

Memorandum



Date: October 13, 2016

EPC

To: Honorable Chairman Jean Monestime
and Members, Board of County Commissioners

Supplement to
Agenda Item No. 1G1

From: Carlos A. Gimenez
Mayor

A handwritten signature in black ink, appearing to read "Carlos A. Gimenez", written over a horizontal line.

Subject: Fiscal Impact Statement for Ordinance Relating to Zoning, Housing, and Impact Fees; Creating a Mandatory Workforce Housing Development Program

The proposed ordinance relating to zoning, housing, and impact fees, creates a mandatory Workforce Housing Development program; amends requirements for workforce housing units and modifies density bonus and development intensity standards; amends requirements for declaration of restrictive covenants regarding workforce housing units; provides for deferral of road impact fees for development of workforce housing units; amends eligibility requirements relating to Workforce Housing Development Program administration; amends Article XIA of Chapter 33, Article IX of Chapter 17, and sections 33E-6.1 and 33E-18 of the Code.

The proposed ordinance will have an estimated \$287,000 fiscal impact to the Public Housing and Community Development Department. It is anticipated that four positions, one Project Manager, one Compliance Officer, one Homeownership Specialist, and one part-time Finance and Budget Administrator will be required to support the functions necessary to administer this ordinance. The Project Manager and Compliance Officer will be responsible for monitoring construction related activities associated with the construction of required Workforce Housing Units (WHUs) for new residential developments countywide, as well as monitoring income eligibility and restrictive covenant requirements throughout the life of both homeownership and rental developments. One Homeownership Specialist is needed to provide the required income eligibility certification to all potential WHU homebuyers and renters, in addition to monitoring sale and resale activity in for purchase developments to ensure compliance with maximum sales price and shared equity provisions contained in the ordinance. A part-time Finance and Budget Administrator is required to perform necessary research and analyze market data relative to construction costs for both residential "for sale" and rental housing. This analysis will be used to monitor the impacts of the ordinance on the residential development industry in the County, as well as assist in the annual review of the maximum sales price and payment in lieu of developing WHU provisions.

The proposed ordinance will have an estimated \$158,000 fiscal impact on the Department of Regulatory and Economic Resources. It is anticipated that two positions, one Senior Planner and one Zoning Services Senior Plans Processor, will be required to support the functions necessary to administer this ordinance. The Senior Planner will be responsible for reviewing the applications subject to the mandatory workforce housing program submitted to the Development Services Division and ensuring they meet the requirements of the code, as well as drafting and coordinating the review and approval of necessary covenants. The Zoning Services Senior Plans Process will reconcile Chapter 33-related workforce housing requirements on projects against covenants when a developer/property owner seeks a building permit. The Department of Regulatory and Economic Resources will also require programming changes to its permitting and impact fee systems, which can be accommodated in its existing service level agreement with the Information Technology Department, but will need a minimum of six (6) to nine (9) months to implement.

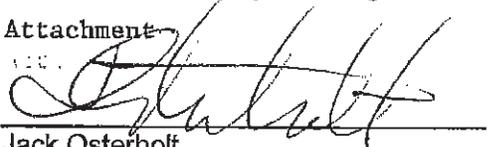
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In addition, the implementation of this ordinance will allow for the deferral of 90 percent of the assessed road impact fees originating from workforce housing units for a two-year period. This deferral may require adjusting the timeline on capital projects currently funded by road impact fee revenues to accommodate the impact of the deferral.

The forecast of expenditures included in the attached table assumes a five percent annual inflationary increase for both salary and fringes, a three percent increase for operating expenses and are subject to change. The estimated expenses could be funded by the revenues deposited in the Affordable Housing Trust Fund pursuant to this ordinance subject to the five (5) percent cap for administrative expenses and departmental proprietary revenues. This expense is not part of the FY 2016-17 Adopted Budget.

Attachment

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Jack Osterhoff
Deputy Mayor

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WORKFORCE HOUSING

Fiscal Impact Table

Use Existing Resources

Revenue Category	Value	Year 1	Future Yr 1	Future Yr 2	Future Yr 3	Future Yr 4	Future Yr 5	Yes	No
General Fund									
Proprietary	\$ 445,745	\$ 445,745	\$ 467,761	\$ 490,868	\$ 515,123	\$ 540,582	\$ 567,305		X
Federal Funds									
State Funds									
Interagency Transfers									
Subtotal	\$ 445,745	\$ 445,745	\$ 467,761	\$ 490,868	\$ 515,123	\$ 540,582	\$ 567,305		
Expenditure Category									
Operating									
Salary	\$ 350,029	\$ 350,029	\$ 367,530	\$ 385,907	\$ 405,202	\$ 425,462	\$ 446,735		
Fringes	\$ 82,117	\$ 82,117	\$ 86,223	\$ 90,534	\$ 95,060	\$ 99,813	\$ 104,804		
Court Costs									
Contractual Services									
Charges for County Services									
Other Operating	\$ 13,600	\$ 13,600	\$ 14,008	\$ 14,428	\$ 14,861	\$ 15,307	\$ 15,766		
Grants to Outside Organizations									
Capital									
Subtotal	\$ 445,745	\$ 445,745	\$ 467,761	\$ 490,868	\$ 515,123	\$ 540,582	\$ 567,305		
Non-Operating									
Debt Services									
Distribution of Funds In Trust									
Transfers									
Depreciation, Amortization, and Deletions									
Subtotal	\$ -								
Grand Total	\$ 445,745	\$ 445,745	\$ 467,761	\$ 490,868	\$ 515,123	\$ 540,582	\$ 567,305		

Note: Fiscal impact narrative (paragraph above the table) should contain the following, if applicable:

1. Description of the anticipated increase or decrease of expenditures listed above and current and subsequent fiscal years, if any,
2. Description of projected dollar value of anticipated expenditures that will be absorbed within existing resources within the current fiscal year,
3. Description of subsequent governmental action that will be required in order to determine anticipated revenues and expenditures, including new revenues (federal, state, or the need to increase existing fees)
4. Any long-term fiscal implications as a result of the implementation of the proposed legislation, if any, in cases where risk factors or other variables that may impact future revenues or expenditures are uncertain, volatile, or difficult to project, a description of risk factors or variables and estimate or projection of anticipated or projected impacts to revenues and expenditures
5. Description of all assumptions used to project the fiscal impact of the proposed legislation and include estimate anticipated revenues and expenditures
6. In the cases where the Mayor has determined a "no fiscal impact", a description of the assumptions and analysis used to reach that conclusion