for flexibility, density bonuses, impact fee deferrals, and fee waivers to reduce the cost of building affordable housing units. The county anticipates the creation of an affordable housing zoning overlay which targets areas near public transportation, employment centers, shopping, and schools for the construction of affordable housing units as part of the ordinance. The plan revisions are expected to be completed in 2023, followed by the zoning ordinance in 2024, and the overlay in 2024 or 2025.

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.