RESOLUTION NO. 94-M-10

A RESOLUTION PERTAINING TO AFFORDABLE HOUSING IN ORANGE COUNTY, FLORIDA; ADOPTING AN AFFORDABLE HOUSING INCENTIVE PLAN AS REQUIRED UNDER THE STATE HOUSING INITIATIVES PARTNERSHIP ("SHIP") PROGRAM; PROVIDING FOR THE ADOPTION OF SPECIFIC INITIATIVES TO ENCOURAGE OR FACILITATE AFFORDABLE HOUSING:

WHEREAS, the Florida Legislature passed the William E. Sadowski Affordable Housing Act, providing a dedicated source of funds for Florida Affordable Housing Programs; and

WHEREAS, Sections 420.907 through 420.9079 of the William E. Sadowski Affordable Housing Act creates the State Housing Initiatives Partnership program hereinafter sometimes referred to as the "SHIP Program" for the purpose of providing funds to local governments as an incentive for the creation and preservation of affordable housing; and

WHEREAS, in order to receive funds under the SHIP Program Section 420.9076 (1), Florida Statutes, requires a county to approve a Resolution adopting an Affordable Housing Incentive Plan within twelve months after the date of adoption of the ordinance by the county establishing a local housing assistance program.

WHEREAS, on April 27, 1993, Orange County enacted an ordinance establishing a local Housing Assistance Program.

WHEREAS, Orange County now seeks to adopt an Affordable Housing Incentive Plan.

WHEREAS, the Orange County Affordable Housing Advisory Committee at a public meeting on January 26, 1994, approved by majority affirmative vote the Affordable Housing Incentive Recommendations.

WHEREAS, Section 420.9076 (6), Florida Statutes requires that within ninety (90) days of the approval of the Affordable Housing Incentive Plan Recommendations from the Affordable Housing Advisory Committee, Orange County shall adopt an Affordable Housing Incentive Plan. Such plan must consist of the adoption of specific initiatives to encourage or facilitate affordable housing and a schedule for implementation and must include, at a minimum, a schedule for implementation of the expedited permit processing for affordable housing projects and a process for review of local policies, ordinances, regulations, and plan provisions that significantly impact the cost of housing.
BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF ORANGE COUNTY:

Section 1. Adoption of Affordable Housing Incentive Plan. Orange County hereby adopts the Affordable Housing Incentive Plan attached hereto as Exhibit "A" and incorporated herein by this reference.

Section 2. Effective Date. This resolution shall take effect immediately upon adoption.


Orange County, Florida

By: Jean C. Bennett

For the County Chairman

Date: MAR 29 1994

ATTEST: Martha O. Haynie, County Comptroller as Clerk of the Board of County Commissioners

By: Deputy Clerk
Orange County
Affordable Housing Incentive Plan

State Housing Initiatives Partnership (S.H.I.P.) Program

Final Plan
(Exhibit A)

Orange County Affordable Housing Incentive Plan
Paul E. Mashburn, Jr. (Chairman)
Residential Home Builder

Wilson Arnes at Large Member
Kevin L. Clayton at Large Member
Will M. Ferrara Labor Representative
Martha M. Gray Low Income Advocate
Kevin Hawkins Real Estate Professional
Teresa McElwee at Large Member
Sam D. Morrow Affordable Housing Provider
William L. Young Banking/Mortgage Lender
Acknowledgements

BOARD OF COUNTY COMMISSIONERS

LINDA W. CHAPIN, Orange County Chairman

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County Commissioner
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County Commissioner
District 4

TOM STALEY
County Commissioner
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County Commissioner
District 5

MARY I. JOHNSON
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District 3

MABLE BUTLER
County Commissioner
District 6

DIVISION OF COMMUNITY SERVICES AND HOUSING
Dan P. Kirchner, Director

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
W. D. Morris, Manager
Mitchell Glasser, Assistant Manager
Frantz Dutes, Housing Development Coordinator
Joanna Dyson, Housing Development Assistant
Annette Gibbs, Housing Development Assistant
Larry Davis, Graphic Design Coordinator

CONSULTANT
Robert Hahn & Associates, Inc.

SECRETARIAL SUPPORT
Suzanne Freund
Dana Fox
CERTIFICATION TO
FLORIDA HOUSING FINANCE AGENCY

RE: Adoption of Incentive Plan for Orange County

- All advisory committee meetings and records were open to the public.
- Notice of the time, date, and place of the public hearing of the advisory committee to adopt final affordable housing incentive recommendations was published in the Orlando Sentinel, a newspaper of general paid circulation in the county.
- The notice contained a short and concise summary of the affordable housing initiative recommendations to be considered by the advisory committee recommendations could be obtained by interested persons.
- The advisory committee recommendations were approved by an affirmative vote of a majority of the advisory committee membership taken at a public hearing.
- The advisory committee made recommendations on at least the following incentives:

  (1) The affordable housing definition in the appointing resolution.
  (2) The expedited processing of permits for affordable housing projects.
  (3) The modification of impact-fee requirements, including reduction or waiver of fees and alternative methods of fee payment.
  (4) The allowance of increased density levels.
  (5) The reservation of infrastructure capacity for housing for very low-income persons and low-income persons.
  (6) The transfer of development rights as a financing mechanism for housing for very low-income persons and low-income persons.
The reduction of parking and setback requirements.

The allowance of zero-lot-line configurations.

The modification of street requirements.

The establishment of a process by which a local government considers, before adoption, policies, procedures, ordinances, regulations, or plan provisions that have a significant impact on the cost of housing.

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

- The incentive plan was adopted by Orange County within 90 days after receipt of the affordable housing incentive recommendations from the advisory committee.

- The incentive plan was adopted within 12 months from the date of adoption of the SHIP ordinance.

Janet L. Carr
WITNESS

Tom Staley
FOR THE COUNTY CHAIRMAN
CHIEF ELECTED OFFICIAL

Tom Staley, Vice-Chairman
TYPE NAME AND TITLE

OR

Rosilyn M. Stapleton
Deputy Clerk
ATTEST: (SEAL)
TRANSMITTAL SUMMARY

NAME OF LOCAL GOVERNMENTAL ENTITY: Orange County
LOCAL CONTACT PERSON: W. D. Morris
ADDRESS: 525 East South Street Orlando, FL 32801
TELEPHONE: (407) 836-4240 Ext. 111
FAX: (407) 836-4299

INSERT THE FOLLOWING DATES:

(1) INCENTIVE PLAN DUE: April 27, 1994
(12 months after adoption of Ordinance creating SHIP Program)
(2) NOTICE OF PUBLIC HEARING PUBLISHED: January 9, 1994
(Which had a summary of the plan included)
(3) PUBLIC HEARING HELD: January 26, 1994
(4) INCENTIVE PLAN ADOPTED: March 29, 1994

The following items which are attached to this Transmittal Summary:

☒ Notice of Public Hearing
☒ Ordinance or Resolution adopting Local Affordable Housing Incentive Plan
☒ Local Housing Advisory Committee Recommendation to local governing body
☒ Local Affordable Housing Incentive Plan
☒ Certification to Florida Housing Finance Agency

Section 420.9076 requires the Affordable Housing Advisory Committee appointed by the governing body of each local governmental entity to review the established policies and procedures, ordinances, and development regulations, and adopted local comprehensive plan of the appointing local government and to recommend specific initiatives to encourage or facilitate affordable housing while protecting the ability of the property to appreciate in value. Each advisory committee must make recommendations on a minimum number of affordable housing incentives as listed below.

To maximum extent feasible, please indicate the items included in the Affordable Housing Incentive Plan on the following chart:

a. Whether or not an incentive is included in the Adopted Local Housing Incentive Plan. If an incentive is currently in effect by the local entity, check "N/A" and attach a copy of the ordinance or enabling document.

b. The value of the estimated affordable housing cost reduction anticipated from implementing the specific recommendations.

c. The date by which the local incentive will be implemented, and

d. The page(s) in the plan where it may be located.
<table>
<thead>
<tr>
<th>(a) INCLUDED</th>
<th>IF YES, PROVIDE:</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>YES</strong></td>
<td><strong>NO</strong></td>
</tr>
<tr>
<td>1. The affordable housing definition in the appointing resolution;</td>
<td>✓</td>
</tr>
<tr>
<td>*2. Expedited processing of permits for affordable housing projects;</td>
<td>✓</td>
</tr>
<tr>
<td>3. The modification of impact fee requirements, including reduction or waiver of fees and alternative methods of fee payment;</td>
<td>✓</td>
</tr>
<tr>
<td>4. The allowance of increased density levels;</td>
<td>✓</td>
</tr>
<tr>
<td>5. The reservation of infrastructure capacity for housing for very low-income persons and low-income persons;</td>
<td>✓</td>
</tr>
<tr>
<td>6. The transfer of development rights as a financing mechanism for housing for very low-income persons and low-income persons;</td>
<td>✓</td>
</tr>
<tr>
<td>7. The reduction of parking and setback requirements;</td>
<td>✓</td>
</tr>
<tr>
<td>8. The allowance of zero-lot-line configurations;</td>
<td>✓</td>
</tr>
<tr>
<td>9. The modification of street requirements;</td>
<td>✓</td>
</tr>
<tr>
<td>(a) INCLUDED</td>
<td>IF YES, PROVIDE:</td>
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<tr>
<td>-------------</td>
<td>-----------------</td>
</tr>
<tr>
<td>Y</td>
<td>E</td>
</tr>
</tbody>
</table>

| 10. The establishment of a process by which a local government considers before adoption, policies, procedures, ordinances, regulations, or plan provisions that have a significant impact on the cost of housing; and | ✓ | N/A | 2 years from HIP adoption | 44-46 |

| 11. The preparation of a printed inventory of locally owned public lands suitable for affordable housing. | ✓ | N/A | 2 years from HIP adoption | 47-48 |

*(Initiatives which are required to be considered in the Incentive Plan)*

List any other affordable housing incentives identified by the Advisory Committee and adopted by the local governmental body:

<table>
<thead>
<tr>
<th>Incentive(s)</th>
<th>Estimated Cost Reduction</th>
<th>Implementation Schedule</th>
<th>Page #(#S)</th>
</tr>
</thead>
<tbody>
<tr>
<td>12. The creation of an educational outreach component for the development of affordable housing.</td>
<td>N/A</td>
<td>2 years from HIP adoption</td>
<td>49-51</td>
</tr>
</tbody>
</table>
RESOLUTION NO. 94-M-10

A RESOLUTION PERTAINING TO AFFORDABLE HOUSING IN ORANGE COUNTY, FLORIDA; ADOPTING AN AFFORDABLE HOUSING INCENTIVE PLAN AS REQUIRED UNDER THE STATE HOUSING INITIATIVES PARTNERSHIP ("SHIP") PROGRAM; PROVIDING FOR THE ADOPTION OF SPECIFIC INITIATIVES TO ENCOURAGE OR FACILITATE AFFORDABLE HOUSING:

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WHEREAS, Orange County now seeks to adopt an Affordable Housing Incentive Plan.

WHEREAS, the Orange County Affordable Housing Advisory Committee at a public meeting on January 26, 1994, approved by majority affirmative vote the Affordable Housing Incentive Recommendations.

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1
BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF
ORANGE COUNTY:

Section 1. Adoption of Affordable Housing Incentive Plan.
Orange County hereby adopts the Affordable Housing Incentive Plan attached hereto as Exhibit "A" and incorporated herein by this reference.

Section 2. Effective Date. This resolution shall take effect immediately upon adoption.

Orange County, Florida

By: 
FOR THE County Chairman

Date: APRIL 7, 1994

ATTEST: Martha O. Haynie, County Comptroller
as Clerk of the Board of County Commissioners

By: Deputy Clerk
OVERVIEW

Orange County, Florida is a local government entity that is committed to addressing the affordable housing needs of its residents. The County and State of Florida have been pro-active in developing several initiatives to encourage the provision of affordable housing units. One such initiative is the State Housing Initiatives Partnership (SHIP) program, which was created by the William E. Sadowski Affordable Housing Act, on July 7, 1992. The Act established a dedicated revenue source to be used by State and local governments to stimulate the production of affordable housing under the SHIP program. The SHIP program provided for the creation of a local Affordable Housing Advisory Committee (AHAC), responsible for preparing recommendations to encourage and facilitate the provision of affordable housing. These recommendations are embodied in this report, known as The Affordable Housing Incentive Plan (HIP).

HIP REQUIREMENTS

Each county or eligible municipality participating in the SHIP program must adopt an Affordable Housing Incentive Plan within 12 months after establishing a Local Housing Assistance Program. An Affordable Housing Advisory Committee (AHAC) appointed by the Board of County Commissioners assists in this effort by reviewing the established policies and procedures, ordinances, land development regulations, and adopted local comprehensive plan. After reviewing the existing regulations and ordinances, the AHAC has made specific recommendations to facilitate and encourage the provision of affordable housing.

These recommendations include, but not limited to, the modification or repeal of existing policies, procedures, regulations, ordinances, or plan provisions; the creation of exceptions applicable to affordable housing; or the adoption of new policies, procedures, regulations, ordinances, or plan provisions. The Advisory Committee’s recommendations on affordable housing incentives are organized into the following areas (each of these incentives constitute a chapter within the HIP):

1. The definition of affordable housing.
2. The expedited processing of permits for affordable housing projects.
3. The modification of impact fee requirements.
4. The allowance of increased density levels.
5. The reservation of infrastructure capacity for housing projects serving very
low-income and low-income persons.

6. The transfer of development rights (TDR) as a financing mechanism for housing for very low-income and low-income persons.

7. The reduction of parking and setback requirements.

8. The allowance of zero-lot-line configurations.

9. The modification of street requirements.

10. The establishment of a process by which a local government considers, before adoption, policies, procedures, ordinances, regulations, or plan provisions that have a significant impact on the cost of housing.

11. The preparation of a printed inventory of locally owned public lands suitable for affordable housing.

12. The creation of an educational outreach component for the development of affordable housing.

The AHAC and staff have been creative and visionary in their consideration of the above incentives. This is best reflected in incentive area #12 (educational outreach). While the Committee was only required in the HIP to evaluate the first 11 incentive areas, they believed it important enough to form a subcommittee and research recommendations as how to best educate the public and communicate this information to the community in the most effective manner possible. The results of this effort appear in Chapter 12.

HIP RECOMMENDATIONS

The Committee and its two subcommittees (educational outreach and regulatory reform) have met on a consistent basis to discuss, research, and draft the enclosed Housing Incentive Plan. Staff provided the Committee with an inventory of existing regulations that provide incentives for affordable housing. This information was used as a foundation to address each of the incentives. In addition, staff from other departments made presentations to the Committee and provided input on the Committee’s recommendations. A draft of the proposed HIP Recommendations was presented and approved at a January 26, 1994 public hearing of the Orange County Affordable Housing Advisory Committee.

The final plan includes approved recommendations to encourage or facilitate the construction of affordable housing within Orange County. Each chapter addresses the current status of the incentive and whether the County has a program for this incentive. The existing regulation is explained fully and the advantages/disadvantages of changing or adopting the incentive are outlined. The impacts on public health, safety, or welfare are also addressed. Any potential cost reduction anticipated from implementing the recommendation and a proposed schedule for implementation of the recommendation is presented.
Chapter 1

AFFORDABLE HOUSING DEFINITION

INCENTIVE
The affordable housing definition in the appointing resolution adopting the Local Housing Assistance Plan.

OBJECTIVE
To establish a consistent definition of affordable housing throughout the County’s regulations, policies, and programs.

CURRENT STATUS
A housing unit is defined as "affordable" if no more than 30% of household income is spent on housing costs (principal, interest, taxes, insurance - PITI). The definition of affordable housing used by Orange County pertains to those projects that qualify under the County’s Affordable Housing Threshold Criteria (see Appendix A). In 1991, the County modified its definition of affordable housing to better target the low-income population and to clarify the criteria used by the County to assess rental unit eligibility (i.e., number of bedrooms and utilities).

This refinement in the definition allows the County to now more comprehensively address the unique issues associated with rental housing. The County adopted the State of Florida Low-Income Housing Tax Credit (LIHTC) rental schedule which takes into consideration these issues. The County’s rental schedule is categorized for households earning respectively 50% or 60% of the area’s median income.

EXPLANATION OF EXISTING REGULATION
The levels of affordability used by Orange County and as adopted in the County’s Affordable Housing Threshold Criteria are as follows:

1. Moderate-income means total household income is between 61 percent and 80 percent of the Orlando Metropolitan Statistical Area (MSA) median income.

2. Low-income means total household income is between 51 percent and 60 percent of Orlando MSA median income.
3. Very low-income means total household income is 50 percent or below the Orlando MSA median income.

To qualify as an affordable housing development, a proposed single-family development shall designate a minimum of 30% of the total number of units as affordable consistent with the income categories described above. Multi-family developments must meet the rental and income requirements of the Low-Income Housing Tax Credit Program. To determine the eligibility of a single-family housing development, the County establishes maximum sales prices for the income categories indicated in the definition.

ADVANTAGES/DISADVANTAGES OF CHANGING OR ADOPTING INCENTIVE

This definition is already adopted and no major changes are proposed at this time.

IMPACTS ON PUBLIC HEALTH, SAFETY, OR WELFARE

Choosing a different definition from the State statute has enabled Orange County to focus on its primary areas of local affordable housing need. This has had a positive impact on Orange County's public health, safety, and welfare. Orange County has determined that housing for moderate families is already being provided locally by the private sector without a need for public subsidies. The Orlando MSA's median income is $40,000 which is relatively high compared to other urban counties throughout the state. The County's more restrictive definition is also compatible with federal housing programs. Moreover, the SHIP statute focuses on producing housing units which do not exceed 90% of the median area sales price, which effectively distributes SHIP funds to more low and very low-income housing units and fewer moderate-income households.

By targeting 100% of SHIP funds toward low-income households as defined by the State's definition we are better able to serve the housing needs of Orange County residents.

COST REDUCTION ANTICIPATED FROM IMPLEMENTING RECOMMENDATION

Developers who provide housing to families which meet the County's definitions of very-low, low and moderate-income may be eligible for the impact fee discounts described in Chapter 3. A variety of other funding sources such as the County's locally funded affordable housing programs, and State or Federally-assisted county housing programs will also rely on Orange County's definitions of very low, low and moderate-income households.
RECOMMENDATION OF ADVISORY COMMITTEE

The Advisory Committee recommends the adoption of the Affordable Housing definition in the appointing Resolution adopting the Local Housing Assistance Plan (Resolution No. 93-21). Proceeds from the State Housing Initiatives Partnership (SHIP) Program will be utilized to assist households earning 80% or less of the Metropolitan Statistical Areas median income as defined in the Resolution, with the exception of annual updates to reflect changes in median income.

RECOMMENDED SCHEDULE FOR IMPLEMENTATION

This is an existing definition which is already being utilized.
Chapter 2

EXPEDITED PERMITTING

INCENTIVE
The expedited processing of permits for affordable housing projects.

OBJECTIVE
To improve the existing process that expedites the permitting of affordable housing projects.

CURRENT STATUS

Orange County currently has a program for this incentive. Orange County’s Affordable Housing Expedited Review Process is a policy directive that was approved in 1990 (see Appendix B). Developments certified as affordable by the Department of Housing and Community Development are “fast-tracked” through the development review process. This policy gives certified affordable housing projects priority on the agendas of the Board of Zoning Adjustment, Planning and Zoning Commission, Development Review Committee and Board of County Commissioners. Implicit in this policy is that rezoning applications, engineering plan review, and sufficiency reviews be completed in an expeditious manner.

EXPLANATION OF EXISTING REGULATION

In 1990, Orange County adopted an expedited review process for affordable housing projects. This process was the result of the recommendations of the 1989 Affordable Housing Task Force. The Task Force recommended adopting policies in the County’s Comprehensive Policy Plan (CPP) to establish a commitment to increasing the production of affordable housing in the County. Procedures for achieving this goal were outlined. The Final Report of the Orange County Affordable Housing Task Force recommended adoption of an expedited review process. The expedited review process gives affordable housing projects priority on the meeting schedules of the boards (the Board of Zoning Adjustment, the Planning and Zoning Commission, and/or the Development Review Committee) reviewing the public hearing requests.

To qualify for the expedited review process, affordable housing projects need to be certified. To be certified, each project requesting the expedited review must meet the earlier referenced threshold criteria. An application detailing the development plan must also be submitted. The application illustrates the design and layout of the development and demonstrates that the project is financially feasible. The application requires the
The County's Housing and Community Development Department and the Planning and Development Department review the submitted information and issue a certificate of affordable housing for all qualifying projects. Once a project is certified as an affordable housing project, the developer is entitled to receive priority processing through the County's public hearing process. Specifically, certified projects are given priority time slots on the agendas of the Board of Zoning Adjustment, the Planning and Zoning Commission, and the Development Review Committee. The certified projects are also identified so the Clerk of County Commissioners can schedule them promptly before the Board of County Commissioners.

The expedited review process currently in place in Orange County will save the developer up to 30 days or more for certified affordable housing applications requiring variances or rezoning procedures. In addition, applications requiring a review by the Development Review Committee (DRC) will save anywhere from 14-45 days depending on the level of activity.

The existing process is summarized in Figure 1. This chart documents in a general fashion the County's existing certification process. This information is made available to prospective developers who are interested in applying for certification as an affordable housing development.
AFFORDABLE HOUSING APPLICATION PROCESS
EXISTING

APPLICATION INCONSISTENT MUST RE-SUBMIT

APPLICATION NOT IN COMPLIANCE MUST RE-SUBMIT

PLANNING DEPT. REVIEWS FOR CONSISTENCY
OFFICE OF AFFORDABLE HOUSING REVIEWS FOR COMPLIANCE WITH THRESHOLD CRITERIA

CONDITIONAL CERTIFICATION RECOMMENDED AMENDMENT TO COMPREHENSIVE PLAN

AFFORDABLE HOUSING CERTIFICATE ISSUED ALONG WITH PRELIMINARY IMPACT FEE AND SEWER CAPITAL CHARGE DETERMINATION

CAPACITY ENCUMBRANCE DENIED WAITING LIST AVAILABLE

DEVELOPER APPLIES FOR CAPACITY ENCUMBRANCE LETTER FROM PLANNING

APPEAL TO BOARD OF COUNTY COMMISSIONERS

PRELIMINARY SUBDIVISION PLAN REVIEWED BY DEVELOPMENT REVIEW COMMITTEE

PRELIMINARY SUBDIVISION PLAN APPROVED BY B.C.C.

DEVELOPER PURCHASES CAPACITY RESERVATION CERTIFICATE FROM PLANNING

OBTAIN WW CAPACITY PERMIT PURCHASE OR BOARD RESOLUTION & LC

FINAL SUBDIVISION PLAN APPROVED AND PLAT RECORDED

DEVELOPER AGREEMENT EXECUTED AND RECORDED

DEVELOPER PAYS APPLICABLE IMPACT FEES AND WATER CAPITAL CHARGES

HOUSE BUILDING PERMITS ISSUED

UNITS COMPLETED CERTIFICATE OF OCCUPANCY ISSUED

AFFORDABLE UNITS SOLD TO QUALIFIED HOME BUYERS AFFORDABILITY LENS IMPOSED

APPROPRIATE DOCUMENTATION SUBMITTED TO OFFICE OF AFFORDABLE HOUSING FOR VERIFICATION

APPLICABLE IMPACT FEES AND SEWER CAPITAL CHARGE DISCOUNTS REFUNDED

PERIODIC REVIEWS FOR COMPLIANCE WITH THRESHOLD CRITERIA & DEVELOPER'S AGREEMENT

CERTIFICATION OF COMPLETION ISSUED FOR AFFORDABLE HOUSING DEVELOPMENT

FIGURE 1
ADVANTAGES/DISADVANTAGES OF CHANGING OR ADOPTING INCENTIVE

Through continued refinement, monitoring and evaluation of the expedited review process, the following advantages are foreseen: better interdepartmental coordination, County staff and developers will be better informed on affordable housing programs, the quality of plans will be improved and the affordable housing plans review process will be further streamlined.

The disadvantages that are anticipated are: as the process becomes more visible and the incentives stronger for the affordable housing developer to expedite their plans, the more complaints of "unfairness" are likely to be expressed by other (non-affordable) members of the development community. Ultimately, this could lead to a legal challenge or political controversy, surrounding the development of other public benefit projects such as churches and community/social service centers.

IMPACTS ON PUBLIC HEALTH, SAFETY, OR WELFARE

The County’s Expedited Review Process has made some affordable housing developers feel "privileged" as they proceed through the plans review process, as it has created a genuine time savings in many cases.

Some departments have reported a "lower" quality in affordable housing plans. Other non-affordable developers sometimes want the same “fast track” process, which suggests that this incentive is working. During slower economic times, the development review process tends to be “fast tracked” due to the lack of backlogs. During these periods, the affordable housing developer perceives fewer real incentives.

COST REDUCTION ANTICIPATED FROM IMPLEMENTING RECOMMENDATION

Time savings for the developer will range from 2 weeks to 70 days in plans approval.

RECOMMENDATION OF ADVISORY COMMITTEE

With regard to evaluating and expanding Orange County’s existing expedited review process for Affordable Housing, the Advisory Committee shall adopt the Evaluation and Final Policy Recommendations of the County’s expedited permitting process by Robert Hahn & Associates, Inc., dated October 26, 1993. These recommendations stress further streamlining, monitoring and interdepartmental coordination, as well as mutual feedback between developers and County staff.
Orange County's current expedited review process should be amended to include the following language:

The existing Executive Order that established the expedited review process shall be formally adopted in writing and codified as part of the County’s Land Development Regulation update.

1. Develop a "user-friendly" brochure with charts and diagrams that summarize the affordable housing expedited review process.

2. Establish within the Orange County Housing and Community Development Department an on-going system for tracking and reporting back to the development community both the benefits and the corrective actions needed to improve the expedited review process.

3. Take a "fresh look" at the future effectiveness of the expedited review policy given the prevailing and projected economic trends in the development industry. Identify whether the scope of the policy needs to be broadened to include more incentives and time saving measures.

4. Conduct "training" and cross-educational workshops and seminars with the development community and Orange County staff to better identify the developer's needs in the affordable housing expedited review process. These workshops would make the affordable housing developer more aware of the internal expedited review procedures that staff are currently implementing for certified affordable housing projects.

5. Research any legal issues that would inhibit further "streamlining" the rezoning process for certified affordable housing projects.

6. Incorporate the "flow chart" of the recommended expedited review process into the County’s review system and attach reasonable time frames for the completion of the major steps in the process.

7. For certified Affordable Housing Developments under review by DRC, wherein outstanding affordable housing issues exist, the developer may request assistance from the Department of Housing and Community Development who will provide applicable comments and information to support the development.

8. Improve the method for "disseminating" affordable housing policies to other departments involved in the development review and permitting process.
RECOMMENDED SCHEDULE FOR IMPLEMENTATION

An expedited review process for affordable housing projects already exists in Orange County. Within three years from the HIP adoption, the evaluations and additional incentives identified above shall be implemented.
Chapter 3

MODIFICATION OF IMPACT FEE REQUIREMENTS

INCENTIVE
The modification of impact fee requirements, including reduction or waiver of fees and alternative methods of fee payment.

OBJECTIVE
To reduce, waive or provide an alternative method of payment for impact fees that will be an incentive for the production of affordable housing.

CURRENT STATUS
Orange County currently offers a discount of 25%, 50%, or 75% for impact fees, sewer capital charges, and water capacity demand charges to developers or builders of affordable housing units. Certification is contingent upon satisfying the requirements of the threshold criteria under the program. (See Appendix A) The discount applies to affordable single-family or multi-family units. For single-family developments, all qualified units under this program must be sold to persons or families whose income does not exceed 80 percent of the Orlando Metropolitan Statistical Area (MSA) median income. For multi-family developments approved under this program, all units must be rented to families earning less than 60 percent of the Orlando MSA at rent restricted levels. The discounts available for eligible developers or builders and the income categories of the affordable housing occupants are identified in Table 1: Affordable Housing Impact Fee Discounts. The procedure to be followed by the developer/builder to receive impact fee discounts for single and multi-family developments is explained in Appendix C and summarized below.

EXPLANATION OF EXISTING REGULATION
Orange County has four separate impact fees:

1. Transportation Impact Fee: Orange County’s Transportation Impact Fee varies by land use category and by trip generation rates.

2. Law Enforcement Impact Fee: The Law Enforcement Impact Fee is based on the number of calls for service generated by five land use categories.

3. Fire Impact Fee: The Fire Impact Fee is based on five risk levels established by the Orange County Fire Department. Each risk level represents various land use categories and the potential fire hazard.
<table>
<thead>
<tr>
<th>PERCENTAGE OF MEDIAN INCOME ((^*))</th>
<th>VERY LOW-INCOME 50% $20,000 OR LESS</th>
<th>LOW-INCOME 50% - 60% $20,001 - $24,000</th>
<th>MODERATE-INCOME 61% - 80% $24,001 - $32,000</th>
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<td>$51,300 or less</td>
<td>$51,301 - $60,800</td>
<td>$60,801 - $79,800</td>
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<td>1 bdrm $375</td>
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<tr>
<td></td>
<td>2 bdrm $450</td>
<td>2 bdrm $540</td>
<td></td>
</tr>
<tr>
<td></td>
<td>3 bdrm $520</td>
<td>3 bdrm $624</td>
<td></td>
</tr>
<tr>
<td></td>
<td>4 bdrm $580</td>
<td>4 bdrm $696</td>
<td>NOT ELIGIBLE</td>
</tr>
</tbody>
</table>

**APPLICABLE IMPACT FEE DISCOUNTS**

- **75%**
- **50%**
- **25%**

**SAVINGS**

- **$4,414.31**
- **$2,942.88**
- **$1,471.44**

- Transportation Impact Fee $1,368.69
- Water Capacity Demand $982.00

- Law Enforcement Fee $46.10
- Sewer Capital Charge $2,279.00

- Fire Impact Fee $152.46
- School Impact Fee $1,057.50

**TOTAL** $5,885.75

*Based on 1993 Median Income

Rents represented are gross rents which must include an allowance for utilities.

Updated 1-13-94
4. School Impact Fee: All residential (i.e., Multi-Family Dwelling Units, Mobile Homes or Single-Family Detached Houses) construction both within the unincorporated area and within the municipal boundaries of the Cities effective January 1, 1993, are required to pay school impact fees.

An example of how the total impact fees for a single-family home would be calculated is as follows:

Single-Family Home: $1,368.69 (Transportation)  
(detached house) 46.10 (Law Enforcement)  
152.46 (Fire)  
1,057.50 (School)  
$2,624.75

In addition to the above impact fees, the Board of County Commissioners adopted in February, 1987 a sewer capital charge of two-thousand two-hundred and seventy-nine dollars ($2,279.00) per Equivalent Residential Unit (ERU). One ERU has an assigned value of 1.000. One ERU is equal to a flow of 300 gallons per day (GPD), average annual basis. The "total equivalent residential unit value" is derived by multiplying the ERU factor listed below times the number of units. The method of calculating sewer capital charges is determined by using the following formula:

Total ERU Value X $2,279 = Sewer Capital Charge

The Board also adopted in February, 1987 a revised water capacity demand charge of nine-hundred eighty-two dollars ($982.00) per Equivalent Resident Connection (ERC). One ERC has an assigned value of 1.000. One ERC is equal to a flow of 350 gallons per day (GPD), average annual basis. The "total equivalent residential connection value" is derived by multiplying the ERC factor listed below times the number of units. The method of calculating water capacity demand charges is determined by using the following formula:

Total ERC Value X $982 = Water Capacity Demand Charge
The sewer capital and water capacity demand charges for single-family, duplex, multi-family and mobile home units are as follows:

<table>
<thead>
<tr>
<th>UNIT</th>
<th>FACTOR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single-family home</td>
<td>Per Unit 1.000</td>
</tr>
<tr>
<td>Duplex (1 or 2 bedrooms)</td>
<td>Per Unit 0.833</td>
</tr>
<tr>
<td>Duplex (3 or more bedrooms)</td>
<td>Per Unit 1.000</td>
</tr>
<tr>
<td>Multi-family (Efficiency less than 500 square feet)</td>
<td>Per Unit 0.500</td>
</tr>
<tr>
<td>Multi-family (1 bedroom)</td>
<td>Per Unit 0.583</td>
</tr>
<tr>
<td>Multi-family (2 bedrooms)</td>
<td>Per Unit 0.833</td>
</tr>
<tr>
<td>Multi-family (3 or more bedrooms)</td>
<td>Per Unit 1.000</td>
</tr>
<tr>
<td>Mobile home (1 or 2 bedrooms)</td>
<td>Per Unit 0.667</td>
</tr>
<tr>
<td>Mobile home (3 or more bedrooms)</td>
<td>Per Unit 0.833</td>
</tr>
</tbody>
</table>

An example of how the total sewer capital charge (ERU's) for a multi-family project would be calculated is as follows:

**Fictitious Multi-Family Project:**

<table>
<thead>
<tr>
<th>Number</th>
<th>Bedrooms</th>
<th>Factor</th>
<th>Total ERU's</th>
</tr>
</thead>
<tbody>
<tr>
<td>45</td>
<td>1</td>
<td>0.583</td>
<td>26.235</td>
</tr>
<tr>
<td>75</td>
<td>2</td>
<td>0.833</td>
<td>62.475</td>
</tr>
<tr>
<td>125</td>
<td>3</td>
<td>1.000</td>
<td>125.000</td>
</tr>
</tbody>
</table>

Total ERU's = 213.710 x $2,279 = $487,045.09
Total Flow (GPD) = 64,113 (213.710 x 300 GPD)

Orange County's current policy is to allow certified affordable housing projects to secure their required sewer capacity by paying cash or using a Letter of Credit. The County provides a developer with a "boiler plate" Letter of Credit form that the developer must complete and furnish to their bank. The Letter of Credit is used as:

1. Assurance that infrastructure within platted property will be completed.
2. Assurance that there is some funding if defective materials or workmanship in infrastructure accepted by the County is found within a one (1) year period of issuance of the certificate of completion.
3. Assurance that an applicant for an excavation/fill permit completes his obligations.
4. Assurance that an applicant for a permit completes construction of infrastructure in a County right-of-way and not in conjunction with a subdivision located in the unincorporated area of Orange County.

5. Surety for payments of impact fees.


7. Security for eventual payment of water capacity demand charges.

8. As surety for payment of costs for eventual septic tank abandonment and wastewater connection fees.

9. Surety for payment of multi-family, commercial, or industrial water and wastewater user charges.

10. Security for maintenance of on-site water or wastewater facility owned by a developer.

11. Letter of credit to be applied toward the costs of repairing road damage or clean up of domestic wastewater residual as required by the "Sludge" Ordinance.

12. Letter of credit to provide "sufficient assurance" of prepayment of taxes prior to recordation of a plat or vacation of a plat.

Effective July 1, 1992, Orange County adopted an Impact Fee Discount Program (Ordinance No. 92-10/Sec. 29-98 of the Orange County Code) which allows a discount of impact fees, sewer capital charges and water capacity demand charges to developers or builders who construct housing developments that are affordable. Interested developers and builders must submit an application for certification as an Affordable Housing Project based on the requirements established in the Affordable Housing Threshold Criteria. In addition, the developer must execute a Developer's Agreement, thereby committing, at a minimum, 30 percent of the development to affordable housing for very-low and/or moderate-income families.

The program applies to any single-family residential unit, multi-family unit, or mobile home unit to be constructed within a project which has received a certificate of affordability from the County's Department of Housing and Community Development. The discounts on the applicable impact fees, sewer capital charges and water capacity demand charges are according to the following graduated scale:

1. A housing unit which will be affordable to a family with a moderate-income (25% discount)
2. A housing unit which will be affordable to a family with a low-income (50% discount)

3. A housing unit which will be affordable to a family with a very low-income (75% discount)

Ordinance No. 92-10 further addresses the need for the County to undertake an economic impact study when 1,500 units have been granted discounts. To date, 1,287 units have been granted discounts. The Department of Housing and Community Development has in place a discount tracking system to monitor the effectiveness of the program. It is expected that the economic impact study will be initiated in the Summer of this year. As the numbers indicate, participation by multi-family developers in the program has been extremely successful given the County's locally funded affordable housing programs and the array of State and Federal funding programs available for affordable multi-family developments (i.e., Low Income Rental Housing Tax Credits, State Apartment Incentive Loan, Rental Housing Bonds, etc.).

The program has experienced a lower level of participation in the single-family market that is probably attributable to a number of reasons: overall, the profit margin in the construction of affordable single-family is less than the construction for multi-family; the single-family developer is required to "front end" their water and sewer capital charges. After the sale of the affordable unit, the developer/builder submits evidence of the sales price of the unit, the homebuyer's income, and records the required lien to the Department of Housing and Community Development. Following approval of this information, the County refunds the applicable discount percentage of impact fees, sewer capital charges, water capacity demand charges and school impact fees. To assure that the discounted impact fee savings accrue to the homebuyer, the developer is required to reduce the sales price by the appropriate discount amount.

On the other hand, the multi-family rental developer is not required to "front end" these fees and receives the discounted impact fee, sewer capital charge and water capacity demand charge and school impact fee discounts at the time of permitting. Upon plan approval, a developer's agreement is executed which requires that the rental unit receiving impact fee, sewer capital charge, water capacity demand charge and school impact fee discounts are leased to low or very low-income persons or families for a period of 15 years in accordance with the rent schedule provided by the County. The developer/builder then submits the executed developer's agreement along with the other documents and plans required by the Building Department, Utilities Engineering, Fiscal and Customer Service Department of the Public Utilities Division, prior to paying the discounted impact fees, sewer capital charge and water capacity demand charge.
ADVANTAGES/DISADVANTAGES OF CHANGING OR ADOPTING INCENTIVE

No changes are currently proposed to this program, except for an economic impact study to be completed when 1,500 units have been discounted.

IMPACTS ON PUBLIC HEALTH, SAFETY, OR WELFARE

Through monitoring and enforcement processes, the County ensures that impact fee discounts are to be passed on to the affordable housing buyer or renter.

No replacement revenue source has been assigned to mitigate the budget impacts of this discount program. Legal issues that may arise in the future could include other land uses such as churches, day care or social and recreational services requesting impact fee waivers or reductions.

COST REDUCTION ANTICIPATED FROM IMPLEMENTING RECOMMENDATION

Very low-income single-family households and three bedroom multi-family units currently save $4,414.31 under this program. The savings to low-income households is $2,942.88 per unit. In the moderate-income category, $1,471.44 is the savings amount, but there is no moderate-income discount for rental units. These discount amounts are subject to change whenever impact fees are modified, such as a modification in early 1994 to the school impact fee. Savings to multi-family units tend to vary by the number of bedrooms and resulting ERC/ERU values for the project.

RECOMMENDATION OF ADVISORY COMMITTEE

The Advisory Committee recommends that the current Impact Fee Discount Program should remain unchanged. However, the Committee also recommends that the County undertake an evaluation of the program’s impact on affordability in conjunction with the economic impact study that will be conducted after 1500 units have been discounted. The existing program will continue pending the results of the economic impact study.

RECOMMENDED SCHEDULE FOR IMPLEMENTATION

This incentive is already implemented and is a currently active program administered by the County’s Department of Housing and Community Development.
Chapter 5

INFRASTRUCTURE RESERVATION

INCENTIVE
The reservation of infrastructure capacity for housing serving very low-income and low-income persons.

OBJECTIVE
To reserve a percentage of infrastructure capacity for certified affordable housing developments.

CURRENT STATUS
At this time, all projects must meet similar concurrency review requirements, whether affordable or not. However, certified affordable housing developments are allowed to defer payment of water capacity demand charges and sewer capital charges if an irrevocable letter of credit is presented. Existing Ordinance 92-21 (Sec. 30-596 & 597 of the Orange County Code - Appendix D) also allows affordable developments to reserve capacity for three years without paying transportation capacity fees until such time that building permits are issued.

EXPLANATION OF EXISTING REGULATION
A capacity reservation fee is required to be paid as a condition of capacity reservation with exceptions for certified affordable housing developments. The capacity reservation fee is an amount equivalent to the then applicable transportation impact fee calculated on the basis of the total capacity reserved for the term of the capacity reservation certificate less any transportation impact fees due for the affordable housing units within the project.

The only policy in the CPP which addresses the issue of capacity reservation for affordable housing projects is Housing Element Policy 1.1.14. This policy states that "Orange County shall examine the feasibility of reserving and/or extending infrastructure capacity for affordable housing projects." The Board of County Commissioners adopted Ordinance No. 92-21 on July 21, 1992. This ordinance provides for the reservation of infrastructure capacity for affordable housing units within a certified affordable housing project without payment of the reservation fee until the issuance of building permits. The capacity reservation period is three years.

Section 30-612 of the Orange County Code addresses semi-annual capacity availability reporting and monitoring. By March 1 and September 1 of each year, a semi-annual capacity availability report is issued. This report evaluates development permitting...
activity for the previous six-month period and determines existing conditions with regard to available capacity for the following public facilities: roads; mass transit; wastewater; potable water; solid waste; stormwater; and parks. The report specifies the capacity used for the previous period and evaluates and projects the capacity available for the five-year Comprehensive Policy Plan Capital Improvements Element and Comprehensive Policy Plan capital improvements programs for each public facility based on adopted Level of Service (LOS) standards. This report provides a valuable "yardstick" for gauging the effect of infrastructure availability on affordable housing.

ADVANTAGES/DISADVANTAGES OF CHANGING OR ADOPTING RECOMMENDATIONS

The main advantage of having concurrency exemption or partial exemption for certified affordable housing projects or infrastructure capacity reservation is that it potentially allows faster processing of affordable housing projects. These mechanisms could also promote more urban locations and greater infill opportunities by allowing an incentive for affordable housing to be located in defined built-up areas within the County where infrastructure availability is limited.

The main disadvantage of implementing this recommendation is that the differential concurrency review process for affordable housing could slow down rather than speed up the processing timeline. Also, if affordable housing is given a priority for infrastructure reservation and/or a "concurrency break," Orange County may encounter cases where infrastructure for other projects are lacking, or affordable housing reservations create capacity shortfalls/backlogs. Infill areas also need to avoid large concentrations of affordable housing. However, many existing policies and the local market trends have prevented this so far. Local shortages of affordable housing are still more apparent than over-concentrations.

IMPARTS ON PUBLIC HEALTH, SAFETY, OR WELFARE

Incentives for affordable housing infrastructure reservation encourage more urban locations for affordable housing. Urban affordable housing locations will offer greater access to public transportation, services and employment within walking distance, with potential infrastructure savings. This concept could also discourage urban sprawl, and reduce dependency on single occupancy automobiles for affordable housing residents.

Capacity shortfalls or backlogs may create inequitable public improvement requirements for non-affordable developments. This could create legal challenges or slower processing if not implemented carefully.
COST REDUCTION ANTICIPATED FROM IMPLEMENTING RECOMMENDATION

This will vary from site to site and significant savings are anticipated for urban infill sites. The amount of the capacity reservation fee is deferred for up to 3 years, creating further cost savings.

RECOMMENDATION OF ADVISORY COMMITTEE

In accordance with section 30-612, the Concurrency Management Officer shall complete a semi-annual capacity availability report. This report shall evaluate development permitting activity for the previous six-month period and determine existing conditions with regard to available capacity for: roads, mass transit, waste water, potable water, solid waste, storm water, and parks. The report shall specify the capacity used for the previous period and shall evaluate the amount of capacity available. If after review by the Concurrency Management Office there is insufficient capacity for any facilities, the Department of Housing and Community Development will recommend setting aside capacity for certified affordable housing in the appropriate facility.

RECOMMENDED SCHEDULE FOR IMPLEMENTATION

Housing Development staff shall coordinate with the Planning Department to ensure implementation of this regulatory incentive within two years from the adoption of the HIP.
Chapter 6

TRANSFER OF DEVELOPMENT RIGHTS

INCENTIVE
The transfer of development rights (TDR) as a financing mechanism for housing for very-low and low-income persons.

OBJECTIVE
To identify the feasibility of adopting transfer of development rights as a financing mechanism for very low and low-income housing.

CURRENT STATUS
Orange County currently does not have a program for this incentive. However, there are two policies in the Comprehensive Plan (Housing 1.6.3 and International Drive Activity Center Strategic Development Plan 5.1.8) which mention the TDR mechanism, but they have not been implemented to date.

EXPLANATION OF EXISTING REGULATION
Transfer of Development Rights makes all existing development rights transferable. The local government designates two zones: the "sending zone" and the "receiving zone". The concept is to transfer development rights from the sending zone, where density is unwanted, to the receiving zone, where development is encouraged at higher densities than otherwise allowed. Transfer of development rights would allow the developer to provide affordable units on another property in return for density bonuses. A developer would not have to develop the affordable units on-site to get the bonus. This option would provide the developer with more flexibility to choose where to develop the affordable units.

Housing Element Policy 1.6.3 states that the County shall evaluate and, if appropriate, adopt incentives in the Land Development Code to encourage the development of affordable housing. One of the incentives mentioned in this policy is the transfer of development rights. The Planning Department is addressing TDR as part of the Development Framework element of the Comprehensive Policy Plan. Work on the Development Framework will commence at the beginning of 1994.
ADVANTAGES/DISADVANTAGES OF CHANGING OR ADOPTING INCENTIVE

The main advantage to date of TDR’s has been in the area of environmental mitigation by offering a technique to preserve sensitive lands in "sending zones" without public purchase. It has worked in several communities to induce the private sector purchase of agricultural or environmental protection lands due to the incentive of a relocated density bonus on the "receiving" lands.

As a financing mechanism, its main disadvantage has been that TDR’s have never been used as an affordable housing density bonus as of yet, anywhere in the United States. It requires a major multi-departmental recordkeeping effort to track preserved areas or "sending zones" and new densities or additional dwelling units in "receiving zones". Where densities are sold and bought to be relocated off-site, the new densities after the transfer must run with the land in perpetuity, or until another transfer. Also, economic impact analyses are necessary to assess the demand and appropriate price for densities to be sold or transferred.

IMPACTS ON PUBLIC HEALTH, SAFETY, OR WELFARE

Public purchase of areas to be preserved is not necessary. Since policies exist in the Comprehensive Plan already, an effort to implement such policies may not be as controversial as a Plan Amendment. Receiving areas could be limited to the “ACR” (Activity Center Residential) district, or only to urban multi-family districts.

TDR is initially a complicated system to initiate. However, after implementation, it relies upon private market forces whether or not the system is used. Where density bonuses are achieved through severable or transferred development rights, the increased densities may attract the same types of controversy as the affordable housing density bonus, such as NIMBY-type resistance to higher densities.

COST REDUCTION ANTICIPATED FROM IMPLEMENTING RECOMMENDATION

The savings will occur through higher densities/lower land costs per unit in receiving zones and lower public lands acquisition taxes for all local residents whenever a developer purchases land in a sending zone. TDR could also be used as an incentive by allowing a transferable off-site density bonus to housing developers upon successful completion of an affordable development.
RECOMMENDATION OF ADVISORY COMMITTEE

The Advisory Committee recommends further study and consideration of a Transfer of Development Rights (as it relates to density) program for the purpose of creating stronger incentives to affordable housing developers.

RECOMMENDED SCHEDULE FOR IMPLEMENTATION

This recommendation will be implemented within three years from the date that the HIP is adopted.
Chapter 4

ALLOWANCE OF INCREASED DENSITY LEVELS

INCENTIVE
The allowance of increased density levels.

OBJECTIVE
To establish a density bonus program that would provide a greater incentive for the production of affordable housing.

CURRENT STATUS

The County’s Comprehensive Policy Plan (CPP) adopted on July 1, 1991 contained a 25 percent density bonus for Affordable Housing developments. The Board of County Commissioners however, on August 31, 1993 made revisions to the CPP, one of which deleted the Density Bonus program. The Comprehensive Plan continues to provide language in its Housing Element and International Drive Activity Center Strategic Development Plan granting density bonuses for affordable housing, but implementation procedures have not been adopted for these policies.

EXPLANATION OF EXISTING REGULATION

Future Land Use Element Policy 1.1.13, adopted in 1991, previously stated that a density bonus, not to exceed 25 percent, would be permitted for certified affordable housing projects through the Land Development Code:

"By June 1992, through the Land Development Code, a density bonus, not to exceed 25 percent of the otherwise maximum density permitted by the Future Land Use Map, shall be given to developments participating in the Orange County Affordable Housing Density Bonus Program. Only development within the Urban Service Area, Rural Settlements, or Growth Centers shall be eligible for such density bonuses."

The density bonus which was allowed by this policy was deleted by the Board of County Commissioners at the last Comprehensive Policy Plan (CPP) amendment adoption hearing on August 31, 1993.

However, Housing Element Policies 1.1.1, 1.1.13, 1.1.21, and 1.6.3, all contain language which make reference to density bonuses for affordable housing:

1.1.1 The County shall adopt mechanisms, such as but not limited to, streamlining the permitting process, providing technical assistance and
density bonuses for the provision of affordable housing. This is necessary to encourage the participation of private sector and non-profit agencies in housing programs designed to provide affordable housing to households with very low, low, and moderate-incomes and to provide housing for special needs groups by June, 1992.

1.1.13 Orange County shall encourage the development of affordable housing projects in the Urban Service Area, Urban Expansion Areas, Activity Centers, Rural Settlements, and designated Community Development Target Areas by establishing incentives such as density bonuses.

1.1.21 Orange County shall encourage the provision of affordable housing through the implementation of an Affordable Housing Density Bonus Program designed to encourage on-site affordable housing opportunities or encourage developer contributions to the Orange County Trust Fund for Affordable Housing in exchange for density bonuses. All contributions to the Trust Fund shall be used to facilitate the provision of affordable housing.

1.6.3 By June 1992, Orange County shall evaluate, and if appropriate adopt, local regulatory incentives in the Land Development Code, including, but not limited to, transfer of development rights, density bonuses, and other similar incentives to encourage the development of affordable housing.

ADVANTAGES/DISADVANTAGES OF CHANGING OR ADOPTING INCENTIVE

The main advantage of adopting the density bonus program is the land cost reduction per unit that is most easily achieved through higher density allowances or a greater number of units per acre. This allowance will give affordable housing developers the competitive advantage they need to lower housing prices or rents.

The main disadvantage is that increased densities can cause the Not In My Back Yard (NIMBY) syndrome to be more acute due to the perceived possibility of higher density buildings and complexes with less open space and fewer amenities. A strong effort to maintain design quality, especially at the development’s entrances and along its boundaries with the adjoining community can help to overcome the NIMBY syndrome. Education and communication with surrounding neighborhoods during the governmental approval process can also help to deter NIMBY attitudes.

IMPACTS ON PUBLIC HEALTH, SAFETY, OR WELFARE

A percentage-based bonus for certified affordable housing projects could provide major incentives to attract greater private sector involvement. A flat percentage rate would also
keep the development review process streamlined and avoid lengthy negotiated review procedures.

There may be some cases when a developer receives density bonuses at the conceptual planning stage and fails to build or sell the agreed-upon percentage of affordable households. Enforcement and monitoring procedures may help prevent this. There is also a minor risk of legal challenges from non-affordable developers. NIMBY attitudes may also increase as proposed densities increase.

COST REDUCTION ANTICIPATED FROM IMPLEMENTING RECOMMENDATION

Land cost savings per unit can be passed on to consumers.

RECOMMENDATION OF ADVISORY COMMITTEE

Orange County should initiate a Comprehensive Plan amendment or land development ordinance which would implement a county-wide 25% density bonus rate for certified affordable housing developments. This program should be implemented through a Comprehensive Plan amendment at the first available amendment cycle.

BOARD OF COUNTY COMMISSIONERS ACTION

The Board of County Commissioners by majority affirmative vote deleted the aforementioned recommendation on March 29, 1994. This recommendation resulted from concerns relative to the quality of design of any proposed developments.

RECOMMENDED SCHEDULE FOR IMPLEMENTATION

This is not applicable.
Chapter 7

PARKING AND SETBACK REQUIREMENTS

INCENTIVE
The reduction of parking and setback requirements.

OBJECTIVE
To establish incentives for the production of affordable housing by reducing parking and setback requirements.

CURRENT STATUS

Orange County currently has a program for this incentive. Zero side yard setbacks are allowed in all single-family zoning districts. Multi-family parking is based on the number of bedrooms and not total units. The size of parking spaces can also be reduced for compact cars. Waivers and exceptions to setbacks are granted on a case-by-case basis. Also, special setback reduction provisions are contained within the International Drive Activity Center Strategic Development Plan.

EXPLANATION OF EXISTING REGULATION

Parking requirements for single-family units, duplexes, and apartments are outlined in Section 38-1476 of the Orange County Code:

- Residential dwelling units, single-family and duplex: 2 spaces for each dwelling unit
- Apartments of three (3) dwelling units or more (efficiencies and one-bedroom): 1½ spaces for each dwelling unit
- Apartments of three (3) dwelling units or more (two (2) and three (3) bedrooms): 2 spaces for each dwelling unit

Up to twenty-five (25) percent of the off-street parking spaces required by Section 38-1476 may be designed as compact car parking spaces. Each compact car parking space is a minimum of eight (8) feet wide and sixteen (16) feet long and clearly marked or posted for "Compact Cars Only".

Front yard, side yard, and rear yard setbacks for the County’s single-family, duplex, and multi-family residential districts are contained in the Orange County Code. Ordinance
No. 93-11 was adopted on April 27, 1993 amending this section of the Code to provide for consistency of the various residential uses with Comprehensive Policy Plan. The basic setback requirements for R-1AA, R-1A, R-1, R-2, R-3, and R-L-D residential districts are identified in Table 2: Residential Setback Requirements.
<table>
<thead>
<tr>
<th>District</th>
<th>Min. lot area (sq. ft.)</th>
<th>Min. floor area (sq. ft.)</th>
<th>Min. lot width (ft.)</th>
<th>*Min. front yard (ft.)</th>
<th>*Min. rear yard (ft.)</th>
<th>*Min. side yard (ft.)</th>
<th>Max. building height (ft.)</th>
<th>Lake setback (ft.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>R-1AA</td>
<td>10,000</td>
<td>1,200</td>
<td>30</td>
<td>35</td>
<td>7.5</td>
<td>35</td>
<td>35</td>
<td>*</td>
</tr>
<tr>
<td>R-1A</td>
<td>7,500</td>
<td>950</td>
<td>25</td>
<td>30</td>
<td>7.5</td>
<td>35</td>
<td>35</td>
<td>*</td>
</tr>
<tr>
<td>R-1</td>
<td>6,000</td>
<td>600</td>
<td>25</td>
<td>25</td>
<td>6</td>
<td>35</td>
<td>35</td>
<td>*</td>
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<tr>
<td>R-2</td>
<td>One-family dwelling, 3,750</td>
<td>500</td>
<td>37.5</td>
<td>25</td>
<td>5</td>
<td>35</td>
<td>35</td>
<td>*</td>
</tr>
<tr>
<td></td>
<td>Two dwelling units, 7,500</td>
<td>500 per dwelling unit</td>
<td>75</td>
<td>25</td>
<td>6</td>
<td>35</td>
<td>35</td>
<td>*</td>
</tr>
<tr>
<td></td>
<td>Three dwelling units, 11,250</td>
<td>500 per dwelling unit</td>
<td>85</td>
<td>25</td>
<td>10</td>
<td>35</td>
<td>35</td>
<td>*</td>
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<tr>
<td></td>
<td>Four or more dwelling units, 15,000</td>
<td>500 per dwelling unit</td>
<td>85</td>
<td>25</td>
<td>10</td>
<td>35</td>
<td>35</td>
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<tr>
<td>R-3</td>
<td>One-family dwelling, 3,750</td>
<td>500</td>
<td>37.5</td>
<td>25</td>
<td>5</td>
<td>35</td>
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<td>Two dwelling units, 7,500</td>
<td>500 per dwelling unit</td>
<td>75</td>
<td>25</td>
<td>6</td>
<td>35</td>
<td>35</td>
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<tr>
<td></td>
<td>Three dwelling units, 11,250</td>
<td>500 per dwelling unit</td>
<td>85</td>
<td>25</td>
<td>10</td>
<td>35</td>
<td>35</td>
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<tr>
<td></td>
<td>Four or more dwelling units, 15,000</td>
<td>500 per dwelling unit</td>
<td>85</td>
<td>25</td>
<td>10</td>
<td>35</td>
<td>35</td>
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<tr>
<td>R-L-D</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>10 for side entry garage</td>
<td>0 to 10</td>
<td>35</td>
<td>35</td>
<td>*</td>
</tr>
</tbody>
</table>

* Setbacks shall be a minimum of 50 feet from the normal high water elevation contour on any adjacent natural surface water body and any natural or artificial extension of such water body.
** Buildings in excess of 35 feet in height may be permitted as a special exception.
*** Buildings in excess of 1 story in height with 100 feet of side or rear lot line of any single-family residential district may be permitted as a special exception.
Reduction of parking and setback requirements constitute waivers or variances to the County’s land development regulations. The County’s development review departments prefer to handle waivers to the development code as variances on a case-by-case basis, rather than adopt regulations which establish different development standards for affordable housing projects. Housing Element Policy 1.1.20 states that the County shall support waivers to the land development regulations for affordable housing multi-family projects. Mention of single family projects is not specifically given.

1.1.20 Orange County shall support amendments to the Comprehensive Plan and waivers to land development regulations for affordable multi-family housing projects provided such proposals meet the following criteria and are certified Orange County affordable housing projects:

A. The proposed project is located within the Urban Service Area; or

B. The proposed project is located outside the Urban Service Area but is contiguous to a major employment center, Activity Center, or Growth Center or is in close proximity to rural or regional employment centers and meets the following criteria:

C. In the case of proposed projects located outside the Urban Service Area, but which are located contiguous to or within one mile of the Urban Service Area boundary, prior to approval of the proposed projects, consideration shall be given to the appropriateness of incorporating the project and any intervening lands into the Urban Service Area.

D. Orange County will develop criteria to apply to single family affordable housing projects and sales by June 1992.

Parking and setback reduction provisions are also included within the International Drive Activity Center Strategic Development Plan.

1.2.16 On-site open space regulations shall be adopted by December 1, 1991 to promote the tourist oriented theme and encourage pedestrian activity. Such regulations shall:

A. Include provisions which support the objective to create street activity, including minimizing open space between buildings;

B. Require open space within the International Drive Activity Center to be aggregated, whenever possible, in order to encourage the creation of usable open space; and
C. Require open space regulations to be linked to stormwater retention systems or part of a unified parkway or walkway system, where feasible.

2.2.11 The development guidelines for the Activity Center shall allow for a reduction in parking requirements for development accessible to transit.

ADVANTAGES/DISADVANTAGES OF CHANGING OR ADOPTING INCENTIVE

The main advantages of additional setback reductions for multi-family developments are reduced land costs. Allowance of unpaved parking can also reduce paving costs. A flat percentage break of 5% to 20% on setbacks and paved parking can reduce negotiated review processes and help streamline the affordable housing permit processes.

The main disadvantages: No decrease in quality or safety should be obvious if parking and setback reductions are allowed for affordable housing. Otherwise, if design breaks are given, they could contribute to a NIMBY problem, decreased property values, or reductions in needed open space or parking areas.

IMPACTS ON PUBLIC HEALTH, SAFETY, OR WELFARE

If designed properly, reduced vehicular paving and reduced setbacks can increase usable open space such as courtyards and playgrounds. Buildable area can also be increased to encourage innovative designs. Reductions may create parking shortages, smaller landscaped areas and real or perceived decrease in quality on affordable projects.

COST REDUCTION ANTICIPATED FROM IMPLEMENTING RECOMMENDATION

Smaller yards and smaller vehicular areas allow capital savings on paving, more units per acre and encouragement of innovative designs.

RECOMMENDATION OF ADVISORY COMMITTEE

The Advisory Committee recommends flexibility for parking and setback reductions for all certified affordable housing developments. Language shall be added in the subdivision regulations and land development code update to implement the reductions.
BOARD OF COUNTY COMMISSIONERS ACTION

The Board of County Commissioners by majority affirmative vote deleted the aforementioned recommendation on March 29, 1994. This recommendation resulted from concerns relative to the quality of design of any proposed developments.

RECOMMENDED SCHEDULE FOR IMPLEMENTATION

This is not applicable
Chapter 8

ZERO-LOT-LINE CONFIGURATIONS

INCENTIVE
The allowance of zero-lot-line configurations

OBJECTIVE
To establish incentives for the production of affordable housing by providing zero-lot-line configurations.

CURRENT STATUS
Orange County currently has a program for this incentive. Housing Element Policy 1.1.17 of the Comprehensive Policy Plan and Ordinance No. 93-11 encourages the allowance of zero-lot-line configurations. Ordinance No. 93-11 specifically encourages zero-lot-line configurations and other similar alternative designs (i.e. interlocking lots and Z-lots) in Residential Low Density (R-L-D) Districts. Additionally, a zero-side yard development is permitted in all residential zoning districts provided that certain standards are met.

EXPLANATION OF EXISTING REGULATION

Housing Element Policy 1.1.17 commits the County to include innovative housing design criteria, such as zero-lot-line, in the Land Development Code:

1.1.17 By June 1992, the County shall support innovative housing designs by including design criteria in the Land Development Code, such as but not limited to zero-lot-line and increased densities, to provide very low, low and moderate-income families with alternative housing opportunities.

On April 27, 1993, the Board of County Commissioners adopted Ordinance No. 93-11 (Section 38-601 to 605-RLD of the Orange County Code) creating a new residential district R-L-D Residential Low Density District. The intent and purposes of the R-L-D residential low density district are as follows:

1. To provide for attached and detached residential development consistent with the Low Density Residential Future Land Use designation.

2. To allow flexibility in site and building requirements in order to encourage innovative housing design while maintaining adequate levels of light, air,
building space, lot coverage and density; and to otherwise provide for orderly site development standards in order to protect the public health, safety, and general welfare.

3. To implement policies in the Housing Element of the Comprehensive Policy Plan which include provisions for innovative housing designs and a mixture of dwelling types to provide the consumer with alternative housing opportunities.

Site and building design requirements in this district are encouraged to include the innovative concepts of zero-lot-line, interlocking lots, and Z-lots:

1. Zero-lot-line development: This type of development is characterized by the location of a dwelling unit in such a manner that one or more of the building’s sides rests directly on the side and/or rear lot line. This shall include use with single-family detached dwellings as well as multi-family (attached) dwellings in which the zero-lot-line is coterminous with the common party wall and the opposite side yard is twice the normal side yard requirement. (See Figure 2)

2. Interlocking lot: The location of the dwelling unit is such that the side and rear walls of the garage both rest directly on the lot line. No other exterior walls of the dwelling unit shall have a zero setback. This concept can be used with a Zipper lot design or on a standard lot in which the garages of the abutting lots are connected at the side and rear while the living area of the dwelling units are set back from the property lines. (See Figure 3)

3. Z-lot: The lot design is modified to create a Z shape which allows the dwelling unit to have alternating side yards. This may be employed as a standard Z-lot or as an angled Z-lot. (See Figure 4)

Ordinance No.93-11 (Sec. 38-1505) also provides for zero side yard development in all single family residential zoning districts. A zero side yard is where the side building setback line is on the side lot line. It may be permitted on one side of each single family lot in all residential zoning districts provided that the appropriate standards are met.

ADVANTAGES/DISADVANTAGES OF CHANGING OR ADOPTING INCENTIVE

The main advantages of the zero-lot-line development is that if one side setback is allowed to be zero, the usable yard or open space on the other side of the yard is increased. Wherever houses are oriented away from the zero side yard, privacy between small urban-size lots can be maintained. When lots are not required to be rectangular,
ZIPPER LOT

INTERLOCKING LOT

FIGURE 3
further innovations can be achieved by allowing usable, private outdoor courtyards even on very small single-family lot sizes.

The main disadvantages is that zero-lot-line and zipper lot configurations require greater site review to ensure that each building orientation will consider the lot layout of neighboring lots. The overall streetscape of the neighborhood can easily become cluttered if houses are located too close together without proper design review. The location of mailboxes, uniformity of architectural design, orientation of garages and parking areas should also be considered to maintain design quality in zipper-lot and zero-lot-line developments.

IMPACTS ON PUBLIC HEALTH, SAFETY, OR WELFARE

Decreased lot widths can allow greater densities, more houses per unit and innovations in housing design to serve the affordable market.

Affordable houses cannot always be small houses with small lots. There is also a need for affordable housing for large families. Affordable housing residents sometimes need as much or more room for yards, open space and off-street parking as market-rate housing. If a large proportion of the county's affordable housing stock is made up of smaller housing units on smaller lots, a large targeted population will be excluded from the affordable housing market.

COST REDUCTION ANTICIPATED FROM IMPLEMENTING RECOMMENDATION

The cost savings will come largely from increased densities and lower land requirements per housing unit.

RECOMMENDATION OF ADVISORY COMMITTEE

The Advisory Committee recommends that the existing incentives remain in place. Additionally, the Committee recommends that the allowance of zero-lot-line configurations for affordable single-family developments should be encouraged in all residential zoning districts.

RECOMMENDED SCHEDULE FOR IMPLEMENTATION

Additional zero-lot-line allowances should be adopted in Orange County's Land Development Code update prior to December, 1994.
MODIFICATION OF STREET REQUIREMENTS

INCENTIVE
The modification of street requirements.

OBJECTIVE
To establish reduced street, sidewalk, and cul-de-sac requirements as an incentive for the production of affordable housing.

CURRENT STATUS
Orange County currently has a program for this incentive. A waiver to the County’s land development regulations can be utilized for this incentive. The Housing Element (Policy 1.1.20) of the Comprehensive Policy Plan states that the County shall support waivers to the land development regulations for affordable housing multi-family developments. Such multi-family developments must meet certain criteria. A policy specifically pertaining to single-family developments is not given. However, a general statement was included in the final draft of the Orange County Subdivision Regulations (approved 02/08/94) to encourage the provision of affordable housing.

EXPLANATION OF EXISTING REGULATION
The County’s street design standards are outlined in Section 34-171 of the Orange County Subdivision Regulations:

Minimum right-of-way width:

<table>
<thead>
<tr>
<th>Classification</th>
<th>Rural (feet)</th>
<th>Urban (feet)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local Street</td>
<td>60</td>
<td>50</td>
</tr>
<tr>
<td>Collector Street</td>
<td>60</td>
<td>60</td>
</tr>
<tr>
<td>Arterial Street</td>
<td>Per chapter 38, article XV of the County Code (pertaining to comprehensive plan of major street setbacks, planned rights-of-way and functional classification)</td>
<td></td>
</tr>
</tbody>
</table>
Minimum pavement width:

<table>
<thead>
<tr>
<th>Average Daily Traffic (ADT)</th>
<th>Pavement Width (in feet)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential:</td>
<td></td>
</tr>
<tr>
<td>0-300</td>
<td>18</td>
</tr>
<tr>
<td>301-800</td>
<td>20</td>
</tr>
<tr>
<td>801-1200</td>
<td>22</td>
</tr>
<tr>
<td>1201-1500</td>
<td>24</td>
</tr>
<tr>
<td>1501-3500</td>
<td>36</td>
</tr>
<tr>
<td>Over 3500</td>
<td>36 w/dedicated access</td>
</tr>
</tbody>
</table>

Cul-de-Sacs:

Cul-de-sacs shall be provided with a paved turn-around with a minimum radius of thirty-four (34) feet. The radius of the right-of-way shall be a minimum of forty-four (44) feet for curb and gutter sections and fifty (50) feet for swale sections. Cul-de-sacs shall have a maximum length of one thousand two hundred (1,200) feet. However, the Board of County Commissioners may approve cul-de-sacs over one thousand two hundred (1,200) feet in length to serve odd-shaped parcels of land which cannot be developed in any other manner, provided that no more than forty (40) dwelling units shall front on any cul-de-sac.

The Board of County Commissioners does grant waivers to the Subdivision Regulations for certified affordable housing developments. Examples of the waivers that have been granted include waivers to:

- **Section 34.171 (7)** deleting sidewalks on one side of all streets in a subdivision
- **Section 34.172** eliminating cul-de-sac turn around at the end of stub streets
- **Section 34.172(3)** allowing a minimum right-of-way width of 30 feet for stub streets and 37 feet for local streets (urban) in lieu of 50 feet which is required
- **Section 34.171(3)** allowing a minimum pavement width of 18 feet in lieu of 20 feet; and eliminating the curbing along one side of the street
- **Section 34.152(b)** allowing corner lots to meet the minimum 75-foot lot width in lieu of 85-foot lot width

The County is particularly sensitive, however, that in granting waivers for certified affordable housing developments that the quality of life is maintained in these communities.
ADVANTAGES/DISADVANTAGES OF CHANGING OR ADOPTING INCENTIVE

The main advantages of smaller street widths or fewer paved areas in general are a decrease in construction costs. They allow larger yards or more housing units per acre. Innovative designs such as the neo-traditional trend include allowances for narrower street widths.

The main disadvantages are that street widths should never be modified to the point that public safety is sacrificed (emergency service access issues, etc.). Also, the quality of housing and neighborhood design should not be lower in affordable housing neighborhoods than market rate neighborhoods.

IMPACTS ON PUBLIC HEALTH, SAFETY, OR WELFARE

Narrower streets can achieve a traditional neighborhood identity, while also creating slower speeds for vehicular traffic and lower traffic capacity, where appropriate. Emergency access and street maintenance can be hampered by narrow streets. If traffic volumes are not predicted accurately, narrow streets can create bottlenecks or inadequate turn lanes. Where on-street parking occurs, a narrow street can become almost impassable for emergency vehicles and county maintenance operations.

COST REDUCTION ANTICIPATED FROM IMPLEMENTING RECOMMENDATION

On a project-wide basis, infrastructure/paving costs can be reduced.

RECOMMENDATION OF ADVISORY COMMITTEE

The Advisory Committee recommends that the existing incentive remain in place as it pertains to multi-family developments. The Committee also recommends that the County support waivers to the land development regulations for affordable housing single-family developments.

BOARD OF COUNTY COMMISSIONERS ACTION

The Board of County Commissioners by majority affirmative vote deleted the aforementioned recommendation on March 29, 1994. This recommendation resulted from concerns relative to the quality of design of any proposed developments.

RECOMMENDED SCHEDULE FOR IMPLEMENTATION

This is not applicable
REVIEW PROCESS FOR PROPOSED REGULATIONS

INCENTIVE
The establishment of a process by which a local government considers before adoption, policies, procedures, ordinances, regulations, or plan provisions that have a significant impact on the cost of housing.

OBJECTIVE
To assure that the County has in place a process by which they consider the impacts of any new or proposed changes to existing county resolutions, policies, ordinances, or administrative regulations on the cost of housing.

CURRENT STATUS
Orange County currently has a program for this incentive. There is an existing County Board (Development Advisory Board) that addresses this incentive. In addition, there is language in the Orange County Code that addresses the review of certain legislation prior to adoption. The Housing Element also has policies which addresses the impact of regulations on the cost of housing.

EXPLANATION OF EXISTING REGULATION
Enabling legislation was adopted by the Board of County Commissioners in July, 1975 to create a Development Advisory Board (DAB) which consists of ten members appointed by the Board of County Commissioners. The Advisory Board consists of developers, builders, engineers, and surveyors who are residents of Orange County. The primary responsibility of the Development Advisory Board is to review all Orange County regulations affecting the development of land, with the exception of zoning and to suggest changes to the Board of County Commissioners.

Section 30-2 of the Orange County Code provides for the process by which the Board of County Commissioners consider the short-term and long-term public and private costs and benefits of any new, or proposed changes to existing county resolutions, ordinances or administrative regulations that the Board determines to have a substantial impact on the development of, and construction on, real property within the county.

In considering any such changes, the Board determines if:

1. The proposal will not have a substantial economic impact;
2. Sufficient information has been provided for the Board of County Commissioners to assess the economic impact; or

3. An economic impact study is not practical for the proposed change under consideration;

If the Board of County Commissioners deems it appropriate, it can direct the appropriate county department to conduct an economic impact or justification study, or authorize any person or organization to submit economic impact data or information for the Board of County Commissioners to consider, to assure that the public and private costs and benefits of any proposed changes are fully weighed.

Housing Element Policies 1.1.18, 1.6.1, and 1.6.2 all address the issue of assessing the impact of government regulations and/or actions on the cost of housing:

1.1.18 Orange County shall annually review all land development regulations in the Land Development Code to ensure they support affordable housing and provide for an expedited review of such projects.

1.6.1 The County shall annually review its Building Code and Land Development Code to identify, modify, or eliminate those regulations and/or procedures which unnecessarily increase the cost of housing.

1.6.2 Orange County shall analyze the effect concurrency will have on affordable housing and evaluate, if appropriate, programs that could be used to reduce identified adverse impacts.

ADVANTAGES/DISADVANTAGES OF CHANGING OR ADOPTING INCENTIVE

There have been instances in the past where new county regulations were promulgated without consideration of the impacts on the cost of housing. With a process in place to evaluate regulations prior to adoption, the main advantage will be that the increased price of regulation may be avoided or limited.

The only disadvantages would be that new regulations are often created for the purpose of achieving better quality in new development or greater conservation efforts to preserve natural resources. Sometimes a short-term increase in costs are justified by long-term policy goals such as aquifer protection or community identity.
IMPACTS ON PUBLIC HEALTH, SAFETY, OR WELFARE

Some regulations are unnecessary when measured against the housing cost increases they will create. New regulations that may need immediate implementation will undergo an additional layer of review prior to adoption.

COST REDUCTION ANTICIPATED FROM IMPLEMENTING RECOMMENDATION

The goal of this policy will be to keep regulatory costs of producing new housing at 1993 levels or lower. Some regulations, such as impact fee increases and architectural/building requirements, are easy to quantify on a per-unit basis. Other regulations, such as engineering requirements, add to the soft costs on a per-project basis.

RECOMMENDATION OF ADVISORY COMMITTEE

The Advisory Committee recommends the following:

1. One member currently residing on the Affordable Housing Advisory Committee shall be appointed to serve as a voting member on the Development Advisory Board. Thereafter, the Development Advisory Board shall always include one member who is an advocate of affordable housing.

2. The County will amend the County Code to meet the requirements of Section 420.9076(j) and any new policies or County procedures which could affect the affordability of housing will be referred to the Affordable Housing Advisory Committee.

RECOMMENDED SCHEDULE FOR IMPLEMENTATION

This policy will be implemented within two years of HIP adoption.
Chapter 11

INVENTORY OF LOCALLY OWNED PUBLIC LANDS
SUITEABLE FOR AFFORDABLE HOUSING

INCENTIVE
The preparation of a printed inventory of locally owned public lands suitable for affordable housing.

OBJECTIVE
To identify vacant locally owned public land that is suitable for the development of affordable housing.

CURRENT STATUS
Orange County currently does not have a program for this incentive.

EXPLANATION OF EXISTING REGULATION
Not applicable, although data is available from County departments. Surplus county property is currently advertised to other departments by the Real Estate Department on a parcel-by-parcel basis.

ADVANTAGES/DISADVANTAGES OF CHANGING OR ADOPTING INCENTIVE

The main advantages of conducting a public lands inventory for affordable housing is that it will be a useful reference tool for many of Orange County’s housing programs. Once completed, it could be used to identify already-owned parcels available and suitable for affordable housing to be constructed by SHIP funds or other HFA Programs. It could be updated periodically and circulated to all departments handling applicable HFA programs.

The main disadvantages of conducting the inventory is the staff time that will be dedicated in sorting property appraiser data into "suitable/available" versus not suitable or available, with no guaranteed result that any suitable land will be found. It is possible that the effort required in keeping and updating the list could be better spent in program implementation with more definite results.
IMPACTS ON PUBLIC HEALTH, SAFETY, OR WELFARE

Through existing finance programs, county-owned land available and suitable for affordable housing would not need to be purchased from private owners prior to construction. Land costs for such potential affordable housing programs would decrease if county-owned parcels do exist.

Available and suitable land owned by the county could also be used for future public facilities or amenities such as parks, government offices or capital facilities (i.e., water and waste-water treatment).

COST REDUCTION ANTICIPATED FROM IMPLEMENTING RECOMMENDATION

It will be the land cost for parcels found in the inventory and used for affordable housing.

RECOMMENDATION OF ADVISORY COMMITTEE

The Department of Housing and Community Development will annually perform an inventory of locally-owned public land available to determine County-owned properties suitable for affordable housing developments. This information will be disseminated to the development community through the appropriate channels of communication.

RECOMMENDED SCHEDULE FOR IMPLEMENTATION

The 1994 inventory is underway. An annual update could be performed if the 1994 listing proves to be useful in providing land for affordable housing. It is anticipated that within two years from HIP adoption, this recommendation will be fully implemented.
APPENDIX A - Affordable Housing Threshold Criteria

APPENDIX B - Orange County's Affordable Housing Expedited Review Process

APPENDIX C - Affordable Housing Procedure for Impact Fee Discounts

APPENDIX D - Section 30-596 and 30-597 of the Orange County Code
APPENDIX A

Orange County, Florida

July 1992

AFFORDABLE HOUSING

THRESHOLD CRITERIA
I. POLICY:

The Board of County Commissioners has determined that the provision of affordable housing is a critical need in Orange County and that projects which meet the definition of affordable, as outlined in these threshold criteria, should be given priority processing and/or economic concessions to improve their viability and encourage additional affordable housing developments. The criteria set forth in this regulation represent the minimum standards necessary for a project to qualify as an affordable housing project. It is the intent of this criteria to encourage innovative and creative developments which provide affordable housing.

II. PROCEDURE:

A. Each developer/builder seeking certification for an affordable housing project will be provided an application to be completed and submitted to the Department of Community Development and Housing Assistance for evaluation, determination and disposition.

B. For a unit to be determined affordable by Orange County, no more than 30 percent of household income may be spent on housing costs (mortgage (PITI) or rental payments). Orange County uses the following definitions to establish levels of affordability:

1. Moderate income means total household income between 61 percent and 80 percent of Orlando Metropolitan Statistical Area (MSA) median income.

2. Low income means total household income between 51 percent and 60 percent of Orlando MSA median income.

3. Very low income means total household income below 50 percent of Orlando MSA median income.

FOR MORE INFORMATION CONTACT: County Administrator’s Office
Department of Community Development
and Housing Assistance

REFERENCE: Affordable Housing Task Force Report
C. Single Family Fee Simple Developments:

In order to receive an affordable housing certification, at least 30 percent of the units in a fee simple single family development (attached or detached units) shall be set aside for households earning 80 percent or less of the area's median income, except as provided in II.E. of this regulation. Single family fee simple developments may include units sold under a lease-purchase agreement. Single family Fee simple developments shall not include condominiums.

D. Multi-Family Rental Developments:

Each developer/builder seeking certification of a multi-family rental development as affordable must set aside a minimum portion of the project units for low or very low income tenants as follows:

1. Twenty percent of the units must be set aside for households earning 50 percent or less of the area's median income; or

2. Forty percent of the units must be set aside for households earning 60 percent or less of the area's median income.

The maximum allowable rents to be charged for units assisted under this regulation shall not exceed 30 percent of adjusted family income for households earning 60 percent of the annual median income for area families. In addition, affordable rents will be adjusted by the number of bedrooms and utilities allowances. Rent schedules for set-aside units will be provided by the Department of Community Development and Housing Assistance.

E. Individual Units:

A developer/builder may receive discounted impact fees for individual single family fee simple units affordable to moderate, low or very low income families; however, no individual builder/developer shall receive discounted impact fees for more than five individual single-family fee simple units within a single platted subdivision, unless the platted subdivision is certified pursuant to II.C. of this regulation. These units are subject to all other applicable conditions contained in these regulations.

F. In order to receive economic, planning, permitting or regulatory concessions for single family developments or individual single family units, applicants shall certify in advance that units will be sold in fee simple to and occupied by families or individuals meeting the income ranges specified in the application for certification of affordable housing or application for discounted impact fees for individual units.
In order to receive economic, planning, permitting or regulatory concessions for multi-family rental developments, applicants shall certify in advance that units will be rented to and occupied by families or individuals meeting the income ranges specified in the application for certification of affordable housing, subject to the rate schedule established pursuant to II.D of this regulation. In the event that the certification as specified in the developer’s agreement is violated, Orange County may deny one or more certificates of occupancy, require the repayment of economic concessions and/or refuse to grant future building permits to the builder, development company or its principals, or may apply to the circuit court for injunctive relief.

G. The developer/builder or their principals must have prior experience in housing construction or development, except for owner/builder.

H. The proposed development must be consistent with Orange County’s affordable housing goals and objectives and the Orange County Comprehensive Plan.

I. If the proposed project is located in the Rural Service Area, a pre-application meeting with the Planning Department and the Community Development and Housing Assistance Department will be required. In addition to all applicable ordinances, including the comprehensive plan, general guidelines to consider when preparing an application are:

1. Residential developments petitioning to expand the urban service area shall commit at least 45 percent of the total development area to affordable housing.

2. Residential developments in existing rural settlements or growth centers shall provide a minimum of 45 percent of the total development area as affordable housing.

3. Residential developments petitioning to expand rural settlements shall commit at least 45 percent of the total development area to affordable housing.
I. PURPOSE AND BACKGROUND:

Since 1988, when the Board of County Commissioners, acting on my motion, created the Affordable Housing Task Force, one of the top priorities in Orange County has been the goal of increasing the housing available to people of moderate, low, and very low income. The criteria for determining when housing is and is not "affordable" to people in these income groups has been approved by the Board and is contained in Subsection 11.02.06 of the Orange County Administrative Regulations. The determination is made by the Community Development Department.

Of the several measures identified by the Task Force that would be useful in stimulating affordable housing, one was an expedited process for regulatory review of development proposals. In the 1991 State of the County Address, I included expedited review as one of my affordable housing priorities. The Planning and Zoning Departments have given me their recommendations, all of which can be instituted by Executive Order.

II. ORDER

On and after the effective date of the Order, all development applications that are certified by the Community Development Department to be "affordable housing" shall be entitled to review in the expedited manner described in Attachment 1 to this Executive Order. All responsible staff are directed to implement the provisions of Attachment 1 accordingly.

EFFECTIVE DATE: January 1, 1992

ORDERED this 7th day of November, 1991.

Linda W. Chapin
Orange County Chairman
ATTACHMENT 1
TO
EXECUTIVE ORDER 91-002

EXPEDITED REVIEW
OF
AFFORDABLE HOUSING APPLICATIONS

GOALS:

- Procedures for variance (BZA actions) may in some cases save up to 30 days.

- Rezoning procedures (P&Z actions) may save 30 days or more.

- Policies for subdivision review (DRC actions) will save a minimum of two weeks during economic slowdowns, and up to 45 days in a strong economy.

REVIEW PROCESSES:

1. Board of Zoning Adjustment

   A. Issue: The Board of Zoning Adjustment (BZA) hears a maximum of 45 cases per month. Applications made after the limit of 45 hearings is reached are considered the following month.

   Expedited Process: A minimum of five (5) hearing slots shall be reserved for affordable housing projects that have been certified by the Community Development and Housing Assistance Department. Additional affordable housing projects may be scheduled depending on the number of other requests. (If, upon the close of receipt of applications, there are fewer than five applications for affordable housing projects, others may be scheduled in their place.)

   B. Issue: Cases heard by the BZA for Special Exceptions must undergo an institutional review by staff that sometimes delays the project from being heard by the BZA. Furthermore, affordable housing projects must compete with other projects to be scheduled for institutional reviews.
Expedited Process: Once a project is certified by the Community Development and Housing Assistance Department and a complete zoning application, including site plan, has been received by the Zoning Department, the institutional review shall occur within ten (10) working days after the cutoff date for accepting applications. (Applications close the first Wednesday of every month for public hearings to be held the first Thursday of the following month in order to comply with advertising requirements.)

2. Planning and Zoning Commission

A. Issue: Although the Planning and Zoning Commission (P&Z) does not have a limit on the number of requests that it hears, zoning applications must be initially approved for a public hearing on P&Z’s Review Agenda. Assuming the project is approved for public hearing, the application is heard the next month by the Planning and Zoning Commission.

Expedited Process: Because the Planning and Zoning Departments, in conjunction with the Community Development and Housing Assistance Department, review affordable housing projects during the certification process, it is not necessary for such projects to go on the Planning and Zoning Commission Review Agenda. Once an affordable housing project obtains certification from the Community Development and Housing Assistance Department and a complete application is received by the Zoning Department, the project will be scheduled for next Planning and Zoning Commission public hearing, subject to meeting the required 15 day advertising timeframe.

B. Issue: Prior to submitting a zoning application and a Land Use Plan for a Planned Development (PD), an affordable housing applicant must have a pre-application meeting with County staff. The scheduling of this meeting sometimes delays applicants from being scheduled for the DRC meeting and the Planning and Zoning Commission public hearing.

Expedited Process: Unless the applicant requests otherwise, the Zoning Department shall schedule and hold pre-application meetings for affordable housing projects within ten (10) working days after receiving the necessary copies of the concept plan and a copy of the affordable housing certificate.
3. Development Review Committee

A. Issue: Prior to being scheduled on the DRC agenda, a Planned Development or a Preliminary Subdivision Plan must first undergo a sufficiency review to ensure that the necessary information is included. Delays in the sufficiency review prevent affordable housing projects from being scheduled in a timely manner. Sufficiency reviews are typically conducted within five to ten working days.

**Expedited Process:** Once the necessary copies of plans and a copy of the affordable housing certificate are received by the Planning and Development Office, the Planning Department shall conduct a sufficiency review within three (3) working days.

B. Issue: Once the Planned Development or Preliminary Subdivision Plan application is found to be sufficient, it is scheduled for the DRC on a first-come/first-serve basis. It is not uncommon for projects to wait six to eight weeks to be heard by the DRC.

**Expedited Process:** Affordable housing projects certified by the Community Development and Housing Assistance Department shall be scheduled to be considered by the DRC within 30 days after having completed their sufficiency review.

4. Board of County Commissioners Scheduling of Public Hearings

A. Issue: Due to the large number of public hearings heard by the Board, no special attention is given to affordable housing projects in scheduling the hearings primarily because the Clerk to the Board currently has no way of knowing that they are affordable housing projects.

**Expedited Process:** When public hearings for certified affordable housing projects are requested by the Zoning Department or the Planning and Development Office, these departments shall clearly identify such projects as being affordable housing projects in order for the Clerk to schedule them as soon as possible.
APPENDIX C

Orange County, Florida

July 1992

AFFORDABLE HOUSING PROCEDURE FOR IMPACT FEE DISCOUNTS
PROCEDURE FOR IMPACT FEE, SEWER CAPITAL CHARGE, WATER CAPACITY DEMAND CHARGE AND SCHOOL IMPACT FEE DISCOUNTS FOR AFFORDABLE HOUSING

The Orange County Chairman and the Board of County Commissioners have established these procedures to provide incentives for the construction of affordable housing units; to assist builders and developers in securing impact fee, sewer capital charge, water capacity demand charge and school impact fee discounts for affordable housing units in an efficient manner; and to insure accountability to the taxpayers of Orange County. It is the County’s intent to promote the application of Ordinance 92-10, Resolution SW-92-01 and Ordinance 92-28 for the creation of housing for persons and families with household incomes of 80% or less of the County’s median income.

These discounts serve as one example of Orange County’s commitment to address affordable housing needs. Orange County has determined it is in the best interest of its citizens to enact this legislation and that the provision of affordable housing will serve a public purpose due to the benefit accruing to the common welfare of the community.

I. Single Family Fee Simple Developments:

In order to receive impact fee, sewer capital charge, water capacity demand charge and school impact fee discounts pursuant to Ordinance 92-10, Resolution SW-92-01 and Ordinance 92-28 for single family fee simple developments, a developer/builder must complete and submit an application and agree to the requirements of the Threshold Criteria for Affordable Housing Projects (Threshold Criteria) contained in Administrative Regulation Number 11.02.06 as adopted on June 16, 1992.

A. Interested developers or builders shall complete an application for certification as an affordable housing development which meets the minimum standards set forth in the Threshold Criteria.

B. The Office of Affordable Housing shall coordinate all applications for affordable housing certifications with the Planning Department. Each application shall be evaluated for compliance with applicable statutes, ordinances, resolutions and administrative regulations. Applications determined to be in compliance with these requirements shall be issued an affordable housing certificate along with a certification letter which includes a preliminary determination of the number of eligible units and/or the appropriate percentage of affordable housing discounts within 10 working days.
C. Upon final subdivision plan approval and recording of the plat, a developer's agreement shall be executed which insures that units receiving impact fee, sewer capital charge, water capacity demand charge and school impact fee discounts are sold at an affordable price to a qualified family or individual. The agreement will also require recordation of a lien in favor of Orange County upon the sale of each affordable housing unit for the amount of discounted fees. The original homeowner will be required to repay Orange County the full amount of impact fee, sewer capital charge, water capacity demand charge and school impact fee discounts provided for that unit in the event that any of the following occurs: 1) the unit is resold at a purchase price that exceeds the then-applicable price guidelines for affordable housing units; or 2) the unit is sold or transferred to a family or individual with a total household income which exceeds the affordability guidelines established in the Threshold Criteria; or 3) the unit ceases to be owner occupied. The lien will automatically extinguish in 5 years if none of these events occur.

D. The developer/builder shall pay impact fees, sewer capital charges, water capacity demand charges and school impact fees for affordable units in the same manner as other units or developments, generally prior to the issuance of building permits.

E. After sale of the affordable unit, the developer/builder shall submit evidence of the purchase price of the unit, the homebuyer's income, and recordation of the required lien to the Office of Affordable Housing. Following approval of this documentation, Orange County will refund the applicable discount percentage of impact fees, sewer capital charges, water capacity demand charges and school impact fees per affordable unit in accordance with Ordinance 92-10, Resolution SW-92-01, and Ordinance 92-28.

F. The Office of Affordable Housing will monitor the progress of each affordable housing development to insure the developer/builder is complying with administrative regulations and the developer's agreement. A certificate of completion for the affordable housing development will be issued once all requirements have been met and the development is completed.

II. Individual Units:

In order to receive impact fee, sewer capital charge, water capacity demand charge and school impact fee discounts pursuant to Ordinance 92-10, Resolution SW-92-01 and
ordinance 92-28 for one to five single family fee simple units, a developer/builder must submit an application on an approved form and certify in advance that units will be sold at affordable prices and sold to and occupied by families or individuals meeting the income ranges specified in the Threshold Criteria.

A. Interested developers or builders shall complete an application for certification as an affordable housing development which meets the minimum standards set forth in the Threshold Criteria.

B. The Office of Affordable Housing shall evaluate each application for compliance with the Threshold Criteria. If the application is determined to be in compliance, a preliminary determination of the appropriate percentage of impact fee, sewer capital charge, water capacity demand charge and school impact fee discounts shall be issued within 10 working days.

C. A developer's agreement shall be executed which insures that units receiving impact fee, sewer capital charge, water capacity demand charge and school impact fee discounts are sold at an affordable price to a qualified family or individual. The agreement will also require recordation of a lien in favor of Orange County upon the sale of each affordable unit for the amount of discounted fees. The original homeowner will be required to repay Orange County the full amount of impact fee, sewer capital charge, water capacity demand charge and school impact fee discounts provided for that unit in the event that any of the following occurs: 1) the unit is resold at a purchase price that exceeds the then-applicable price guidelines for affordable housing units; or 2) the unit is sold or transferred to a family or individual with a total household income which exceeds the affordability guidelines established in the Threshold Criteria; or 3) the unit ceases to be owner occupied. The lien will automatically extinguish in 5 years if none of these events occur.

D. The developer/builder shall pay impact fees, sewer capital charges, water demand capacity charges and school impact fees for affordable units in the same manner as other units or developments, generally prior to the issuance of building permits.

E. After sale of the affordable unit, the developer/builder shall submit evidence of the purchase price of the unit, the homebuyer's income, and recordation of the required lien to the Office of Affordable Housing. Following approval of this documentation, Orange County will refund the applicable discount percentage of impact fees, sewer capital charges, water capacity demand charges and school impact fees per affordable unit in
accordance with Ordinance 92-10, Resolution SW-92-01 and Ordinance 92-28.

III. Multi-Family Rental Developments:

In order to receive impact fee, sewer capital charge, water capacity demand charge and school impact fee discounts pursuant to Ordinance 92-10, Resolution SW-92-01 and Ordinance 92-28 for multi-family rental developments, a developer/builder must complete and submit an application, and agree to the requirements of the Threshold Criteria.

A. Interested developers or builders shall complete an application for certification as an affordable housing development which meets the minimum standards set forth in the Threshold Criteria.

B. The Office of Affordable Housing shall coordinate all applications for affordable housing certifications with the Planning Department. Each application shall be evaluated for compliance with applicable statutes, ordinances and administrative regulations. Applications determined to be in compliance with these requirements shall be issued an affordable housing certificate along with a certification letter which includes a preliminary determination of the number of eligible units and/or the appropriate percentage of impact fee discounts within 10 working days.

C. Upon final subdivision plan approval and/or recording of the plat, a developer's agreement shall be executed which requires that rental units receiving impact fee, sewer capital charge, water capacity demand charge and school impact fee discounts are leased to low or very low income persons or families for a period of 15 years in accordance with the rent schedule provided by the County.

D. The developer/builder will submit the executed developer's agreement along with any other documents required by the Plans Coordination Section of the Building Department, the Plans Review staff of the Utilities Engineering Department, and the Fiscal and Customer Service Department of the Public Utilities Division prior to paying the discounted impact fee, sewer capital charge, water capacity demand charge and school impact fee.

E. The Office of Affordable Housing will monitor the progress of each affordable housing development to insure the developer/builder is complying with administrative regulations and the developer's agreement.
(b) No unused capacity reserved pursuant to the capacity reservation certificate may be carried forward beyond a total of three (3) years from the date of the original issuance of such certificate.

(Ord. No. 91-27, § 1, 12-10-91)

Sec. 30-596. Capacity reservation fees for fixed time frame capacity reservation certificates.

(a) A capacity reservation fee shall be required to be paid as a condition of capacity reservation. The capacity reservation fee shall be an amount equivalent to the then applicable transportation impact fee calculated on the basis of the total capacity reserved for the term of the capacity reservation certificate:

(1) Less any outstanding impact fee credits applicable to the property; and

(2) For a project which has received a certificate of affordability from the county's community development and housing assistance department, less any transportation impact fees due for the affordable housing units within the project, provided that, for purposes of this subsection only, the calculation of the amount of such transportation impact fees shall not be reduced by the discounts authorized by Ordinance No. 92-10.

However, in the event the capacity reservation certificate is not used and the applicant would otherwise be entitled to a refund, the appropriate traffic impact fee credit shall be recredited to the applicant. Capacity may be reserved for one (1) year, two (2) years or three (3) years. The allocation of capacity reservation fees shall be based upon the duration of the capacity reservation certificate with the applicable capacity reservation fee prorated equally over the term of the reservation.

tion. For example, if the fixed time frame capacity reservation certificate provides for a reservation of capacity over a three-year term, thirty-three and one-third (33 1/3%) percent of the capacity reservation fee shall be due at the time of filing the application for capacity reservation; thirty-three and one-third (33 1/3%) percent of the capacity reservation fee shall be due on or before the expiration of one (1) year from the date of issuance of the capacity reservation certificate; and the balance of the capacity reservation fee shall be due on or before the expiration of two (2) years from the date of issuance of the capacity reservation certificate. No capacity reservation certificate shall be issued until and unless the required portion of the capacity reservation fee is paid in full. Failure to pay the capacity reservation fee within one hundred twenty (120) days from the date of issuance of the capacity encumbrance letter so that the capacity reservation certificate may be timely issued shall be deemed a withdrawal of the application for a capacity reservation certificate, and the CMO shall return the capacity to the available capacity bank.

The applicant shall be required to pay all impact fees due at the time of, and as a condition of, receiving a building permit, pursuant to the impact fee rate schedule in effect at the time a building permit is issued. However, the capacity reservation fee paid by the applicant shall be credited toward the impact fees due at time of issuance of the building permit on a dollar-for-dollar basis.

The capacity reservation fees collected pursuant to this section shall be kept separate from other revenue of the county. They shall be kept with road impact fees, but they shall be separately earmarked from road impact fees.

EXAMPLE NO. 1

Capacity Reservation Fees in Connection with Fixed Time Frame One-Year Capacity Reservation Certificate

Year 1

Fee equal to 100% of transportation impact fees.
EXAMPLE NO. 2

Capacity Reservation Fees in Connection with Fixed Time Frame Two-Year Capacity Reservation Certificate

<table>
<thead>
<tr>
<th>Year 1</th>
<th>Year 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fee equal to 50% of transportation impact fees.</td>
<td>50% of transportation impact fees.</td>
</tr>
</tbody>
</table>

EXAMPLE NO. 3

Capacity Reservation Fees in Connection with Fixed Time Frame Three-Year Capacity Reservation Certificate

<table>
<thead>
<tr>
<th>Year 2</th>
<th>Year 2</th>
<th>Year 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fee equal to 33(1/3)% of transportation impact fees.</td>
<td>33(1/3)% of transportation impact fees.</td>
<td>33(1/3)% of transportation impact fees.</td>
</tr>
</tbody>
</table>

(b) Refund of unused fixed time frame capacity reservation fee. Capacity reservation fees shall be refundable as set forth in this paragraph. The CMO shall refund one hundred (100) percent of the capacity reservation fee not applied as a credit against impact fees in accordance with section 30-596(a) if the capacity was reserved for a one-year (twelve (12) months) reservation period or less. The CMO shall refund one hundred (100) percent of the capacity reservation fee not applied as a credit against impact fees in accordance with section 30-596(a) if the capacity was reserved for a two-year (twenty-four (24) months) reservation period or less. The CMO shall refund ninety (90) percent of the capacity reservation fee not applied as a credit against impact fees in accordance with section 30-596(a) if the capacity was reserved for a three-year (thirty-six (36) months) reservation period. Refunds shall be granted only if and to the extent that capacity reservation fees are subsequently received by the county from third parties in such amounts as are required to effect any requested refund. Those applicants awaiting refunds shall be placed on a list, and refunds shall be made to applicants in the order in which their names appear on such list, provided that funds are available to effect such refunds as specified in the preceding sentence.

Sec. 30-597. Capacity reservation fees for flexible time frame capacity reservation certificates.

(a) A capacity reservation fee shall be required to be paid as a condition of capacity reservation. The capacity reservation fee shall be an amount equivalent to the then applicable transportation impact fee calculated on the basis of the total capacity reserved:

(1) Less any outstanding impact fee credits applicable to the property; and

(2) For a project which has received a certificate of affordability from the county’s community development and housing assistance department, less any transportation impact fees due for the affordable housing units within the project, provided that, for purposes of this subsection only, the calculation of the amount of such transportation impact fees shall not be reduced by the discounts authorized by Ordinance No. 92-10.

However, in the event the capacity reservation certificate is not used and the applicant would otherwise be entitled to a refund, the appropriate traffic impact fee credit shall be recredited to the applicant. The capacity reservation fee may not be prorated over the three-year term of the capacity reservation certificate. No capacity reservation certificate shall be issued until and unless the required capacity reservation fee is paid in
full. Failure to pay the capacity reservation fee within one hundred twenty (120) days from the date of issuance of the capacity encumbrance letter so that the capacity reservation certificate may be timely issued shall be deemed a withdrawal of the application for a capacity reservation certificate, and the CMO shall return the capacity to the available capacity bank.

The applicant shall be required to pay all impact fees due at the time of, and as a condition of, receiving a building permit, pursuant to the impact fee rate schedule in effect at the time a building permit is issued. However, the capacity reservation fee paid by the applicant shall be credited toward the impact fees due at time of issuance of the building permit on a dollar-for-dollar basis.

The capacity reservation fees collected pursuant to this section shall be kept separate from other revenue of the county. They shall be kept with road impact fees, but they shall be separately earmarked from road impact fees.

(b) Refund of unused flexible time frame reservation fee. Reservation fees shall be refundable as set forth in this paragraph. The CMO shall refund ninety (90) percent of the capacity reservation fee not applied as credit against impact fees in accordance with section 30-597(a). Refund shall be granted only if and to the extent that capacity reservation fees are subsequently received by the county from third parties in such amounts as are required to effect any requested refund. Those applicants awaiting refunds shall be placed on a list, and refunds shall be made to applicants in the order in which their names appear on such list, provided that funds are available to effect such refunds as specified in the preceding sentence.

(Ord. No. 91-27, § 1, 12-10-91; Ord. No. 92-21, § 2, 7-21-92)
Chapter 12

EDUCATIONAL OUTREACH

INCENTIVE
The creation of an educational outreach component for the development of affordable housing.

OBJECTIVE
To develop an ongoing educational outreach program that educates and informs the community about Orange County’s existing affordable housing programs.

CURRENT STATUS
Orange County currently does not have a program for this incentive.

EXPLANATION OF EXISTING REGULATION

Orange County does not have an existing policy to educate and provide outreach services to individuals involved in the provision and acquisition of affordable housing. Outreach is also needed for the purpose of marketing the SHIP programs during implementation.

The Educational Outreach Subcommittee met on a regular basis and adopted the following mission statement:

"The Educational Outreach Subcommittee will educate the public and government officials on the outreach efforts and housing needs of low-income families and identify systemic barriers to the provision of affordable housing."

The Subcommittee’s strategy for achieving this mission is based on the fact that Orange County is currently developing programs and developing new ways to get information to the public. Partnerships can be developed with corporations and banks to provide information on affordable housing programs to their employees through the use of newsletters and bulletins. Staff worked closely with the Subcommittee to also research this issue and to solicit any educational literature that might be available.

While the Subcommittee members and staff did not find many examples from other jurisdictions on their Educational Outreach component, the Subcommittee and staff did generate a wide range of suggestions on how to educate the public in utilizing existing
programs. During the course of their meetings, some of the actions they suggested included:

1. Designing an attractive multi-lingual brochure that could be distributed through various organizations, events, workshops and governmental agencies.

2. Targeting non-profit organizations, builders, developers, and banks and assembling a list of organizations to develop partnerships in educating the public on the affordable housing opportunities and how to take advantage of these programs, through workshops, home fairs and special events.

3. Organizing a two-week media blitz taking an advertisers marketing approach using newspapers, shopper papers, television, radio, and billboards.

4. Preparing individuals for the program through model cases which illustrate success stories in the media blitz.

5. Having a bank produce some of the literature to generate interest in new loan programs.

6. Establishing a Consortium of lenders in the area of affordable housing loan opportunities.

7. Holding workshops on how to improve credit ratings and qualify for the mortgage loans being offered.

8. Periodic meetings with developers to discuss available programs.

ADVANTAGES/DISADVANTAGES OF CHANGING OR ADOPTING INCENTIVE

The main advantage of adopting this incentive is that the level of participation and variety of participants in all of the County’s affordable housing programs could be increased.

The main disadvantage is that an intense public relations effort for affordable housing could represent a major increase in the cost of administering affordable housing programs.
IMPACTS ON PUBLIC HEALTH, SAFETY, OR WELFARE

The funds set aside for affordable housing may be used more quickly and meet the needs of their targeted eligible households more effectively if the providers and recipients of affordable housing are better-informed of their options and procedures to receive assistance.

The proposed outreach program could reach many consumers who are not eligible or are unaware of affordable housing. Unless a targeted focus for the program is achieved, public resources such as staff time and printing costs could be misappropriated.

COST REDUCTION ANTICIPATED FROM IMPLEMENTING RECOMMENDATION

This recommendation could decrease the cost of housing for any eligible individual who receives a grant, subsidy, or housing assistance payment because of the increased awareness of available county programs. It is possible that individuals who are currently considering buying or renting at market prices will learn of a more affordable option through the outreach program.

RECOMMENDATION OF ADVISORY COMMITTEE

The Educational Outreach Subcommittee recommends the employment of the following strategies to educate, train and inform interested parties about Orange County’s existing affordable housing programs;

1. A comprehensive marketing and communication plan that includes the preparation and dissemination of information via periodic newsletters, brochures and the use of the local media as a tool to reach the community at large.

2. Workshops conducted on a regular basis to train and educate: builders, developers, real estate professionals, lenders, and very-low to moderate-income families about the housing needs of low-income families, loan approval process and the construction process.

3. Prior to a developer’s first award of any funding or discount of impact fees, the developer must attend a technical assistance meeting with staff from the Department of Housing and Community Development to receive an overview of Orange County’s affordable housing programs.

RECOMMENDED SCHEDULE FOR IMPLEMENTATION

This recommendation should be implemented within two years of HIP adoption.
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