

**CITY OF PENSACOLA
AFFORDABLE HOUSING INCENTIVE REPORT
BY
ESCAMBIA/PENSACOLA AFFORDABLE HOUSING ADVISORY COMMITTEE**

1. BACKGROUND

The Sadowski Affordable Housing Act as approved by the Florida Legislature and codified as Chapter 420 of the Florida Statutes requires the development of an Affordable Housing Incentive Plan by all local governments electing to participate in the housing production and preservation initiatives authorized by the Act. Pensacola City Council, jointly with Escambia County Board of County Commissioners, appointed the members to serve on the Escambia-Pensacola Affordable Housing Advisory Committee (AHAC). The Escambia-Pensacola AHAC reviewed the implementation of the Affordable Housing Incentive Plan and determined the incentives are being implemented in accordance with the plan. A summary of the strategies and the implementation status is presented in Attachment 1.

2. PURPOSE

The purpose of the Incentive Plan is to set out the deliberations and recommendations for monetary and non-monetary incentives targeting regulatory reform with respect to affordable housing including the evaluation of the established policies, procedures, ordinances, land development regulations and the comprehensive plan. All recommendations should encourage or facilitate affordable housing while protecting the ability of the property to appreciate in value. The Plan encompasses the specific recommendations of the AHAC all of which were voted upon and approved at a Public Hearing on November 16, 2021. This Plan details existing City Housing related policies/procedures to be undertaken by the City in support of affordable housing.

3. AFFORDABLE HOUSING INCENTIVES

INCENTIVE A: THE PROCESSING OF APPROVALS OF DEVELOPMENT ORDERS OR PERMITS, AS DEFINED IN S. 163.3164(7) AND (8), FOR AFFORDABLE HOUSING PROJECTS IS EXPEDITED TO A GREATER DEGREE THAN OTHER PROJECTS.

Discussion:

In April 2020, the City Inspection Services Department implemented an online application process allowing for both convenience and safety. The City application provides an applicant the opportunity to note if the project will be supported with affordable housing funding (CDBG, SHIP, HOME or OTHER). Affordable housing documentation will be required to fast track the permitting process to 3-5 business days.

Recommendation:

AHAC recommends City of Pensacola Housing Department verify and provide supporting documentation to Building Inspections Department for affordable housing projects allowing for fast tracking the permitting process. The AHAC will review the incentive on an annual basis.

INCENTIVE B: THE MODIFICATION OF IMPACT FEE REQUIREMENTS, INCLUDING REDUCTION OR WAIVER OF FEES AND ALTERNATIVE METHODS OF FEE PAYMENT FOR AFFORDABLE HOUSING.

Discussion:

The City does not have impact-fee requirements. To support the creation and preserve sustainable affordable housing, the Comprehensive plan supports offering incentives for infill development, one of which is the liens waiver policy for affordable housing.

Recommendation:

This incentive is being implemented in accordance with the plan. AHAC recommends consideration of waiving permitting fees for affordable housing development. The AHAC will review the incentive on an annual basis.

INCENTIVE C: THE ALLOWANCE OF FLEXIBILITY IN DENSITIES FOR AFFORDABLE HOUSING.

Discussion:

The City of Pensacola Comprehensive Plan and Land Development code allow flexibility in development density for residential developments. This is generally coordinated through predevelopment review meetings with developers through the Special Planned Development (SPD) process.

Recommendation:

This incentive is being implemented in accordance with the plan and no changes were recommended. The AHAC will review the incentive on an annual basis.

INCENTIVE D: THE RESERVATION OF INFRASTRUCTURE CAPACITY FOR HOUSING FOR VERY-LOW INCOME PERSONS, LOW-INCOME PERSONS, AND MODERATE-INCOME PERSONS.

Discussion:

Infrastructure capacity is not an issue for development of affordable housing within the urban area of the City as water, sewer, electricity, and roadways are more than adequate for concurrency. Additionally, all areas within the City's Community Redevelopment Areas are exempt from traffic concurrency.

Recommendation:

This incentive is being implemented in accordance with the plan and no changes were recommended. The AHAC will review on an annual basis.

INCENTIVE E: THE ALLOWANCE OF AFFORDABLE ACCESSORY RESIDENTIAL UNITS IN RESIDENTIAL ZONING DISTRICTS.

Discussion:

Accessory dwellings are allowed in the City of Pensacola Comprehensive Plan and Land Development Code. AHAC noted the use of ADUs as Airbnbs.

Recommendation:

This incentive is being implemented in accordance with the plan and no changes were recommended. The AHAC will review the incentive on an annual basis.

INCENTIVE F: THE REDUCTION OF PARKING AND SETBACK REQUIREMENTS FOR AFFORDABLE HOUSING.

Discussion:

The City may grant a reduction in the parking requirement through its SPD process.

Recommendation:

This incentive is being implemented in accordance with the plan. AHAC recommends exploring specific reductions relating to walkability and sidewalk design. The AHAC will review the incentive on an annual basis.

INCENTIVE G: THE ALLOWANCE OF FLEXIBLE LOT CONFIGURATIONS, INCLUDING ZERO-LOT-LINE CONFIGURATIONS FOR AFFORDABLE HOUSING.

Discussion:

The City Land Development Code provides for the use of zero-lot-line configurations in development of residential housing.

Recommendation:

This incentive is being implemented in accordance with the plan and no changes were recommended. The AHAC will review the incentive on an annual basis.

INCENTIVE H: THE MODIFICATION OF STREET REQUIREMENTS FOR AFFORDABLE HOUSING.

Discussion:

The SPD process provides a means for a developer to present modifications for street design. Pensacola City Council adopted by Resolution No. 29-12 in support of the complete street design concept.

Recommendation:

This incentive is being implemented in accordance with the plan and no changes were recommended. The AHAC will review the incentive on an annual basis.

INCENTIVE 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.

Discussion:

The review process is in place within the City. Review information and comments are provided by planning staff with input, as needed, by housing and community development staff for consideration by the policy makers.

Recommendation:

This incentive is being implemented in accordance with the plan. AHAC recommends considering tiered permitting cost based on project affordability. The AHAC will review the incentive on an annual basis.

INCENTIVE J: THE PREPARATION OF A PRINTED INVENTORY OF LOCALLY OWNED PUBLIC LANDS SUITABLE FOR AFFORDABLE HOUSING DEVELOPMENT.

Discussion:

The City maintains a printed inventory of City owned real property appropriate for development as affordable housing. Those suitable lots identified for affordable housing have been developed. The City currently has no real property for the consideration of affordable housing.

The City of Pensacola Housing Initiatives Funds continues to support existing and future adopted City of Pensacola Housing Department programs. The fund is supported from the proceeds of the sale of City owned located properties and the funds are used to support a homebuyer incentive program.

Recommendation:

This incentive is being implemented in accordance with the plan. AHAC recommends county owned properties located within the city limits be made available to the city for affordable housing development. The AHAC will review the incentive on an annual basis.

INCENTIVE K: THE SUPPORT OF DEVELOPMENT NEAR TRANSPORTATION HUBS AND MAJOR EMPLOYMENT CENTERS AND MIXED-USE DEVELOPMENTS.

Discussion:

Development regulations support and encourage the location of affordable housing, including a priority for mixed use/mixed income, housing near transit stops/interchanges and employment/educational centers.

Recommendations:

This incentive is being implemented in accordance with the plan. AHAC recommends exploring enhancement to existing bus stop locations to provide for quality bus shelters. The AHAC will review the incentive on an annual basis.

ADDITIONAL RECOMMENDATIONS

AHAC recommends the exploration of developer impact fees, specifically linkage fees, to assist with affordable housing. AHAC recommends the city lien release policy be revised to remove outdated verbiage and explore lien forgiveness for income qualifying families. AHAC recommends the City explore affordable housing waivers relative to the Community Redevelopment Area Urban Design Overlay District.