

## ST. PETERSBURG CITY COUNCIL

### Meeting of June 5, 2008

TO: The Honorable James Bennett, Chair, and Members of City Council

SUBJECT: An ordinance amending City Code Chapter 17.5 making changes to the City's SHIP Affordable Housing Advisory Committee required by changes to Section 420.9076, Florida Statutes adopted by the Florida Legislature in the 2007 Legislative session; and replacing outdated names and references.

#### EXPLANATION:

On March 4, 1993, City Council adopted Resolution No. 93-186 and then Ordinance 90-G included in Chapter 17.5 of the City Code the requirements concerning Appointment, Composition, and Term of Members of the State Housing Initiatives Partnership ("SHIP") Affordable Housing Advisory Committee ("Committee"). The original size of the Committee was nine (9) members and the original Committee was comprised of members of the Housing Roundtable. The purpose of the Committee was to review established policies and procedures, ordinances, land development regulations, and the Comprehensive Plan of the City and to make recommendations to City Council on specific incentives to encourage affordable housing. City Council then amended the Local Housing Assistance Plan ("LHAP") to include the local housing incentive plan which adopted two of the recommended strategies. The Committee had then fulfilled its purposes under the SHIP regulations, and was not required to meet again.

During the 2007 Legislative session, House Bill 1375 was approved, resulting in an amendment of Florida Statutes 420.9076 which requires the City to increase the size of the Committee to eleven (11) members, appoint all required members by June 30, 2008, and requires the Committee to review the previously recommended incentive strategies, approve any additional incentive strategies, and submit a report to City Council by December 31, 2008. The City Council is then required to consider the recommendations for possible amendment of the LHAP. The Committee must then review the implementation of previously recommended strategies and make any additional strategy recommendations triennially thereafter.

One of the categories for membership on the Committee is for a citizen to represent essential services personnel, as defined in the LHAP. The City's LHAP was amended by City Council on April 17, 2008 to establish this definition, and therefore the City Code can now be amended to expand the Committee to include this category of membership.

The Administration has received applications and resumes from interested citizens who would like to participate in the process and needs to have a Committee in place by June 30, 2008 in order to comply with the SHIP program requirements. The Mayor has reviewed the applications and resumes and will be forwarding the request for City Council to confirm the appointments at the June 5, 2008, meeting after the 2<sup>nd</sup> reading and public hearing of this ordinance is held.

RECOMMENDATION:

The Administration recommends APPROVAL.

- Recommended City Council Action:
- 1) First Reading was conducted May 15, 2008
  - 2) Conduct Second Reading and Public Hearing on June 05, 2008 and adopt Ordinance
  - 3) Confirm Appointments to Committee on June 05, 2008 by Resolution

Approvals:

Administration: 

ATTACHMENTS: Proposed Ordinance  
Housing Affordability Impact Statement

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Ordinance No. \_\_\_\_\_

AN ORDINANCE AMENDING SECTION 17.5 OF THE CITY CODE TO REVISE THE STATE HOUSING INITIATIVES PARTNERSHIP ("SHIP") AFFORDABLE HOUSING ADVISORY COMMITTEE TO COMPLY WITH CHANGES TO FLORIDA STATUTE 420.9076; PROVIDING FOR AN INCREASE IN THE SIZE OF THE COMMITTEE; REQUIRING THE COMMITTEE TO BE JOINTLY STAFFED BY CITY HOUSING AND PLANNING PROGRAMS STAFF; REQUIRING A TRIENNIAL REPORT TO BE SUBMITTED TO THE FLORIDA HOUSING FINANCE CORPORATION; REPLACING OUTDATED NAMES AND REFERENCES; AND PROVIDING AN EFFECTIVE DATE

THE CITY OF ST. PETERSBURG DOES ORDAIN:

SECTION 1. The St. Petersburg City Code Chapter 17.5, Article I, Sections 17.5-1 through 17.5-8 is hereby amended to read as follows:

ARTICLE I. IN GENERAL

Sec. 17.5-1. Intent and Purpose of the Local Housing Assistance Program.

- (a) The intent of the Local Housing Assistance Program (the "Program") is:
- (1) To increase the availability of affordable housing units by combining local resources and cost-saving measures into a Local Housing Partnership and using public funds to leverage private funds, thereby reducing the cost of housing;
  - (2) To assist in achieving the growth management goals contained in the adopted local comprehensive plan, by allowing more efficient use of land so as to provide housing units that are affordable to persons who have special housing needs, very-low income, low-income, or moderate-income.
  - (3) To promote innovative design of eligible housing that provides cost savings; flexible design options for housing and development such as the combination of architectural styles, building forms, and development requirements; and positive design features such as orientation towards the street and pedestrian access, without compromising the quality of the eligible housing;
  - (4) To promote mixed-income housing in urban and suburban areas so as to provide increased housing and economic opportunities for persons who have special housing needs, or have very low-income, low-income, or moderate-income; and
  - (5) To build the organizational and technical capacity of community-based organizations so as to optimize the role of community-based organizations in the production of affordable housing.

(b) The purpose of this article (ordinance) is to aid in achieving the intent of the Program while providing for:

- (1) Protection of natural resources;
- (2) Enhancement of the viability of public transit, pedestrian circulation, and non-motorized modes of transportation;
- (3) Community development and economic growth; and
- (4) A strong sense of community through increased social and economic integration.

(Ord. No. 90-G, § 1, 4-15-93)

#### Sec. 17.5-2. Definitions.

The definitions of the words and phrases set forth in Chapter 420.9071 and Rule 91-37.002, Florida Administrative Code, as amended, are expressly made a part of this article and are incorporated by reference as if fully set forth herein.

#### Sec. 17.5-3. Establishment of the Local Housing Assistance Program.

- (a) The Local Housing Assistance Program (the "Program") is hereby created and established.
- (b) The Local Housing Partnership shall use the funds received from the State pursuant to SHIP to implement the Program. Approximately 90 percent of SHIP funds will be devoted to locally designed strategies that create or preserve affordable housing.
- (c) The City hereby specifically finds that the cost of administering the Program will exceed five percent but shall not exceed ten percent of the funding received from the state pursuant to SHIP.
- (d) The Program shall include all other lawful objectives not previously listed if said objectives have been adopted into the Local Housing Assistance Plan in the manner provided for by SHIP.

#### Sec. 17.5-4. Local Housing Partnership.

- ~~(a) For the purposes of SHIP, the St. Petersburg Housing Roundtable shall serve as the Local Housing Partnership to deliver affordable housing.~~
- ~~(b) The Local Housing Partnership is a committee appointed by the Mayor and includes, but is not limited to, the City, community-based organizations, for profit housing developers, lending institutions, providers of professional services relating to affordable housing, and service organizations working on behalf of persons with special housing needs.~~
- ~~(c)~~ (b) The Local Housing Partnership shall ~~implement~~ support the Program in a manner that includes providing support services for housing program beneficiaries such as training to prepare persons for the responsibility of homeownership, counseling of tenants, and the establishment of support services such as day care, health care, and transportation. Such implementation shall be consistent with this article (ordinance) and SHIP.

#### Sec. 17.5-5. Designation of Responsibility for Administration and Implementation of the Local Housing Assistance Program.

(a) The Housing and ~~Economic~~ Community Development Department of the City of St. Petersburg shall be responsible for implementation and administration of the Program as follows:

(1) To work with the Local Housing Partnership to monitor the success of the Program, and provide advice and suggestions as to whether and in what ways the Program might be improved from year to year.

(2) To work with the Local Housing Partnership to coordinate local programs so as to maximize the production of eligible housing through the Program.

(b) The total amount paid for any administrative expenses in connection with the Program will not exceed ten percent of the proceeds of the local housing distribution.

(c) In implementing the Program the Local Housing Partnership and the Housing and ~~Economic~~ Community Development Department shall:

(1) Advertise the availability of a housing assistance program in a newspaper of general circulation and periodicals serving ethnic and diverse neighborhoods, at least 30 days before the beginning of any application period.

(2) Adopt by Resolution a Local Housing Assistance Plan (LHAP) which includes a maximum award schedule or system of awards to comply with the following criteria:

a. 65 percent of the SHIP funds shall be reserved for homeownership for eligible persons.

b. 75 percent of SHIP funds shall be reserved for construction, rehabilitation, or emergency repair of eligible housing.

c. The sales price of new or existing eligible housing constructed, rehabilitated or otherwise assisted using any SHIP funds shall not exceed 90 percent of the median area purchase price in the area where the eligible housing is located as established by the United State Department of Treasury in accordance with Section 3(b)2 of the United States Housing Act of 1937.

d. All units constructed, rehabilitated, or otherwise assisted with SHIP funds shall be occupied by very low-income, low-income, or moderate-income persons or persons who have special housing needs. At least 30 percent of units must be occupied by very low-income persons at least another 30 percent by low-income persons. The remainder shall be occupied by persons who have special housing needs, very low-income, low-income, or moderate-income.

e. The amount of monthly mortgage payments or the amount of monthly rents charged by the eligible sponsor must be affordable to eligible persons who will benefit from the Program.

f. Loans shall be provided for periods not exceeding 30 years except for deferred payment loans or loans that extend beyond 30 years which continue to provide eligible housing for eligible persons.

g. Eligible owner-occupied housing constructed, rehabilitated, or otherwise assisted with SHIP funds shall be subject to subsidy recapture provisions which are identical to those specified in Section 143 et seq. of the Internal Revenue Code which govern the use of proceeds of mortgage bonds.

h. Eligible rental housing constructed, rehabilitated, or otherwise assisted with SHIP funds shall reserve and provide the minimum set asides for eligible persons for 15 years.

i. A qualification system for applicants for awards consistent with the intent of the Program and SHIP shall be established by the Local Housing Partnership.

- j. The Local Housing Partnership ~~and the City~~ shall annually monitor and determine tenant eligibility and amount of subsidy pursuant to the provisions of this article (ordinance) and SHIP.
- (3) The City, the Local Housing Partnership, and all eligible sponsors shall not discriminate in the loan application process of eligible persons for eligible housing on the basis of race, creed, religion, color, age, sex, sexual preference, marital status, familial status, national origin, or handicap.
- (4) The City shall comply with all rules and regulations of the Florida Housing Finance Agency Corporation in connection with required reporting by the City of compliance with its Program.
- (5) Prior to receiving an award, all eligible persons or eligible sponsors shall enter into a covenant or agreement which will insure that they will comply with the affordable housing criteria set forth in this article (ordinance) and SHIP. All eligible persons or eligible sponsors shall include in the deed transferring ownership of the property to the eligible person or eligible sponsor a covenant agreeing to comply with the terms of the above described laws which covenant will run with the land. The agreement may also be made a part of the mortgage agreement. Failure to comply with the covenant or agreement shall result in a default of the mortgage and acceleration of the promissory note with all remedies and rights for enforcement inuring to the benefit of the City.
- (6) Eligible sponsors receiving assistance from both SHIP and the Low Income Housing Tax Credit (LIHTC) Program shall be required to comply with the income, affordability, and other LIHTC requirements. Similarly, any eligible housing receiving assistance from SHIP and other federal programs shall be required to comply with any requirements specified by the federal program in addition to SHIP requirements.

Sec. 17.5-6. Creation of the Local Housing Assistance Trust Fund.

- (a) The Local Housing Assistance Trust Fund (the "Fund") is hereby created and established.
- (b) All monies received from the state pursuant to SHIP and any other funds received or budgeted specifically to provide funding for the Program shall be deposited into the Fund.
- (c) Administration and expenditures from the Fund shall comply with SHIP. Until utilized for the purposes thereof, monies in the Fund shall be held in trust by the City solely for use pursuant to the Program.
- (d) Amounts on deposit in the Fund shall be invested as permitted by law. All investment earnings shall be retained in the Fund and used for the purposes thereof.
- (e) The Fund shall be separately stated as a special revenue fund in the City's audited financial statements and copies of such audited financial statements shall be forwarded to the Florida Housing Finance Agency Corporation as soon as such statements are available.
- (Ord. No. 90-G, § 1, 4-15-93)

Sec. 17.5-7. Creation of the Affordable Housing Advisory Committee.

- (a) The Affordable Housing Advisory Committee, (the "Committee") created by Resolution 93-186 is hereby ratified, confirmed and established. The members of the Committee shall be appointed by the Mayor with consent of the City Council by resolution.

(b) Resolution 93-186 defines affordable housing as applicable to the City in a way that is consistent with the adopted local ~~comprehensive plan~~ Comprehensive Plan.

(c) The Committee shall consist of ~~nine~~ eleven members. ~~Five~~ Six members shall constitute a quorum. The Committee may not take formal actions unless a quorum is present, but may meet to hear presentations if duly noticed. The Committee shall include the following, which individuals may be members of the Local Housing Partnership:

(1) One citizen who is actively engaged in the residential building industry in connection with affordable housing.

(2) One citizen who is actively engaged in the banking or mortgage industry in connection with affordable housing.

(3) One citizen who is a representative of those areas of labor engaged in home building in connection with affordable housing.

(4) One citizen who is ~~designated~~ actively engaged as an advocate for low-income persons in connection with affordable housing.

(5) One citizen who is actively engaged as a for-profit provider of affordable housing.

(6) One citizen who is actively engaged as a real estate professional in connection with affordable housing.

(7) One citizen who is actively engaged as a not-for-profit provider of affordable housing.

(8) One citizen who actively serves on the local planning agency pursuant to Florida Statute 163.3174, which is the City's Planning and Visioning Committee.

(9) One citizen who resides within the City of St. Petersburg.

(10) One citizen who represents employers within the City of St. Petersburg.

(11) One citizen who represents essential services personnel, as defined in the local housing assistance plan.

(d) Members may be appointed for ~~one or two-~~ three year terms and may be reappointed for subsequent terms. Appointments shall be made whenever the terms of appointees expire, and in accord with the regulations set forth herein. All members shall serve until their respective successors have been appointed and qualified. ~~The terms of the members may be staggered so that all terms may not expire simultaneously.~~ Each appointment to fill a vacancy shall be for the unexpired term and shall be made by the Mayor and confirmed by City Council.

(e) The Committee shall comply with the Government In The Sunshine Law, the public records law, and the special provisions regarding notice of Affordable Housing Incentive Plan considerations found in Chapter 420.9076, Florida Statutes. Minutes of all meetings shall be kept.

(f) The Committee shall annually elect a Chairperson, Vice-chairperson, and such other officers as it deems necessary. The Chairperson is charged with the duty of conducting meetings in a manner consistent with law.

(g) The Committee shall review the established policies and procedures, ordinances, land development regulations, and adopted local comprehensive plan of the City triennially, and shall recommend specific actions or initiatives to encourage or facilitate affordable housing while protecting the ability of the property to appreciate in value.

(h) Recommendations may include the modification or repeal of existing policies, procedures, ordinances, regulations, or plan provisions. At a minimum, the Committee shall submit a report

to the City Council that includes make recommendations on, and triennially thereafter evaluates the implementation of affordable housing incentives in the following areas:

- (1) The affordable housing definition in the appointing resolution.
- (2) The implementation of expedited processing of approvals of development orders or permits, as defined in FS 163.3164(7) and (8), for of affordable housing projects that is expedited to a greater degree than other projects.
- (3) The modification of impact-fee requirements including reduction or waiver of fees and alternative methods of fee payment for affordable housing.
- (4) The allowance of increased density levels flexibility in densities for affordable housing.
- (5) The reservation of infrastructure capacity for housing for very low-income persons, and low-income persons, and moderate-income persons.
- (6) ~~The transfer of development rights as a financing mechanism for housing for very low income persons and low income persons~~ The allowance of affordable accessory residential units in residential zoning districts.
- (7) The reduction of parking and setback requirements.
- (8) The allowance of flexible lot configurations, including zero-lot-line configurations.
- (9) The modifications of sidewalk and street requirements for affordable housing.
- (10) The establishment of a process by which the ~~city~~ City considers, before adoption, procedures and policies 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 support of development near transportation hubs and major employment centers and mixed-use developments.

(i) The Committee recommendations ~~shall~~ may also include other affordable housing incentives identified by the Committee.

(j) The Committee shall be cooperatively staffed by the City department or departments having authority to administer local planning and housing programs to ensure an integrated approach to the work of the advisory committee.

~~(k)~~ (k) To the maximum extent feasible, the approved affordable housing incentive recommendations submitted to the City must quantify the affordable housing cost reduction anticipated from implementing the specific recommendation.

~~(l)~~ (l) Within nine months from the adoption of this article (ordinance, April 15, 1993), the Committee shall make recommendations approved by a majority of its membership at a public hearing. Notice of the time, date, and place of the public hearing of the Committee to adopt final affordable housing incentive recommendations shall be published in a newspaper of general paid circulation in the City. Such notice shall contain a short concise summary of the affordable housing incentive recommendations to be considered by the Committee. The notice shall also state the public place where a copy of the proposed Committee recommendation can be obtained by interested persons.

(m) A review of previously recommended strategies and approval of any additional housing incentive strategy recommendations by the Committee shall be approved by a majority of its membership at a public hearing. Notice of the time, date, and place of the public hearing of the Committee to adopt final affordable housing incentive recommendations shall be published in a newspaper of general paid circulation in the City. Such notice shall contain a short concise

summary of the affordable housing incentive recommendations to be considered by the Committee. The notice shall also state the public place where a copy of the proposed Committee recommendation can be obtained by interested persons. The report shall then be submitted to City Council by December 31, 2008, the report is then required to be reviewed and submitted triennially on December 31 of the year preceding the submission of the local housing assistance plan

Sec. 17.5-8. Adoption of the Affordable Housing Incentive Plan.

Within 90 days after the date of the receipt of the affordable housing incentive recommendations from the Committee, the City Council shall review the report, consider the strategies specified in Section 17.5-7 (h) (1)-(12) above as recommended by the Committee and ~~adopt~~ consider adopting or amending the Local Housing Assistance Plan to incorporate the recommendation of the Committee for the an Affordable Housing Incentive Plan. The Affordable Housing Incentive Plan shall consist of the adoption of specific initiatives to encourage or facilitate affordable housing and a schedule for implementation and must include, at a minimum:

- (1) ~~A schedule for implementation of expedited permit processing for affordable housing projects~~ An assurance that permits as defined in S. 163.3164(7) and (8) for affordable housing projects are expedited to a greater degree than other projects; and
- (2) An ongoing process for review of local policies, ordinances, regulations, and comprehensive plan provisions that significantly impact the cost of housing;

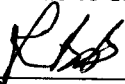
(Ord. No. 90-G, § 1, 4-15-93)

SECTION TWO. Words that are ~~struck through~~ shall be deleted from the existing City Code and words which are underlined shall be added to the existing City Code.

SECTION THREE. Severability. The provisions of this ordinance shall be deemed to be severable. If any provision of this ordinance is judicially determined to be unconstitutional or otherwise invalid, such determination shall not affect the validity of any other provision of this ordinance.

SECTION FOUR. Effective date. In the event this ordinance is not vetoed by the Mayor in accordance with the City Charter, it shall become effective upon the fifth business day after adoption unless the Mayor notifies the City Council through written notice filed with the City Clerk that the Mayor will not veto the ordinance, in which case the ordinance shall take effect immediately upon filing such written notice with the City Clerk. In the event this ordinance is vetoed by the Mayor in accordance with the City Charter, it shall not become effective unless and until the City Council overrides the veto in accordance with the City Charter, in which case it shall become effective immediately upon a successful vote to override the veto.

Approved as to form and content:



\_\_\_\_\_  
City Attorney or designee

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#### IV: Certification

It is important that new local laws which could counteract or negate local, state and federal reforms and incentives created for the housing construction industry receive due consideration. If the adoption of the proposed regulation is imperative to protect the public health, safety and welfare, and therefore its public purpose outweighs the need to continue the community's ability to provide affordable housing, please explain below:

CHECK ONE:

- The proposed regulation, policy, procedure, or comprehensive plan amendment will **not** result in an increase to the cost of housing development or redevelopment in the City of St. Petersburg and no further action is required. ( Please attach this Impact Statement to City Council Material, and provide a copy to Housing and Community Development department.)

Joshua A. Johnson  
Department Director (signature)

4-30-08  
Date

OR

- The proposed regulation, policy, procedure, or comprehensive plan amendment being proposed by resolution or ordinance *will increase housing costs* in the City of St. Petersburg. (Please attach this Impact Statement to City Council Material, and provide a copy to Housing and Community Development department.)

\_\_\_\_\_  
Department Director (signature)

\_\_\_\_\_  
Date

Copies to: City Clerk (attached to City Council Material)  
Housing and Community Development