

ATTACHMENT A

ORDINANCE NO. 2007-016

**AN ORDINANCE OF THE BOARD OF COUNTY COMMISSIONERS OF SARASOTA COUNTY, FLORIDA ESTABLISHING THE COMMUNITY HOUSING FUND PROGRAM, TO BE CODIFIED AS ARTICLE IX OF CHAPTER 38 OF THE CODE OF ORDINANCES OF SARASOTA COUNTY; PROVIDING FINDINGS OF FACT; PROVIDING A TITLE; ESTABLISHING THE PROGRAM; PROVIDING FOR FUNDING AND APPROPRIATION; PROVIDING FOR ELIGIBLE ACTIVITIES OR PROJECTS; PROVIDING CRITERIA FOR ACTIVITY OR PROJECT FUNDING; PROVIDING FOR PROJECT APPLICATION AND SELECTION PROCESS; PROVIDING FOR COUNTY FUNDING; PROVIDING FOR METHOD OF FUNDING; PROVIDING FOR COMPLIANCE; PROVIDING FOR CODIFICATION; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.**

WHEREAS, recognizing the lack of affordable housing in Sarasota County, the Board of County Commissioners ("Board") adopted Resolution 2004-210 authorizing the establishment of the Housing Fund to address these community housing needs by funding authorized programs through the Fund; and

WHEREAS, the Housing Fund is established as provided herein to receive revenues as determined and directed by the Board into a specific fund dedicated to support the development and preservation of affordable community housing; and

WHEREAS, the Board desires that the Housing Fund will be a separate and segregated fund for purposes of accounting and control of funds to be utilized exclusively for expenditures in accordance with the specific funding sources and in furtherance of the Community Housing Fund Program, including, but not limited to, those set forth herein; and

WHEREAS, the Board recognizes that existing housing subsidies cannot meet the current demands for affordable community housing and that simply redirecting these existing housing subsidies will not substantially address the lack of affordable community housing; and

WHEREAS, monies from the Housing Fund will be utilized to assist in the development and provision of affordable community housing within the County; to help in the preservation and expansion of the supply of such housing; to ensure that adequate sites for affordable community housing exist and remain available within the County; to assist in the continued elimination of substandard housing conditions in the County; to provide direct financial and technical assistance to qualified housing projects or eligible individuals; to fund approved, eligible operating expenditures related to the provision of and development of affordable community housing; and

WHEREAS, in addition to the aforementioned, certain Housing Fund proceeds will be used as loans available to both qualified borrowers and projects as set forth herein to acquire, develop, purchase, renovate existing housing, as well as necessary land acquisitions in order to provide an increase to the affordable housing inventory; and

WHEREAS, certain Housing Fund proceeds will be used to facilitate and promote housing opportunities to those determined eligible, as set forth herein, by providing down payment assistance, closing costs assistance, interest-rate buy-downs, tenant-based rental assistance programs, and employer-assisted housing programs; and

WHEREAS, the Board finds that affordable community housing programs are most effectively provided by combining available public and private resources to conserve and improve existing housing and provide new housing for very low- income, low-income and moderate-income households, and the Board desires to encourage partnerships in order to secure the benefits of cooperation by the public and private sectors, and to reduce the cost of housing for the target group by effectively combining all available resources and cost-savings measures, and

WHEREAS, the Board further intends that local governments achieve this combination of resources by encouraging active partnerships between government, lenders, builders and developers, real estate professionals, advocates for low-income persons, and community groups to produce affordable housing and provide related services; and

WHEREAS, regulatory oversight of the Housing Fund will be provided by the Board; and

WHEREAS, the Board intends to limit the profit windfall that could result from use of Housing Fund proceeds by ensuring that recipients of Housing Fund proceeds are subject to equity sharing and continued affordability requirements; and

WHEREAS, any and all community housing acquired, developed, preserved, purchased, or rented with Housing Fund proceeds will be secured by deed restrictions, land use restriction agreements, or mortgage agreements as applicable and duly recorded in the official public records of Sarasota County.

**NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF SARASOTA COUNTY, FLORIDA:**

**Section 1. Findings of Fact.**

- A. Pursuant to Article VIII, Section 1 (g) of the Florida Constitution, Chapter 125, Florida Statutes, and the Sarasota County Charter, the Board of County Commissioners (“Board”) has all the powers of local self-government to perform County functions, municipal functions and to render services for County purposes in a manner not inconsistent with general law, or with special law approved by vote of the electors, and such power may be exercised by the enactment of County ordinances. Section 125.01 1 (g), Florida Statutes, expressly authorizes counties to prepare and enforce comprehensive plans for the development of the county.

- B. It is in the best interests of the public that the County encourage development and preservation of community housing, and promote the principles set forth in the Sarasota County Comprehensive Plan.
- C. Forming partnerships to foster the development of community housing promotes a sustainable community and optimizes the use of public infrastructure so as to promote an optimal return on investment and ensure a healthy tax base, now and into the future.
- D. The above recitals are incorporated herein as findings of fact.

**Section 2. Community Housing Fund Ordinance.** Article IX of Chapter 38 of the Code is hereby created to read as follows:

## **ARTICLE IX. COMMUNITY HOUSING FUND AND COMMUNITY HOUSING PROGRAM**

### **Sec. 38-200. Short title.**

This article shall be known and cited as the "Community Housing Fund Ordinance."

### **Sec. 38-201. Establishment of the Community Housing Fund Program.**

There shall be a Community Housing Fund Program for the purpose of providing funds to promote the development of quality affordable housing to accommodate the housing needs, financial capabilities, and promotes financial self sufficiency of current and future residents.

### **Sec. 38-202. Funding and Appropriation.**

The Community Housing Fund shall be funded by proceeds from the sale of escheated lots, through public and private donations to the Fund, through in-lieu payments, and by other sources and appropriations approved by the Board.

### **Sec. 38-203. Eligible Activities and Projects.**

- 1) Activities and projects eligible for the Community Housing Fund Program shall further the goals, objectives and policies of the Housing Chapter of the Sarasota County Comprehensive Plan and encourage and provide for the creation and preservation of affordable housing and may include:
  - (a) Acquiring real property.
  - (b) Acquiring developed property.
  - (c) Project planning and pre-development, including professional services of architects, engineers, planners, realtors and lawyers, as well as filing fees, expenses, and financial analyses.
  - (d) Supplementing local housing assistance programs or Florida Housing Finance Corporation programs.
  - (e) Funding local match to obtain federal housing grants or programs.

- (f) Funding repairs under weatherization or rehabilitation programs to extremely low, very low, and low income owners.
  - (g) Assisting with the purchase of manufactured home parks, or assisting in the purchase of a land share in a resident-owned mobile home park.
  - (h) Constructing dwelling units that meet the definition of affordable housing as defined in the Sarasota County Comprehensive Plan.
- 2) For purposes of this section, the following expenditures are considered to be construction or rehabilitation costs:
- (a) Hard costs which are typically or customarily treated as construction costs by institutional lenders.
  - (b) Impact fees.
  - (c) Infrastructure expenses typically paid by the developer.
  - (d) Construction soft costs such as engineering studies and appraisals, if directly related to housing construction or rehabilitation.
  - (e) Relocation costs associated with rehabilitation of the residence usually occupied by a tenant or homeowner.
  - (f) Financing, or “buy-down” costs, if directly attributable to assisting eligible persons to own a home or obtain rental occupancy.
- 3) Program funds shall not be used as security or a pledge for debt service.
- 4) Housing Funds must directly benefit households meeting the definition of Affordable Housing in the Comprehensive Plan. This provision shall not be construed to prohibit use of Housing Funds for a mixed-income or mixed-use development if, and to the extent that, Housing Funds are used specifically to fund the eligible housing portion of the development.

**Sec. 38-204. Criteria for Activity or Project Investment.**

Upon submittal of an application or response to a County-issued Request for Proposals, the County shall consider investing in eligible activities or projects based upon the extent to which the activity or project achieves the following:

- (1) Promoting a sustainable community by supporting one or more of the following smart growth goals:
  - (a) Preserving and strengthening existing communities;
  - (b) Providing for a variety of land uses and lifestyles to support residents of diverse ages, incomes, and family sizes;
  - (c) Reducing automobile trips;
  - (d) Creating efficiency in planning and provision of infrastructure;
  - (e) Conserving water and energy;
  - (f) Encouraging green building and development;

- (g) Preserving significant environmental resources;
  - (h) Promoting redevelopment and infill; and
  - (g) Balancing jobs with housing.
- (2) Maximizing community resources for housing opportunities through partnerships and leveraging;
- (a) Funds distributed through the Housing Fund shall be leveraged to secure other funds, or to secure housing affordability terms in development orders or permits, or in other ways acceptable to the Board. The ratio for leveraging shall be determined by the Board on a project specific basis, and incorporated into the contract required in Sec. 38-205.
  - (b) The involvement of appropriate public sector, private sector, and independent sector, entities as partners to combine resources to reduce housing costs for the targeted population is required. This partnership may include, but is not limited to:
    - (1) Lending institutions
    - (2) Housing builders and developers
    - (3) Nonprofit and other community-based housing and service organizations
    - (4) Providers of professional services relating to affordable housing
    - (5) Advocates for low-income persons
    - (6) Real Estate professionals
    - (7) Investors
    - (8) Other persons or entities who can assist in providing housing or related support services
- (3) Increasing the supply of affordable housing.
- (4) Providing accessible housing and appropriate supportive services for special needs populations.
- (5) Creating an inventory of continually affordable housing.

**Sec. 38-205. Project Application and Selection Process.**

The Board may consider applications, responses to requests for proposals or requests for qualification as required for proposed activities or projects and make the final determination as to whether the activity or project shall be funded. The terms and conditions of the funding, the method of investment, the schedule of reports and other relevant terms shall be set forth in a contract between the applicant and the Board.

**Sec. 38-206. Investment Amount.**

The investment amount for each activity or project shall be based on the amount of available funds, estimated project value, the criteria set forth in Sec. 38-204, and any other factors determined by the Board to be in the public interest.

**Sec. 38-207. Method of Investment**

County investment in an activity or project seeking Housing Fund resources shall be made either through loans or grants, or determined on a project-specific basis.

**Sec. 38-208. Recapture of Funding**

Loans or grants for units constructed, rehabilitated, or otherwise assisted by the Housing Fund shall be subject to equity sharing and recapture provisions set forth in the contract referenced in Section 38-205.

**Sec. 38-209. Compliance**

All activities and projects under the Community Housing Fund Program shall comply with all applicable Federal, State, and Local laws, rules, and regulations.

**Section 3. Effect on Other Ordinances**

The provisions of this Ordinance shall prevail in the event of conflict with any existing Ordinance.

**Section 4. Severability**

If any provision of this Ordinance or the application thereof to any person or circumstance is held invalid, the invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or applications. To this end, the provisions of this Ordinance are declared severable.

**Section 5. Codification**

Provisions of this Ordinance shall be incorporated in the Code of Ordinances of Sarasota County, Florida, and the word "ordinance" may be changed to "section," "article" or other word, and the sections of this ordinance may be renumbered or re-lettered to accomplish such intention. Sections 3-6 of this Ordinance shall not be codified.

**Section 6. Effective Date**

This Ordinance shall take effect upon filing with the Custodian of State Records of the State of Florida.

**PASSED AND DULY ADOPTED BY THE BOARD OF COUNTY COMMISSIONERS  
OF SARASOTA COUNTY, FLORIDA, this \_\_\_\_\_ day of \_\_\_\_\_, 2007.**

ATTEST:  
KAREN E. RUSHING, Clerk of  
Circuit Court and Ex-officio Clerk  
To the Board of County Commissioners  
Of Sarasota County, Florida

**BOARD OF COUNTY COMMISSIONERS  
OF SARASOTA COUNTY, FLORIDA**

By: \_\_\_\_\_  
Deputy Clerk

\_\_\_\_\_  
Nora Patterson, Chair

APPROVED AS TO FORM:

\_\_\_\_\_  
County Attorney