

**Local Housing Incentive Strategies Update – 2024**

Affordable Housing Advisory Committee Meeting #2

Economic Development & Housing Department  
October 8, 2024

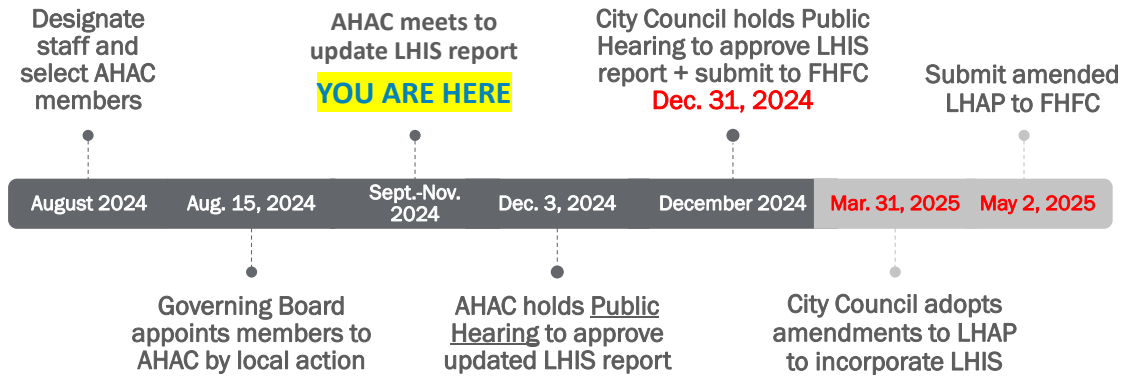


**Schedule**



3

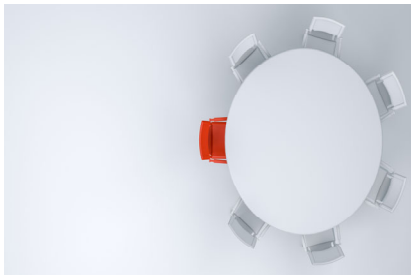
## LHIS Update Schedule



Dates in black are recommended timeline to meet deadlines  
 Dates in red are statute or rule deadlines

4

## AHAC Meeting Schedule



All meetings start at **9:00 AM**

Meeting #1: September 10<sup>th</sup> (9/10)

Meeting #2: October 8<sup>th</sup> (10/8)

Meeting #3: November 12 (11/12)

Meeting #4: December 3<sup>rd</sup> (12/3)\*

*\*To be noticed and held as Public Hearing*



# Values, Principles, and Vision



6

## Affordable Housing Values

- A. Supports a dynamic and competitive economy.
- B. Improves social well-being and builds sense of community.
- C. Aspires to have housing that fits the City's workforce.
- D. Everyone deserves a safe affordable home.

*Source: 2023 LHIS Report*



7

## Affordable Housing Principles

1. Affordable over the long-term.
2. Diverse supply that provides for a mix of income levels and the diverse needs of residents.
3. Designed to be sustainable, energy and cost efficient, and to minimize physical barriers to accessibility.
4. In aesthetic character with the surrounding neighborhood.
5. Strategically located and pedestrian-oriented with access to mass transit, open spaces, educational institutions, and employment or workforce training opportunities.
6. Incentivized to promote incorporation of affordable housing into all housing developments.

Source: 2023 LHIS Report

8

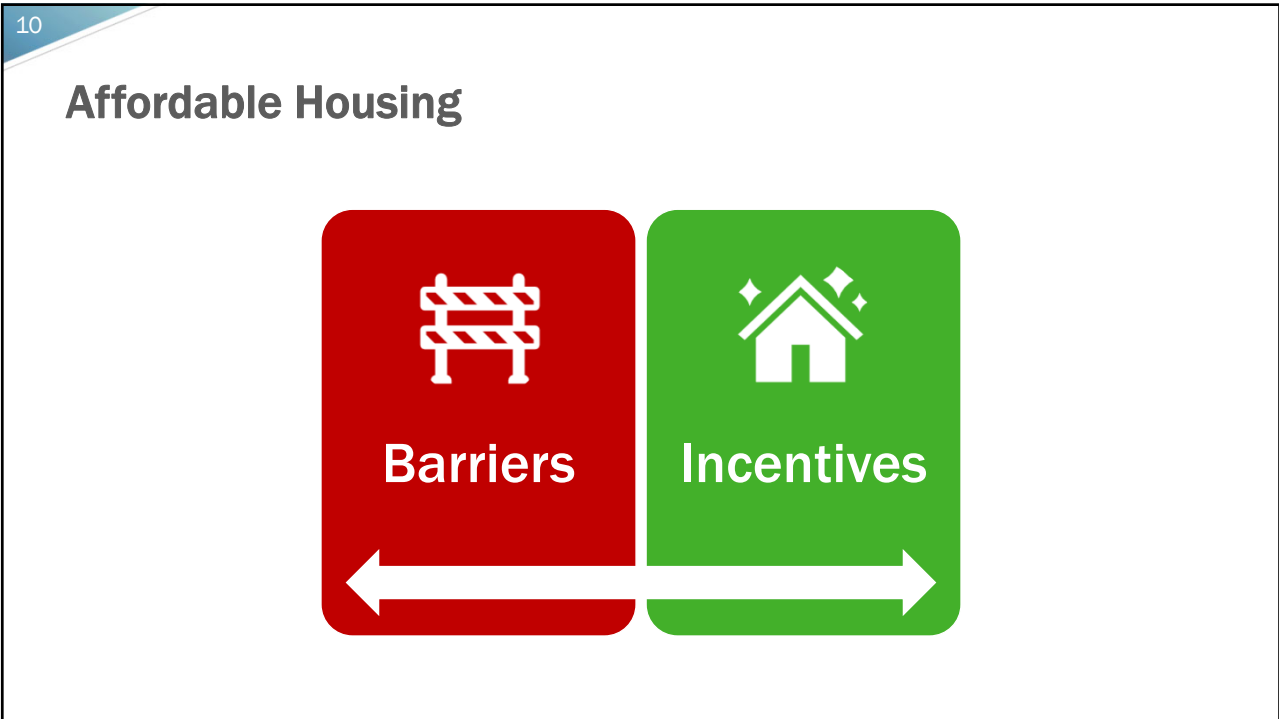
## Affordable Housing Vision

The City of Clearwater will incentivize the development of a diverse supply of housing that is safe, accessible, affordable, sustainable, and energy and cost efficient; that blends into the aesthetic character of all the City's neighborhoods; that is proximate to public amenities and employment opportunities; and which supports an inclusive community and the diverse needs of residents.

Source: 2023 LHIS Report



# Local Housing Incentive Strategies



11

## Incentive Areas – Sec. 420.9076(4), F. S.

1. Expedited Review Process
2. Modification of Fees
3. Flexible Densities
4. Infrastructure Capacity
5. Accessory Dwelling Units
6. Parking Reductions
7. Flexible Lot Configurations
8. Modifications of Street Requirements
9. Pre-Adoption Policy Consideration
10. Inventory of Public Lands
11. Proximity to Transportation, Employment & Mixed-Use Development



12

## Incentive Areas – Additional (AHAC-Initiated)

12. Adaptive Reuse
13. Land Development Code
14. Communication and Marketing of Affordable Housing
15. Financing
16. Partnerships

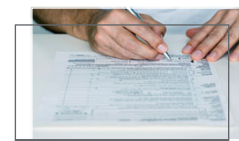
# Committee Discussion on September 10<sup>th</sup>



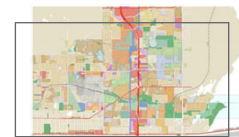
14

## 2024 Barriers/Incentives to Affordable Housing

- Renter Cost Burden, High Cost of Rent/Utilities, and Transportation-Related Issues (Barrier)
- Rising Interest Rates and Insurance Costs for Homeownership (Barrier)
- Lack of Affordable Housing for Senior Citizens (Barrier)
- Investor Real Estate Competition (Barrier)
- Condominium Assessments (Barrier)
- Accessory Dwelling Units/Rental Rebate Program (Incentive)
- Density (Incentive)
- Education/Marketing (Incentive)



Programs/Procedures



Comprehensive Plan



Development Code

## Part 2: Recommendations



16

### LHIS Report Update Part 2: Recommendations



Review prior 2023 LHIS Report



Evaluate each 2023 recommendation



Consider whether each recommendation should be CONTINUED, MODIFIED, or REMOVED



Identify any new affordable housing incentives not covered in 2023 LHIS Report



17

## 1. Expedited Review

### *Recommendation*

- 1.1 Continue to use the “Request for Expedited Permit Processing for Affordable Housing Activity” form to fast-track affordable housing projects. Single-family projects submitted with this form will receive priority during the permit review process by completing reviews of single-family permit reviews within four days of the initial submittal and within three days of all subsequent submittals.

STATUS: ONGOING  
 OPTIONS: CONTINUE | MODIFY | REMOVE

18

## 1. Expedited Review

### *Recommendation*

- 1.2 The Assistant Director of Economic Development & Housing and Permit Manager will continue to be the primary and secondary points of contact when submitting multi-family affordable housing projects. Through close coordination, these two staff positions will:
- Create and oversee an affordable housing “One Stop Streamline Permitting Process.”
  - Act as a liaison between the developer and all departments involved in the review and permitting process.
  - Organize and participate in the pre-application meetings.
  - Provide necessary information and forms to the developer to avoid delays during the application and review process.
  - Create a process and definitive project requirement checklist for affordable housing projects for each level of review and stage of permitting.

19

## 1. Expedited Review

### *Recommendation*

#### 1.2 (Continued)

- Create a definitive but feasible review timeline for affordable housing projects considering variables such as the type, size and impact in the community depending on the level of review and stage of permitting.
- Release to the applicant and all City departments involved at once, written statements for additional requirements and project determinations.
- Track the review process through the City's online ePermit system.
- Report to the developer the status of the application.

STATUS: ONGOING

OPTIONS: CONTINUE | MODIFY | REMOVE

20

## 1. Expedited Review

### *Recommendation*

#### 1.3 Continue to improve customer service toward potential project applicants by:

- Maintaining a positive attitude
- Offering a quick response time via email or phone calls
- Making available project requirements and forms
- Providing a list of potential mentors experienced in affordable housing development by end of first quarter 2024 and updated annually thereafter
- Utilizing new technology to enhance administrative efficiencies and to educate developers about the City's affordable housing incentives and permitting process by means of link sharing, web forms, videos/webinars, virtual meetings/forums, and other tools

STATUS: ONGOING

OPTIONS: CONTINUE | MODIFY | REMOVE

21

## 1. Expedited Review

### *Recommendation*

- 1.4 Develop by end of first quarter 2024 and annually update thereafter a brochure and other informational handouts to be published in a prominent location on the City's Affordable Housing webpage that explain the City's development approval and permitting process to developers, incl. but not limited to:
- Relationship between City and County policies and the regulation of land use, density, and intensity
  - City-sponsored incentives for affordable housing such as the "Request for Expedited Permit Processing for Affordable Housing Activity" form, Affordable Housing Density Bonus, Parking Reductions, and Nonconforming Exemption for Affordable Housing

STATUS: IN PROGRESS (no brochure, but webpage improved)

OPTIONS: CONTINUE | MODIFY | REMOVE

22

## 1. Expedited Review

### *Recommendation*

- 1.5 Encourage affordable housing developers of single-family homes to submit frequently used building example plans for pre-screening by the Building Official to further expedite the staff permit review process.

STATUS: IN PROGRESS (encouraged but no templates have been submitted)

OPTIONS: CONTINUE | MODIFY | REMOVE

23

## 2. Modification of Fees

### *Recommendation*

- 2.1 Coordinate with Pinellas County regarding data-based rate flexibility within the multi-modal impact fee to support the provision of affordable housing.

STATUS: COMPLETED (impact fee discounted)

OPTIONS: CONTINUE | MODIFY | REMOVE

24

## 2. Modification of Fees

### *Recommendation*

- 2.2 Annually assess the financial, legal, and administrative feasibility of reducing, refunding, or redefining (by unit size) the costs of impact fees and/or permitting fees related to the development of affordable housing with the goal of being on par with other municipalities in Pinellas County.

STATUS: COMPLETED (Parks and Recreation impact fee waiver)

OPTIONS: CONTINUE | MODIFY | REMOVE

25

## 2. Modification of Fees

### *Recommendation*

- 2.3 The Planning & Development Department will continue to implement the fee Schedule of Fees Rates and Charges ordinance to provide for a reduction in the Plan Review and Permit Fees for single-family homes.

STATUS: COMPLETED (reduced fees by 75%)

OPTIONS: CONTINUE | MODIFY | REMOVE

26

## 2. Modification of Fees

### *Recommendation*

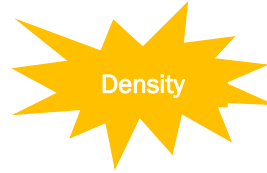
- 2.4 The Economic Development & Housing Department will continue to assist with the payment of Plan Review and Permit Fees and impact fees utilizing state and federal funds designated for affordable housing.

STATUS: COMPLETED (reduced fees plus policy to write down loan to achieve profit on City-funded projects)

OPTIONS: CONTINUE | MODIFY | REMOVE

27

### 3. Flexible Densities



#### *Recommendation*

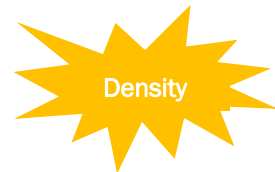
- 3.1 Continue to provide allowance of density flexibility for affordable housing developments by City policy and to monitor State legislation regarding density flexibility, including but not limited to the Live Local Act.

STATUS: COMPLETED (density bonus clarified, Live Local Act by policy, Public Amenities Incentive Pool)

OPTIONS: CONTINUE | MODIFY | REMOVE

28

### 3. Flexible Densities



#### *Recommendation*

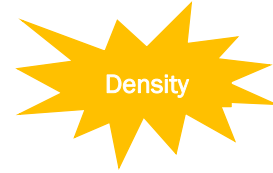
- 3.2 Maintain specific parameters to grant density flexibility for affordable housing projects as allowed in the Community Development Code within the different zoning districts.

STATUS: COMPLETED (density bonus clarified, Live Local Act by policy, Public Amenities Incentive Pool)

OPTIONS: CONTINUE | MODIFY | REMOVE

29

### 3. Flexible Densities



#### *Recommendation*

- 3.3 Continue to define the density allowance for an affordable housing project as part of a pre-application meeting prior to formal submission of the civil/site engineering requirements.

STATUS: ONGOING (BPRC meetings)

OPTIONS: CONTINUE | MODIFY | REMOVE

30

### 4. Infrastructure Capacity

*We do not recommend that the City of Clearwater include the reservation of infrastructure capacity for housing for very-low-income persons, low-income persons, and moderate-income persons as an incentive for the provision of affordable housing.*

STATUS: NO RECOMMENDATION

OPTIONS: CONTINUE | MODIFY | REMOVE

31

## 5. Accessory Dwelling Units



### *Recommendation*

- 5.1 Continue to allow for accessory dwelling units in nonresidential zoning districts as described within the City's Community Development Code.

**STATUS:** COMPLETED (ADUs allowed in nonresidential)

**OPTIONS:** CONTINUE | MODIFY | REMOVE

32

## 5. Accessory Dwelling Units



### *Recommendation*

- 5.2 Implement City Council Comprehensive Plan Policy QP 6.1.7 and Policy QP 6.1.10 to allow accessory dwelling units by providing corresponding standards in the CDC. Such standards may include:

- Maximum unit size, parking standards, setback, and height requirements to facilitate review and to ensure neighborhood compatibility, which may be presented using a pattern book or similar means to expedite approval.
- Occupancy/tenure requirements so that the principal dwelling unit remains owner-occupied, the accessory dwelling unit is not used for short-term rental, and the number of occupants is limited to that which is reasonable for the unit size.

**STATUS:** COMPLETED (Ordinance Number 9758-24)

**OPTIONS:** CONTINUE | MODIFY | REMOVE



33

## 5. Accessory Dwelling Units



### *Recommendation*

- 5.3 Provide flexibility for other alternative unit types such as co-housing to incentivize unconventional solutions to address affordable housing needs and support aging-in-place within existing neighborhoods.

STATUS: IN PROGRESS  
 OPTIONS: CONTINUE | MODIFY | REMOVE

34

## 6. Parking Reductions

### *Recommendation*

- 6.1 Continue to allow flexible setback requirements for affordable housing developments.

STATUS: ONGOING (based on level of review or if certified as affordable housing)  
 OPTIONS: CONTINUE | MODIFY | REMOVE

35

## 6. Parking Reductions

### *Recommendation*

- 6.2 Continue to tie reductions of off-street parking requirements to proximity and access to alternative modes of transportation, including transit, sidewalks, trails, or other options.

STATUS: ONGOING (if certified as affordable housing)

OPTIONS: CONTINUE | MODIFY | REMOVE

36

## 7. Flexible Lot Configurations

### *Recommendation*

- 7.1 Continue to allow flexible lot configurations for affordable housing developments while remaining sensitive to the character and context of existing neighborhoods.

STATUS: ONGOING

OPTIONS: CONTINUE | MODIFY | REMOVE

37

## 8. Modification of Street Requirements

*Because such standards are in place to benefit public health and safety, we do not recommend that the City utilize the modification of street requirements as an incentive for affordable housing.*

STATUS: NO RECOMMENDATION

OPTIONS: CONTINUE | MODIFY | REMOVE

38

## 9. Pre-Adoption Policy Consideration

### *Recommendation*

9.1 As part of its annual reporting, the Economic Development & Housing Department will continue to review all regulations and ordinances that may affect the cost of housing.

STATUS: ONGOING (completed annually with AHAC and LHIS report)

OPTIONS: CONTINUE | MODIFY | REMOVE

39

## 9. Pre-Adoption Policy Consideration



### *Recommendation*

9.2 Continue the review process maintained by the Senior Executive Team through which any new regulatory instrument created in the City (Ordinances, regulations, etc.) or by related State legislation can be evaluated for its effect on housing affordability.

STATUS: ONGOING  
 OPTIONS: CONTINUE | MODIFY | REMOVE

40

## 10. Inventory of Public Lands



### *Recommendation*

10.1 The Economic Development & Housing Department will continue to maintain the inventory of publicly-owned land suitable for the development of affordable housing.

STATUS: ONGOING (now required by Live Local Act)  
 OPTIONS: CONTINUE | MODIFY | REMOVE

41

## 10. Inventory of Public Lands



### *Recommendation*

10.2 Continue to publish the public land inventory owned by the City for affordable housing, and a link to Pinellas County's inventory, on the City's webpage for prospective developers and non-profit agencies for developing affordable housing.

STATUS: ONGOING (now required by Live Local Act)

OPTIONS: CONTINUE | MODIFY | REMOVE

42

## 10. Inventory of Public Lands



### *Recommendation*

10.3 Continue to make publicly-owned land available to prospective developers and non-profit agencies for developing affordable housing.

STATUS: ONGOING

OPTIONS: CONTINUE | MODIFY | REMOVE

43

## 10. Inventory of Public Lands

### *Recommendation*

10.4 The Economic Development & Housing Department will coordinate with the Planning & Development Department to identify properties having repeat code violations that may be suitable for rehabilitation, acquisition, or demolition for affordable housing.

STATUS: ONGOING  
 OPTIONS: CONTINUE | MODIFY | REMOVE

44

## 10. Inventory of Public Lands

### *Recommendation*

10.5 Continue to monitor the policy/procedure for distribution of city owned lots. Consider including energy efficient items and related emerging technologies into the scoring matrix to support environmentally friendly development in partnership with the Greenprint 2.0 timeline.

STATUS: ONGOING (City has lot disposition procedure)  
 OPTIONS: CONTINUE | MODIFY | REMOVE

45

## 11. Proximity to Transportation, Employment & Mixed-Use Development

### *Recommendation*

11.1 The City will maintain and implement policies of the City's Comprehensive Plan that incentivize affordable housing development proximate to transportation hubs, major employment centers, and mixed-use developments.

STATUS: ONGOING (multiple policies in Comprehensive Plan)

OPTIONS: CONTINUE | MODIFY | REMOVE

46

## 12. Adaptive Reuse



### *Recommendation*

12.1 Continue to allow and promote “adaptive reuse” involving the conversion of surplus and/or outmoded buildings including old churches, school buildings, hospitals, train stations, warehouses, factories, hotels, office buildings, malls, etc. to mixed uses where permitted by zoning district or by the Live Local Act.

STATUS: ONGOING (Live Local Act applies to Commercial, Industrial, and Mixed-Use)

OPTIONS: CONTINUE | MODIFY | REMOVE

47

## 13. Land Development Code

### *Recommendation*

13.1 Continue to incentivize developers to address recommended design standards for affordable housing developments consistent with Sec. 3-920.A.3.c.i-iii. of the City of Clearwater Community Development Code. Other criteria could include but are not limited to:

- Provide direct and visual access to open space for residents.
- Consider play areas when developing family housing.
- Provide nighttime outdoor illumination for safety.
- Use landscape standards and buffers to screen nuisances and to separate public and private areas.

48

## 13. Land Development Code

### *Recommendation*

13.1 (Continued)

- Centrally-locate common facilities.
- Use Crime Prevention Through Environmental Design (CPTED) when practical and financially feasible.
- Include electric vehicle charging infrastructure.

STATUS: IN PROGRESS

OPTIONS: CONTINUE | MODIFY | REMOVE



49

## 14. Communication and Marketing of Affordable Housing

### *Recommendation*



Education/  
Marketing

14.1 Continue to improve current communication channels and marketing materials to reach different stakeholders interested in affordable housing. Some of the suggested actions include but are not limited to:

- Conduct an educational campaign, in conjunction with regular City communications, to rebrand affordable housing as workforce housing that supports the diverse needs of residents through a variety of unit/product types compatible with the City's neighborhoods.
- Partner with Amplify Clearwater and others to broadly promote the benefits of, and opportunities for, affordable housing development in the City and to communicate successes.
- Prepare, update, and keep current marketing materials for the general public in order to promote the different housing programs that the City offers, including homebuyer education and down payment assistance to support homeownership.

50

## 14. Communication and Marketing of Affordable Housing

### *Recommendation*



Education/  
Marketing

14.1 (Continued)

- Prepare, update, and keep current marketing materials that help developers and the general public to understand the application criteria, permitting process, and the number of incentives available for rehabilitation and new construction of affordable housing units in the City.
- Make accessible to the public an inventory and a map of suitable residential vacant land available for development.
- Include a section on the City's webpage called, "Affordable Housing & Community Development," specifically dedicated to the promotion of affordable housing.
- Share outcomes and analytics with appropriate City boards and committees.

STATUS: IN PROGRESS

OPTIONS: CONTINUE | MODIFY | REMOVE

51

## 15. Financing



### *Recommendation*

15.1 Diversify financial strategies to contribute to the new construction and maintenance of affordable housing and financial assistance to obtain affordable housing.

STATUS: ONGOING  
 OPTIONS: CONTINUE | MODIFY | REMOVE

52

## 15. Financing

### *Recommendation*

15.2 Evaluate the feasibility of reducing/paying code violation liens on lots suitable for affordable housing development.

STATUS: NOT STARTED (requires change to City Council policy, limited opportunities to implement)  
 OPTIONS: CONTINUE | MODIFY | REMOVE

53

## 15. Financing

### *Recommendation*

15.3 Ensure City staffing levels are adequate to achieve the AHAC recommendations of the LHis Report.

STATUS: ONGOING  
 OPTIONS: CONTINUE | MODIFY | REMOVE

54

## 16. Partnerships

### *Recommendation*

16.1 Develop public and private partnerships for the provision of affordable housing:

- Prepare, advertise, and maintain an inventory of affordable housing providers/developers and any other related organization.
- Encourage partnerships between current and new affordable housing developers for mentoring and technical training.
- Establish partnerships with major employers to coordinate the supply of workforce housing
- Encourage and support joint development opportunities between the private sector and non-profits to develop affordable housing.
- Engage lenders in training and ongoing discussion with the City relative to underwriting and credit standards, technology solutions, as well as the development of financial products in an effort to maximize the financing options available to potential first-time homebuyers through conventional and other lenders.
- Coordinate with Pinellas County joint programs for the provision of affordable housing, including the Pinellas County Countywide Housing Strategy and Advantage Pinellas Housing Compact.



55

## 16. Partnerships

### Recommendation



#### 16.1 (Continued)

- Monitor, and encourage citizens to lobby for, the development of statewide legislative initiatives to gauge the local impact of their provisions.
- Coordinate with the private sector and non-profits to provide homebuyer education, home warranties and other strategies that reduce the ongoing maintenance risk of homeownership.
- Increase down payment assistance loan amounts to be viable for the homebuyer while remaining financially feasible for the continued operation of the City's program.
- Improve the timing of Housing Quality Standards inspections to facilitate closings on homes with down payment assistance loans, if feasible under funding source requirements.
- Partner with the private sector and non-profits to address third-party barriers to affordable housing and to identify appropriate incentives to reduce labor and material costs for developers and long-term maintenance, operational, and insurance costs for homeowners.

STATUS: IN PROGRESS

OPTIONS: CONTINUE | MODIFY | REMOVE

## Next Meeting



57

## Next Meeting

Affordable Housing Advisory Committee (AHAC)

Meeting #3: November 12, 2024

Council Chambers

Main Library (100 N. Osceola Ave.)

### Contact Info:

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City of Clearwater

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58

## Definition of Affordable Housing



Monthly rents or monthly mortgage payments including taxes and insurance do not exceed 30 percent of median annual gross income for the household (s. 420.9071, F.S.)



Any residential dwelling unit leased or owned by a household with a household income of **120% or less of the adjusted area median family income** for Pinellas County (HUD)



For rental units, shall **not exceed rates for annual "Maximum Rents by Number of Bedroom Unit"** published by the for the Tampa-St. Petersburg-Clearwater MSA (FHFC)



For non-rental units, the sales price may **not exceed 90% of the average area price** for the Tampa-St. Petersburg-Clearwater MSA (IRS)

Source: Former City of Clearwater Comprehensive Plan, Housing Element, Policy C.1.2.5; current City of Clearwater Code of Ordinances, Section 2.01.

## Definition of Affordable Housing

Pinellas County, HUD, 2024	Median Family Income (MFI) \$	92,000
	<b>120% MFI = \$</b>	<b>110,400</b>

<b>Cost Burden Threshold, 30% of Income</b>	<b>Annually</b>	<b>Monthly</b>
	\$ 33,120	\$ 2,760

IRS Rev. Proc. 2024-21		<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
	Average Area Purchase Price \$	567,710	\$ 726,875	\$ 878,614	\$ 1,091,936
	<b>90% Average Area Purchase Price = \$</b>	<b>510,939</b>	<b>\$ 654,188</b>	<b>\$ 790,753</b>	<b>\$ 982,742</b>
	Nationwide Average Purchase Price \$	510,100			
	<b>90% Nationwide Average Purchase Price = \$</b>	<b>459,090</b>			

Max. Rent Limits, FHFC, 2024 (SHIP) for T-SP-C MSA	<b>Income Category/Bedrooms</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
	ELI 30% \$	538	\$ 645	\$ 847	\$ 1,049
	VLI 50% \$	895	\$ 1,075	\$ 1,241	\$ 1,385
	LI 80% \$	1,433	\$ 1,720	\$ 1,986	\$ 2,216
	120% \$	2,149	\$ 2,580	\$ 2,980	\$ 3,324

Pinellas County, HUD, 2024	<b>Fair Market Rent by Bedrooms</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
		\$ 1,686	\$ 1,978	\$ 2,533	\$ 3,082