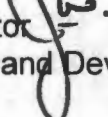




Interoffice Memorandum

February 27, 2020

TO: Mayor Jerry L. Demings
–AND–
Board of County Commissioners

FROM: Jon V. Weiss, P.E., Director 
Planning, Environmental, and Development
Services Department

CONTACT PERSON: Mitchell Glasser, Manager
Housing and Community Development Division
407-836-5190

SUBJECT: March 24, 2020 – Public Hearing
Ordinance Establishing the Orange County Affordable Housing
Trust Fund Program

The Mayor's Housing for All Task Force was established to develop community-based solutions for the affordable housing crisis, to expand housing options, and to address affordability issues. The Housing for All Task Force held its final meeting on November 15, 2019, and adopted a recommended Housing for All Ten-year Action Plan (HFA Plan). The Board approved the HFA Plan on December 17, 2019. The HFA Plan sets forth an action plan for Orange County to address the affordable housing crisis through four main recommendations:

1. Remove regulatory barriers and introduce more streamlined regulatory policies;
2. Create new financial resources;
3. Target areas of access and opportunity; and
4. Engage the community and industry.

Another significant recommendation of the HFA Plan is the creation of a local Affordable Housing Trust Fund. In that regard, the attached Ordinance provides for:

1. The establishment of the Affordable Housing Trust Fund Program and the Affordable Housing Trust Fund;
2. The preparation and submission of an Affordable Housing Trust Fund Plan;
3. The administration of the Program;
4. Annual budget requirements;
5. The allocation and use of Program Funds; and
6. Donor Contributions (cash and real property).

The Board set aside \$10 million in the annual budget amendment on January 28, 2020, to be transferred into the Trust Fund once created. The contents of the Affordable Housing Trust Fund Plan will detail the specific strategies, goals, and budget. The Ordinance also provides for an annual reporting of all sources and uses of program funds and progress made toward the affordable housing goals set forth in the Housing for All Ten-Year Action Plan.

ACTION REQUESTED: Adoption and execution of Ordinance pertaining to affordable housing; Amending Article VIII of Chapter 2, Orange County Code, by creating Division 2; Providing a title; Declaring the intent, purpose and findings; Providing definitions; Establishing the Orange County Affordable Housing Trust Fund Program and describing the purpose thereof; Establishing the Orange County Affordable Housing Trust Fund; Providing for adoption of an Affordable Housing Trust Fund Plan; Providing for administration of the program; Providing for annual budget requirements; Providing for the allocation and use of program funds; Providing for donor contributions; Providing an effective date.

JWW:MG:ER

Attachment

c: Byron W. Brooks, AICP, County Administrator
Eric Gassman, Chief Deputy County Comptroller
Scott McHenry, Assistant County Attorney

ORDINANCE NO. 2020-_____

AN ORDINANCE PERTAINING TO AFFORDABLE HOUSING; AMENDING ARTICLE VIII OF CHAPTER 2, ORANGE COUNTY CODE, BY CREATING DIVISION 2; PROVIDING A TITLE; DECLARING THE INTENT, PURPOSE AND FINDINGS; PROVIDING DEFINITIONS; ESTABLISHING THE ORANGE COUNTY AFFORDABLE HOUSING TRUST FUND PROGRAM AND DESCRIBING THE PURPOSE THEREOF; ESTABLISHING THE ORANGE COUNTY AFFORDABLE HOUSING TRUST FUND; PROVIDING FOR ADOPTION OF AN AFFORDABLE HOUSING TRUST FUND PLAN; PROVIDING FOR ADMINISTRATION OF THE PROGRAM; PROVIDING FOR ANNUAL BUDGET REQUIREMENTS; PROVIDING FOR THE ALLOCATION AND USE OF PROGRAM FUNDS; PROVIDING FOR DONOR CONTRIBUTIONS; PROVIDING AN EFFECTIVE DATE.

BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF ORANGE COUNTY, FLORIDA:

Section 1. Amendments to Chapter 2, Article VIII. Chapter 2, Article VIII, (“Local Housing Assistance Program”), of the Orange County Code is amended to read as follows, with underlines showing additions and strike-throughs showing deletions:

**ARTICLE VIII. ~~LOCAL HOUSING ASSISTANCE PROGRAM~~
HOUSING PROGRAMS**

DIVISION 1. LOCAL HOUSING ASSISTANCE PROGRAM

Secs. 2-287 – 2-~~300~~288. Reserved.

Section 2. Creation of Division 2 of Article VIII, Chapter 2. Article VIII of Chapter

2, Orange County Code, is hereby amended by creating a new Division 2 therein, entitled
44 “Affordable Housing Program,” to read as follows:

46 DIVISION 2. AFFORDABLE HOUSING PROGRAM

48 **Sec. 2-289. Title.**

50 This Ordinance shall be known as the “Affordable Housing
Program.”

52 **Sec. 2-290. Intent and Purpose; Findings.**

54 (a) The Board of County Commissioners (“Board”)
56 finds that the County has experienced rapid population growth and
that these growth trends are predicted to continue.

58 (b) The Board further finds that a large portion of
60 households in Orange County are considered cost-burdened because
62 they pay more than 30% of their household income for housing
expenses, such as mortgage and rent costs. Cost-burdened
households have less available income to spend on basic needs such
as food, transportation, education and medical care.

64 (c) The Board acknowledges that the adequate supply of
66 safe, decent and affordable housing at all income levels is critical to
68 fostering healthy families, helps create and maintain jobs, and
improves the quality of life and economic prosperity of the
community.

70 (d) It is the intent and purpose of the Board to increase
72 the supply of affordable and attainable housing within the County.

74 (e) Recognizing that the currently available Federal and
76 State funds received by the County for preserving and creating
affordable housing are insufficient to meet community needs, the
Board desires to expand the County’s local program for preserving
78 and developing affordable housing.

80 (f) The Housing for All Task Force was established to
82 develop solutions for the growing housing crisis and to expand
housing options for County residents.

84 (g) The Housing for All Task Force made its
86 recommendations to the Board by way of a 10-Year Action Plan that
was adopted by the Board on December 17, 2019.

88 (h) The Housing for All 10-Year Action Plan
90 recommendations included the creation of new financial resources,
92 such as the establishment of an Affordable Housing Trust Fund as a
local funding source for affordable housing and as a vehicle for
public-private partnership opportunities.

94 (i) The Board finds that a local housing trust fund would
96 incentivize the construction of new affordable housing and the
98 preservation of existing affordable housing; encourage missing
middle housing types; and meet other affordable housing needs
identified in the Housing for All 10-Year Action Plan.

100 (j) It is also the intent of the Board that revenue sources
102 for this affordable housing program be identified during the
County's annual budgeting process. Private individuals as well as
104 corporations, foundations and other entities should also be permitted
106 to make charitable cash and non-cash contributions to be used
exclusively for the public purpose of the County's affordable
housing program and trust fund.

108 **Sec. 2-291. Definitions.**

110 The following words, terms, and phrases, when used in this
112 section or in any County policy or regulation adopted pursuant to
this section, whether capitalized or not, shall have the meanings
114 ascribed to them in this section unless the context clearly indicates
a different meaning.

116 *Affordable* means housing units that will serve households
with incomes between 30 – 120% of the median annual income.

118 *Affordable Housing Trust Fund Account* (“Trust Account”)
120 means the account designated as the repository for Affordable
Housing Trust Fund monies.

122 *Affordable Housing Trust Fund* (“Trust Fund”) means the
124 fund established pursuant to this article/division.

126 *Affordable Housing Trust Fund Program* (“Program”)
128 means the program established pursuant to this article/division for
the purpose of promoting the preservation and creation of affordable
130 housing for very-low-, low- and moderate-income households in
Orange County.

132 *Attainable (workforce)* means housing units that will serve
134 households with incomes between 120 – 140% of the median annual
income.

136 *Donor Contribution* means a gift, donation or contribution
138 of cash or check, or real property to the Trust Fund from a donor for
the public purpose of supporting the Program and the County's
efforts to expand affordable housing.

140 *Donor* means any individual, corporation, foundation or
142 other person or entity which makes a gift, donation or contribution
to the Program.

144 *Low-income person or low-income household* means one or
146 more natural persons or a family that has a total annual gross
household income that does not exceed 80% of the median annual
148 income, as published by U.S. Department of Housing and Urban
Development ("HUD") and adjusted for family size for households
150 within the Orlando-Kissimmee-Sanford metropolitan statistical
area.

152 *Missing middle* means housing that aims to create diverse
154 housing types that are compatible with existing neighborhoods.
Missing middle housing types include duplexes/ triplexes/
156 fourplexes, bungalow courts, small homes/lots, townhouses, live-
work units and accessory dwelling units.

158 *Moderate-income person or moderate-income household*
160 means one or more natural persons or a family that has a total annual
gross household income that does not exceed 120% of the median
162 annual income, as published by HUD and adjusted for family size
for households within the Orlando-Kissimmee-Sanford
164 metropolitan statistical area.

166 *Very-low-income person or very-low-income household*
168 means one or more natural persons or a family that has a total annual
gross household income that does not exceed 50% of the median
170 annual income, as published by HUD and adjusted for family size
for households within the Orlando-Kissimmee-Sanford
172 metropolitan statistical area.

174 **Sec. 2-292. Establishment of the Affordable Housing Trust
Fund Program; Purpose.**

176 There is hereby established the Program. The Program is
178 established for the purpose of creating and preserving affordable
rental and ownership housing for moderate-income, low-income and
very-low-income persons and households in Orange County.

180 **Sec. 2-293. Establishment of the Affordable Housing Trust**

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Fund.

(a) The Trust Fund is established for the purpose of providing the financial resources and the leverage necessary to create and preserve affordable housing units in Orange County.

(b) All Donor Contributions shall, in the case of cash or check, be deposited in the Trust Fund, or if real property, conveyed to the County as set forth in Sec. 2-298(c) below. Any interest, earnings or other accruals on cash contributions shall be used solely for the Program.

(c) The Comptroller, as the chief financial officer for the County, is hereby directed to establish and maintain a fund known as the Affordable Housing Trust Fund within the accounts of the Board.

(d) The Trust Fund shall be separately stated as an individual revenue fund in the County's audited financial statements.

(e) The amount of the County's annual contribution to the Trust Fund shall be identified as part of the County's annual budgeting process.

(f) The Trust Fund shall be self-perpetuating from year-to-year unless or until specifically terminated by the Board.

(g) The Trust Fund and the Program shall be administered by the Orange County Housing and Community Development Division (the "Housing Division").

Sec. 2-294. Affordable Housing Trust Fund Plan.

(a) Not later than [INSERT DATE 3 MONTHS AFTER DATE OF ADOPTION OF ORDINANCE] the Housing Division shall submit a recommended Affordable Housing Trust Fund Plan (the "Plan") to the Board for consideration. The Plan shall be prepared by the Housing Division after input from and recommendations by the County's Affordable Housing Advisory Board ("Advisory Board"). A new Plan shall be prepared and submitted to the Board every three (3) years thereafter. Changes to any Plan adopted by the Board may be made by the Housing Division in its discretion on an "as needed" basis after input from the Advisory Board, but shall not require Board approval, as long as any such changes are not inconsistent with the Plan.

230 (b) The contents of the Plan shall, at a minimum, include
the Strategies and Priorities of the Plan, with a description of each
232 strategy and corresponding sub-strategy of the Plan. In addition, the
Plan may set forth one or more of the following, as applicable, for
each of the proposed strategies and sub-strategies:

234 (1) Income Categories to be Served: a
236 description of the income groups targeted by each adopted strategy.

238 (2) Affordability Terms: a description of the
affordability restrictions and requirements for each adopted strategy
240 or sub-strategy.

242 (3) Loan Terms/ Interest Rate/ Repayment: a
description for each adopted strategy involving a lending
244 component.

246 (4) Recipient Selection Criteria: a description of
how eligibility is determined to ensure that a project or Program
248 beneficiary meets the established criteria in the Plan.

250 (5) Public-Private Partnership Selection Criteria:
a description of the criteria and process for entering into public-
252 private partnerships and selecting projects to receive funding under
the Program for such partnerships.

254 (c) The Plan shall also include annual reporting
256 requirements to include the sources and uses of all Program funds
and the progress made toward the goals for affordable housing set
258 forth in the Housing for All 10-Year Action Plan.

260 (d) The Board may consider the Plan for adoption
following notice in accordance with Section 125.66(2)(a) of the
262 Florida Statutes, and a public hearing. The Plan shall be adopted not
later than [INSERT DATE 6 MONTHS AFTER DATE OF
264 ADOPTION OF ORDINANCE]. The Plan shall become effective
when adopted by the Board. The Plan shall remain in effect for three
266 (3) years, and a new Plan shall be adopted by the Board every three
(3) years thereafter, unless a new or amended Plan is adopted by the
268 Board during the interim period of time.

270 **Sec. 2-295. Program Administration.**

272 (a) The Program shall be administered by the Housing
Division on behalf of the Board consistent with the adopted Plan. It
274 shall be the responsibility of the Housing Division to develop and
implement the necessary operational procedures to implement the

276 Program.

278 (b) The Division shall disburse and utilize Program
280 funds and any other assets consistent with the Plan and its adopted
282 policies and procedures, and shall monitor the use of Program funds
and other assets for compliance with the purposes of the Program
and the conditions pursuant to which the funds were granted or
loaned.

284 (c) All projects to be awarded Program funding shall be
286 consistent with the Plan.

288 **Sec. 2-296. Annual Budget Requirements.**

290 In preparing the County's proposed annual budget for the
292 next ten (10) fiscal years for submission to the Board, the Office of
Management and Budget shall ensure that beginning in fiscal year 1
294 (fiscal year 2019-2020) such budget includes an allocation of at least
TEN MILLION DOLLARS (\$10,000,000) in general revenue fund
296 monies for the Program, and that each fiscal year thereafter (fiscal
years 2 – 10) such amount shall increase by 10% over the
immediately preceding fiscal year budgeted amount; provided,
298 however the Board in its discretion may decide to change the amount
of any such annual budgeted amounts. Therefore, in fiscal year 10,
300 absent any changes in the foregoing amounts, the aggregate amount
deposited shall total approximately ONE HUNDRED AND SIXTY
302 MILLION DOLLARS (\$160,000,000).

304 **Sec. 2-297. Allocation and Use of Program Funds.**

306 (a) All monies allocated by the Board for the Program
308 shall be deposited in the Trust Fund along with Donor Contributions
in the form of cash or check. Monies deposited in the Trust Fund,
310 including any interest earnings on such monies, shall be used solely
for the purposes of the Program as provided in this article/division,
312 except that the Board may determine that monies in the Trust Fund,
but not yet committed or expended, may be reallocated to meet other
more urgent community affordable housing needs.

314 (b) No monies in the Trust Fund may be used for
316 administrative expenses.

318 (c) Funds deposited to the Trust Fund and not expended
by the close of any County fiscal year shall be carried forward to the
320 next succeeding fiscal year.

322 (d) The books and records of the Trust Fund and the

324 Program shall be subject to the "Public Records Law," and shall also
be subject to County and State audit as required by law.

326 **Sec. 2-298. Donor Contributions.**

328 (a) Donor Contributions in the form of cash or check
330 shall be deposited into the Trust Account and shall at all times be
332 accounted for separately from the County's other monies. Such
334 Trust Funds shall be expended, utilized and disbursed for the public
purpose of increasing the affordable housing in the County,
consistent with the Affordable Housing Plan adopted by the Board
under Sec. 2-294(b).

336 (b) The County Administrator shall designate a person
338 or persons to accept Donor Contributions on behalf of the County
340 and to provide a written receipt to each Donor. Such Donor
Contributions in the form of cash or check shall then be promptly
delivered to the Comptroller to be deposited into the Trust Account.
The Housing Division shall receive notification of all contributions.

342 (c) Donor Contributions of real property shall be subject
344 to review and acceptance by the County's Real Estate Management
346 Division, in accordance with such Division's policies and
procedures.

348 (d) Donor Contributions in the form of cash or check not
350 immediately used may be invested and reinvested to earn interest in
such investments and securities as may be permitted by law and
County policy.

352 (e) With the permission of the County Administrator,
354 Donor Contributions may be solicited for specific, approved
356 projects consistent with the Plan.

358 **Secs. 2-299 – 2-300. Reserved.**

360 **Section 3. Effective Date.** This Ordinance shall be become effective pursuant to general
law.

362 **ADOPTED THIS ____ DAY OF _____, 2020.**

364 ORANGE COUNTY, FLORIDA
366 By: Board of County Commissioners

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By: _____
Jerry L. Demings,
Orange County Mayor

372 ATTEST: Phil Diamond, CPA, County Comptroller
As Clerk of the Board of County Commissioners

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By: _____
Deputy Clerk

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