

CITY OF CLEARWATER AFFORDABLE HOUSING DEVELOPMENT INCENTIVES



AFFORDABLE HOUSING IN CLEARWATER BACKGROUND

Definitions: The City of Clearwater defines “affordable housing unit” in [Article 8 of the Clearwater Community Development Code](#) as any residential dwelling unit leased or owned by a household with a household income of 120% or less of the area median income (AMI) for Pinellas County, Florida, as determined by the U.S. Department of Housing and Urban Development (HUD). Furthermore, the rental rates for leased workforce affordable housing units must not exceed the rates published by the Florida Housing Finance Corporation (FHFC) for annual "Maximum Rents by Number of Bedroom Unit" for the Tampa-St. Petersburg-Clearwater Metropolitan Statistical Area (MSA). For non-rental units, the sales price may not exceed 90% of the average area price for the Tampa-St. Petersburg-Clearwater MSA, as established by the annual revenue procedure which provides issuers of qualified mortgage bonds, as defined in the Internal Revenue Code.

Restrictive Covenant: Projects providing affordable or workforce housing and receiving an incentive(s) in return must provide to the Community Development Coordinator a restrictive covenant, duly executed by the owner of the parcel(s), in a form approved by the city attorney, that has been recorded in the Public Records of Pinellas County, Florida. This covenant: addresses income restrictions; homebuyer or tenant qualifications; long-term affordability; any other applicable restrictions and qualifications pertaining to the development and the reserved affordable or workforce housing units; and runs with the land and is binding on the assigns, heirs, and successors of the applicant.

Monitoring: Affordable housing units that are provided under *Section 3-920. - Affordable housing incentives* must remain affordable for a minimum of 20 years from the date of initial owner occupancy for affordable housing units for ownership and 30 years for rental units. Affordable or workforce housing units that are provided under *Section C-301. - Development Potential (Appendix C - Downtown district and development standards)*, whether rental or owner-occupied, must remain affordable for a minimum of 15 years from the date of initial occupancy. Prior to June 1st of each year, the property owner(s) or authorized property manager of any reserved rental affordable or workforce housing dwelling unit submits an annual report for the preceding calendar year to the city's Economic Development and Housing Department Director so the city may verify that the tenants meet the income requirements for the reserved rental affordable housing dwelling units and that other stipulations in the covenant are being met.

INCENTIVE TYPES

Affordable housing incentives which are implemented, described in the Comprehensive Plan, or provided as direct subsidy can be sorted into the following incentive type categories:

- 1) Expedited permit processing
- 2) Impact fee reduction
- 3) Bonus units
- 4) Bonus FAR
- 5) Parking reduction
- 6) Direct benefits (funds or land)

LAND USE AND DEVELOPMENT INCENTIVES

The following incentives offered by the City of Clearwater provide benefits to developers in the form of variances, exemptions, and benefits related to land use, permitting, and development fees. These incentives are codified in the Clearwater Community Development Code, or are otherwise implemented through ordinance or activated policy. They may be specifically for affordable housing development, or they may be incentives which affordable housing developers are eligible to apply for to offset costs.

Expedited Permit Processing for Affordable Housing Activity

Reference Policy: [Clearwater Community Development Code, Article 4. – Development Review and Other Procedures](#)

Description: Reviews of single-family permit applications are expedited and moved to the front of the queue. They are to be completed within four days of the initial submittal and three days of all subsequent submittals.

Process:

- When a developer applies for permits for an affordable housing project or expresses interest in developing affordable housing, they are referred to the Assistant Director of Economic Development. This referral is most often made by the Planning and Development department.
- The Assistant Director of Economic Development and the Planning and Development Permit Manager organize pre-application meetings with interested developers, and provide necessary information and forms to the developer to avoid delays during the application and review process.
- Upon determining that the development qualifies as affordable housing under the city's definition, the Assistant Director of Economic Development sends the developer a certified "Request for Expedited Permit Processing for Affordable Housing Activity" memo via email. Projects submitted with this certified memo receive priority during the permit review process and are reviewed within four days of initial submittal.
- The city's Community Development Code (the "CDC" or "Code") differs from most communities in that it is a performance-based code which prescribes "flexibility" for

certain uses or development standards (e.g., lot size, setbacks, parking). That flexibility varies by zoning district and, when available, additional criteria must be met. Some flexibility may be requested through an administrative process, while other flexibility requires a public hearing. The city’s community development code has certain defined uses, and affordable housing could be either a “detached dwelling” or an “attached dwelling.” The type of review required prior to approval will depend on the use (attached or detached dwelling), the zoning district, and any requested flexibility.

- Article 4, Division 3 of the city’s Code establishes the approval process for the city’s “Level One” applications which are administrative reviews where authority to approve or deny an application is granted to the Community Development Coordinator (i.e., Planning and Development Director). A Level One Minimum Standard Development application, sometimes referred to as a BCP, can proceed to the submittal of a building construction permit application without a separate site plan review process. Level One Flexible Standard Development applications, or FLS applications, are reviewed by the city’s Development Review Committee (DRC) first, and that committee makes a recommendation to the Community Development Coordinator. DRC meetings are open to the public, but no public comment is taken.
- Article 4, Division 4 establishes the approval process for “Level Two” applications, and authority to approve or deny an application is granted to the Community Development Board (CDB). These are called Flexible Development (FLD) applications. They are reviewed by the DRC first, and the DRC makes a recommendation to the CDB, which makes a decision of approval or denial after a quasi-judicial public hearing.
- Level One Flexible Standard Development (FLS) and Level Two Flexible Development (FLD) applications receive a Development Order approving, denying, or approving with conditions the application. If approved (with or without conditions), the applicant may then proceed to the building permit application stage.



Affordable Housing Density Bonus

Reference Policy: [Clearwater Community Development Code, Section 3-920. - Affordable housing incentives \(A\)](#)

Description: Mixed-income affordable housing developments may receive bonus units based on the percentage of affordable housing units provided for households making up to 120% AMI. The percentage of affordable housing units includes the bonus units in that calculation.

Percentage Affordable Housing Dwelling Units Provided (Minimum 15% Required)	Bonus Density Awarded (Additional 2.5% Density Bonus for Each 1% Increase Above the 15% Minimum)
15%	25.0%
16%	27.5%
17%	30.0%
18%	32.5%
19%	35.0%
20%	37.5%

21%	40.0%
22%	42.5%
23%	45.0%
24%	47.5%
25%	50.0%

Process:

- To determine your affordable development's density bonus, do the following calculation:
 - Determine the total number of units allowed on the property based on the Future Land Use classification (e.g., Residential Medium (RM) allows 15 units per acre), and other standards such as setbacks and space for parking. This becomes your number of base units.
 - Decide what percentage of units will be affordable, between 15% minimum and 25% maximum.
 - Based on the percent affordable, take the density bonus award percentage and multiply it by the number of base units. For example, 15 base units x .5 (50% bonus units) = 7.5 bonus units.
 - Add the base units and bonus units. For example, 15 base units + 7.5 bonus units = 22.5 = 22 total units.
 - Finally, multiply the percentage of units that will be affordable by the total units. For example, 22.5 total units x .25 affordable units = 5.6 = 6 affordable units.

Note: Developments containing more than 25% affordable units can receive a maximum density bonus of 20%.
- Other criteria must be met as outlined in Clearwater Code of Community Development Regulations, Section 3-290. - Affordable Housing Incentives, including:
 - a) A pre-application conference with the City's Economic Development and Housing Department Director is required at least six months prior to application.
 - b) The application for development review shall include a letter from the city's Economic Development and Housing Department verifying that the development meets criteria.
 - c) No bonus shall be given to projects located in a coastal storm area.
 - d) Design criteria must be met to ensure scale and aesthetic compatibility, and reviewed by the Community Development Coordinator.
 - e) Minimum unit sizes are 400-sf for efficiencies, 550-sf for 1-br, 750-sf for 2-br, and 200-sf per additional bedroom.
 - f) The number and size of bedrooms for the affordable units shall reflect the same proportion as the market-rate units.
 - g) Green building criteria must be met, which includes: 50% of landscaping shall be native to Central Florida, ENERGY STAR appliances shall be used, CFL and LED bulbs shall be used, water fixtures shall be the kind that preserve water, and roof requirements.
- Compliance and Monitoring

- Prior to obtaining a building permit, the applicant must deliver a restrictive covenant to the Community Development Coordinator, executed by the owner of the parcel(s), in a form approved by the city attorney, that shall address income restrictions, homebuyer or tenant qualifications, long-term affordability, and any other applicable restrictions and qualifications pertaining to the development and the reserved affordable housing units. The covenant shall be recorded in the Public Records of Pinellas County, Florida before it is delivered to the Community Development Coordinator. This covenant shall run with the land and shall be binding on the assigns, heirs, and successors of the applicant.
 - *Owner-occupied units:* Reserved affordable housing units shall remain as affordable housing for a minimum of 20 years from the date of initial owner occupancy for ownership affordable housing units. No lease or sale shall be executed until the property owners have submitted required documentation for household income for the proposed owner or occupant to the City's Economic Development and Housing Department for income-limit verification.
 - *Renter-occupied units:* Reserved affordable housing units that are provided under this section shall remain as affordable housing for a minimum of 30 years from the date of initial occupancy for rental affordable housing units. Prior to June 1st of each year, the property owner(s) or authorized property manager of any reserved rental affordable housing dwelling unit shall submit to the city's economic development and housing department director an annual report for the preceding calendar year, in a format as approved by the city, in order for the city to verify that the tenants meet the income requirements for the reserved rental affordable housing dwelling units and that other stipulations in the covenant are being met.



Affordable Housing Parking Reduction

Reference Policy: [Clearwater Community Development Code, Section 3-920. - Affordable housing incentives \(B\)](#)

Description: Parking requirements are reduced for those dwelling units that are affordable and located within a specified distance from a transit stop as outlined within Section 3-920. - Affordable housing incentives of the City of Clearwater Community Development Code.

Process:

- Options:
 - **Option 1:** Affordable housing projects located within 1,500 feet of a transit stop with 30-minute-or-more frequency during peak hours, and 60 minute-or-more frequency during off-peak hours, can reduce provided parking to between 1 ½ and 1 ¼ space per affordable unit.

- **Option 2:** Affordable housing projects located within the US-19 District and located within 1,500 feet of a transit stop may reduce minimum off-street parking to 1 space per dwelling unit. (Reference Policy: [Clearwater Community Development Code, Section B-303. - Permitted uses and parking](#); see Table 3. Parking Reduction Factors).
- **Option 3:** Affordable housing units designated for senior citizens or disabled persons located within 1,000 feet of a transit stop may reduce provided parking to between 1 ½ and 1 space per affordable unit.
 - Units must be certified as affordable by the City's Economic Development and Housing Department. All other dwelling units not certified as affordable housing shall meet the typical minimum off-street parking requirements.
 - The distance a site is from a transit stop shall be measured from the nearest point of exit from the parcel based upon the shortest route of ordinary pedestrian travel.
 - Long-term bicycle parking must be provided to affordable housing units with an approved reduction of off-street parking. Specifically, any attached affordable housing dwelling without a private garage or storage space and reduced parking, .5 bicycle parking spaces must be provided (.5 and above spaces must be rounded up).
 - For attached dwellings, a four-foot sidewalk and five-foot landscape buffer must be provided between the bicycle parking and the building.



Affordable Housing Fee Reduction and Subsidy

Reference Policy:

- [Clearwater Community Development Code, Section 3-920. - Affordable housing incentives \(C\)](#)
- [Clearwater Community Development Code, Appendix A - Schedule of Fees, Rates and Charges](#)
- [Clearwater Community Development Code, Chapter 54 - Parks and Recreation Facilities Impact Fee](#)
- [Clearwater Code of Ordinances, Ordinance No. 9639-23](#)

Description: Building permit fees and multimodal impact fees can be reduced for certified affordable housing projects. Specifically, plan review and permit fees for one- or two-family residential affordable housing projects, as defined in Article 8 and certified by the Economic Development and Housing Department, are reduced by 75%.

Process: Information provided on the City's website on the Affordable Housing Fee Reduction can be found [HERE](#).

1. Building permit fee reduction - Building plan review and permit fees may be reduced for certified affordable housing developments as set forth in the fee schedule, except where legal constraints prevent such waiving.

2. Multimodal impact fee reduction - The required multimodal impact fee may be reduced for qualified affordable housing projects meeting the requirements for the low-income household reduction as established by the [Impact Fee Schedule A or B in Section 150-40 of the Pinellas County Land Development Code](#), summarized below.

Schedule A. General Fee Schedule					
Land Use Type	Unit	Trip Rate	Average Trip Length	Percent New Trips	Fee Per Unit
0-1,500 sq. ft. LIHH	du	4.1	5	1	\$882
Multifamily LIHH	du	3.5	5	1	\$753
Schedule B. Downtown Area Fee Schedule					
0-1,500 sq. ft. LIHH	du	4.1	5	0.74	\$653
Multifamily LIHH	du	3.5	5	0.74	\$557
<i>Footnote: LIHH = Low-income household. Fees for LIHH are assessed as a component of affordable housing development incentive programs as certified by the local government. du = density unit</i>					

3. Parks and recreation facilities impact fee reduction
- a) **Multi-Family/8 Units or More Annexed:** Construction of multi-family affordable housing dwelling units and annexations of multi-family affordable housing developments of eight units or more receive a 50% reduction per dwelling unit. Affordable multifamily residential housing, including duplexes and triplexes, pay \$1,012.00, which is reduced from \$2,024.00 for non-affordable properties.
 - b) **Single-Family/Under 8 Units Annexed:** Newly constructed affordable single-family homes, as well as any annexation of residential development, whether single-family, duplex, triplex, multiple-family, mobile homes, or age restricted housing, of seven units or less, are exempt from paying the parks and recreation impact fee.
- **Additional fee subsidy incentive:** The City of Clearwater became the owner of a 16-unit, low-income apartment complex after a foreclosure in 1989. The city leased the complex to an affordable housing provider, and the Clearwater City Council decided to use the proceeds from the lease to pay impact fees for homes constructed under the city's infill housing program. There is no longer any revenue generated from a lease. The current balance of the funds is \$269,368. In order to receive fee payment assistance, a developer must request this assistance during the development permitting process.

Nonconforming Structures Exemption for Affordable Housing

Reference Policy:

- [Clearwater Community Development Code, Section 6-102. - Nonconforming structures \(F\)](#)
- [Clearwater Community Development Code Article 4. - Development Review and Other Procedures, Section 4-302. - Application/approval by community development coordinator](#)

Description: Any nonconforming structure that is used for affordable housing may be exempted from subsections B. or D. of Section 6-102 – Nonconforming Structures, provided certain criteria are met. These subsections are related to FEMA’s 50% rule requiring that the damage to a structure amount to less than 50% of the total assessed value of the entire structure, and that the structure be brought up fully to development code compliance, in order to be repaired/receive repair assistance.

Process: The application is subject to the approval of a Level One (flexible standard) application.

- The application for building permits is submitted to the Community Development Coordinator, who reviews the application with the Development Review Committee and determines if the application demonstrates compliance.
- The Community Development Coordinator denies, approves, or approves-with-conditions permit applications within 20 working days.



Public Amenities Incentives Pool

Reference Policy: [Clearwater Community Development Code, Appendix C - Downtown District and Development Standards](#)

Description: The Public Amenities Incentives Pool allows for density and/or intensity increases in excess of the allowable maximum development potential established for a parcel for projects that meet the goals, objectives, and policies of the Clearwater Downtown Redevelopment Plan and that are consistent with the vision established for the character district in which the projects are located. Specifically, the City of Clearwater’s Planning and Development Department may offer additional du/ac or FAR in exchange for Public Benefits identified in the Community Development Code, including:

- a) Rental residential units
- b) Overnight accommodations
- c) Class A office space
- d) Leadership in Energy and Environmental Design (LEED) gold certification
- e) Public parking
- f) Public art
- g) Streetscaping
- h) Electric vehicle parking spaces

Alternatively, projects may offer payment-in-lieu of a public amenity to receive bonus density.

Process:

- The Public Amenities Incentive Pool and the Pool allocation process are established in the [Clearwater Downtown Redevelopment Plan](#).
- A pre-application conference is required for projects in the Downtown District. This meeting is used to vet requests for development potential from the Public Amenities Incentive Pool, the public amenities to be proposed, as well as any requested height bonus.
- There are two approval processes available for projects requesting an allocation of units or intensity from the Pool, Tier 1 and Tier 2:
 - Tier 1 - Streamlined Allocation Process: The Community Development Coordinator may approve allocations of density and/or intensity from the Public Amenities Incentive Pool for certain projects in the Downtown District as part of a [Level One \(Flexible Standard Development\) approval](#), consistent with the following:
 - Projects must meet the specific criteria listed in **Table 1. Tier 1 Public Amenities Incentive Pool Criteria** found in the Clearwater Community Development Code, Appendix C - Downtown District and Development Standards (see summarized table below).
 - Vertical mixed-use projects can utilize the full allocation of residential density and nonresidential intensity. For example, a vertical mixed-use project on a 1.0-acre parcel in the Downtown Core that includes rental residential units and Class A office space, consistent with Table 1, could achieve a total density of 105 dwelling units per acre and a 5.0 FAR, as illustrated by the following equations:
 - $75 \text{ du/ac (maximum base density in Downtown Core)} + 30 \text{ du/ac (40\% density bonus, min. 50\% units residential rental)} = 105 \text{ du/ac (105 dwelling units permitted)}$
 - $4.0 \text{ FAR (maximum base intensity in Downtown Core)} + 1.0 \text{ FAR (25\% FAR bonus, min. 25\% of building's rentable floor area is dedicated to office use and is Class A Office space)} = 5.0 \text{ FAR (217,805 SF permitted)}$
 - Tier 2 - Public Hearing Allocation Process: The Community Development Board (CDB) may approve allocations of density and/or intensity from the Pool for projects as part of a [Level Two \(Flexible Standard Development\) approval](#), including projects that do not qualify for the Tier 1 - Streamlined Allocation Process, completely through negotiation between the developer and the CDB, consistent with the following:
 - Projects must incorporate one or more improvements and/or payment of fees in-lieu of certain improvements, consistent with the eligible amenities listed in the [Clearwater Downtown Redevelopment Plan](#).
 - Vertical mixed-use projects can utilize the full allocation of residential density and nonresidential intensity consistent with [Section 3-902](#).
- **Height Bonus** - Projects requesting dwelling units and/or floor area through a Tier 1 or Tier 2 allocation process that are located on properties not identified as transitional

properties in [Figure 8](#). Maximum Height & Height Transitions may request an increase in height consistent with the following:

- The determination about the height bonus will be based on the extent of the major amenities provided, project design, and compatibility with surrounding properties. There shall be a reasonable relationship between the extent of the allocation requested and increases in height.
- Increased height shall not exceed 20% of the maximum permitted height, or a minimum height of 10 feet.
- Where a project is approved to utilize a payment in-lieu of a public amenity, the payment must be made prior to issuance of any building permit to construct building foundation(s) or vertical improvements based on the total construction cost.
- Development potential obtained through this allocation process may not be transferred to any other site under any circumstances.

Table 1. Tier 1 Public Amenities Incentive Pool Criteria (FHC Summarized; see code for details)						
Public Benefit	Type of Bonus	Downtown Core	Old Bay	South Gateway	Prospect Lake	Downtown Gateway
Residential units provided in project (bonuses may not be stacked): <ul style="list-style-type: none"> ● Rental Residential Project: Minimum 25% gross floor area is rental residential for a mixed-use project or minimum 50% is dedicated rental if project is residential-only; OR ● Owner-occupied Residential Project: Minimum 25% gross floor area is residential for a mixed-use project or project is 100% residential. 	du/ac	40%	40%	40%	40%	40%
	ov/ac	–	–	–	–	–
	FAR	–	–	–	–	–
	du/ac	20%	20%	20%	20%	20%
	ov/ac	–	–	–	–	–
	FAR	–	–	–	–	–
Class A Office space <ul style="list-style-type: none"> ● 25% of building's rentable floor area is reserved for office uses; and ● Such rentable floor area is Class A. 	du/ac	–	–	–	–	–
	ov/ac	–	–	–	–	–
	FAR	25%	–	–	20%	–
Hotel use with 20% of gross floor area comprised of public function space	du/ac	–	–	–	–	–
	ov/ac	25%	–	–	–	–
	FAR	–	–	–	–	–
LEED Gold certification or equivalent approved prior to building permit issuance	du/ac	35%	35%	35%	35%	35%
	ov/ac	20%	20%	20%	20%	20%
	FAR	20%	20%	20%	20%	20%
Public parking <ul style="list-style-type: none"> ● Structured parking with 10% (or 20 spaces, whichever is greater) reserved for public parking; or ● Financial support to the city's 	du/ac	35%	35%	35%	35%	35%
	ov/ac	20%	20%	20%	20%	20%
	FAR	20%	20%	20%	20%	20%

parking fund at 1.25% of the aggregate job value						
Property frontage(s) along certain streets providing streetscaping determined by the Community Development Coordinator and City Engineer to meet the following: <ul style="list-style-type: none"> • The city's streetscape standards consistent with the Master Streetscape Plan within the Clearwater Downtown Redevelopment Plan, or • An enhanced pedestrian realm that meets the corresponding guidelines in the Complete Streets for Clearwater Implementation Plan. 	du/ac	35%	35%	35%	35%	35%
	ov/ac	20%	20%	20%	20%	20%
	FAR	20%	20%	20%	20%	20%
Electric Vehicle (EV) parking <ul style="list-style-type: none"> • 20% of total spaces and 10% of additional parking spaces (not required), or 10 spaces total, whichever is greater, are EV-Ready; and • 5% of total spaces 2% of additional parking spaces (not required), or two spaces, whichever is greater, have electrical vehicle supply equipment (EVSE) with Level 2 charging capacity or greater. 	du/ac	15%	15%	15%	15%	15%
	ov/ac	10%	10%	10%	10%	10%
	FAR	10%	10%	10%	10%	10%
Public art <ul style="list-style-type: none"> • 1% of the aggregate job value up to \$350,000 per project for art in publicly accessible location; or • Financial support to the city's public art fund at 0.75% of the aggregate job value (applies to any portion of bonus requested). 	du/ac	10%	10%	10%	10%	10%
	ov/ac	5%	5%	5%	5%	5%
	FAR	5%	5%	5%	5%	5%
<i>Footnote: <u>Class A office space</u> is office space that features the finishes, amenities, building systems, and services within the building based upon the best quality 1% of office space present in the Tampa - St. Petersburg - Clearwater Metropolitan Statistical Area. <u>Aggregate job value</u> is the combined job value of all building permits required for the construction of the project (e.g., site work, permits for individual structures, etc.). <u>du/ac</u> = dwelling units per acre. <u>ov/ac</u> = overnight accommodation units per acre. <u>FAR</u> = floor area ratio. The following streets are eligible for the streetscape bonus: Osceola Avenue, Fort Harrison Avenue, Garden Avenue, Missouri Avenue, Martin Luther King Jr. Avenue, and Prospect Avenue.</i>						

Comprehensive Infill Redevelopment Projects (CIRP)

Reference Policy:

- [Clearwater Community Development Code, Article 8. - Definitions and Rules of Construction](#)
- [Clearwater Community Development Code, Article 2. - Zoning Districts \(F. Comprehensive infill redevelopment projects\)](#)
- [Clearwater Planning and Development Department FLS & FLD Application Information Submittal Checklist](#)

Description: Comprehensive infill redevelopment projects (CIRP) are development or redevelopment projects that have an innovative use of land, which do not conform to typical land use categories or development forms, or which are otherwise impractical without deviations from the use and/or development standards set forth in the underlying zoning district. CIRPs are designed and located in a special or innovative form with special functions or character which are beneficial to a particular part of the City of Clearwater and the citizens of the City of Clearwater as a whole, consistent with the Comprehensive Plan. One of those beneficial uses outlined in the development code is the provision of affordable housing. CIRP projects are allowed in certain districts and may request certain flexibilities, as outlined below.

Process: The [Clearwater Planning and Development Department FLS & FLD Application Information Submittal Checklist](#) outlines and contains the application for requesting flexibilities. The application and associated materials must be submitted on Clearwater’s online ePermit portal as either “APPLICATIONS” or “PLANS” type only, as explained within the Checklist. Comprehensive infill redevelopment projects are permitted in the following zoning districts:

- Commercial District (C)
- Tourist District (T)
- Office District (O)
- Institutional District (I)
- Industrial, Research, and Technology District (IRT)
- Open Space/Recreational District (OSR)

Flexibility with regard to use, lot width, required setbacks, height, and off-street parking may be requested and must be justified based on demonstrated compliance with certain requirements outlined in the development code. Permitted flexibilities are negotiated between the developer and their assigned planner within Clearwater’s Planning and Development department.

If flexibility from the parking standards is requested that is greater than a 50% reduction (excluding those standards where the difference between the top and bottom of the range is one parking space), then a parking demand study must be provided. The proposed methodology of the parking demand study must be approved in writing by both Traffic Engineering and the Planning and Development Department prior to conducting the study and prior to submitting the study. The findings of the study shall be used in determining whether or not flexibility to the parking standards is supported and/or approved.



HB 1339 and Live Local Act

The Live Local Act and its predecessor HB 1339, codified for cities at s. 166.04151(7) and s. 166.04151(6) of the Florida Statutes, respectively, provide several land use incentives, including density, height, and parking flexibilities, and tax exemptions which can be utilized to offset the cost of affordable housing development.

In summary, land-use and programmatic incentives enacted in the Live Local Act include:

- Three new property tax incentives and sales tax exemption for specified affordable housing developments, including:
 - Local opt-in affordable housing property tax exemption
 - Nonprofit land used for affordable housing with a 99-year ground lease
 - “Middle Housing” property tax exemption
- Preemption allowing multifamily and mixed-use affordable housing developments that contain 40% of units affordable to up to 120% AMI in any commercial, industrial, or mixed-use zoning district statewide.
- Preemptions allowing affordable housing developments compliant with the Act and with local rules and plans to be administratively approved, thereby expediting the approval process.
- Preemption allowing affordable housing developments to be built to the highest height currently allowed within 1-mile of the proposed development or 3 stories, whichever is higher, and highest density of any residential district in the jurisdiction.
- Encouragement for local governments to consider parking reduction if a project is within one half-mile of a major transit stop.¹

HB 1339, passed in 2020, gives more discretion to the local government to negotiate density, parking, and other allowances to affordable housing developers as long as at least 10% of the units are defined as affordable by the local government, and only applies to commercial and industrial lands.

POTENTIAL ALLOWANCES

The following policies were identified in the currently-adopted Clearwater Comprehensive Plan and may be utilized in development negotiations, and/or codified or expanded upon in the future.

Clearwater 2045 Comprehensive Plan Policies

Reference Policy: [Clearwater Comprehensive Plan](#)

Description: The following policies were pulled from the Comprehensive Plan adopted on January 18, 2024, and represent potential for new incentives, or may be used to justify certain case-by-case incentives or flexibilities for affordable housing development. Policies representing incentives or actions currently implemented by the city are not included below;

¹ Note that as of this writing, there are amendments currently being considered by the Florida Legislature to this land use preemption at s. 166.04151(7).

only policies which are not currently in the Clearwater Development code, or policies which are written such that they can be expanded upon, are included below.

- **Quality Places**

- QP 1.2.7 Encourage lot consolidation, streetscape improvements, and the creation of affordable housing and mixed-use development along Missouri Avenue from Drew Street to Belleair Road.
- QP 6.1.6 Establish missing middle and senior housing density bonuses and standards in the CDC consistent with provisions of the Countywide Rules.
- QP 6.1.7 Support amendments to the Clearwater Development Code (CDC) to enable greater housing diversity and affordability, such as accessory dwelling units and other missing middle housing types.
- QP 6.1.8 Develop standards to implement state legislation allowing affordable housing to be built on any parcel of land zoned for commercial or industrial use.
- QP 6.1.9 Review and, if necessary, amend the CDC to determine if barriers exist that slow the delivery of housing development.
- QP 6.1.10 Allow accessory dwelling units in all residential zoning districts and exempt them from density provisions to provide additional and diverse housing options integrated into existing neighborhoods. Such accessory dwelling units shall not be used for short-term rental purposes.
- QP 6.1.12 Identify other publicly or semi-publicly owned lands suitable for workforce and affordable housing and partner with property owners for potential development.
- QP 6.1.13 Support the creation of affordable housing and mixed-use development along Investment Corridors found in the most recently approved Advantage Pinellas, Long Range Transportation Plan.
- QP 6.2.3 Identify residential areas, including mobile home parks, at risk of disinvestment, demolition, or redevelopment, and prepare regulatory, financial, and other programs to preserve or address replacement of naturally occurring affordable housing units.

- **Conservation & Coastal Management**

- CCM 4.2.2 Encourage affordable housing projects to utilize US Green Building Council's (USGBC) Leadership in Energy and Environmental Design (LEED) principles or the Florida Green Building Coalition's (FGBC) Green Land Development and Building Standards.

DIRECT BENEFITS PROGRAMS

The following programs offered by the City of Clearwater provide direct benefits to developers such as grants, below-market-rate financing, and land donations.

Brownfields Assessment and Cleanup Grant Program

Reference: Business & Development's [Brownfields Program](#) page

Description: In 1996, the city of Clearwater became a Florida leader in brownfield redevelopment by partnering with the Environmental Protection Agency (EPA) to establish the city's Brownfields Program. The city has approximately \$168,000 for environmental assessment through EPA's Multipurpose, Assessment, and Cleanup (MAC) grant, and \$698,000 for either assessment or cleanup through the EPA's Brownfields Revolving Loan Fund (RLF) grant, available to eligible tax-exempt entities. Some eligible for-profit entities may apply for procurement of Phase I and II Environmental Site Assessments as well. To date, several affordable housing-related projects have taken advantage of this program in the city, and the program has primarily been used for infill development.

Process:

- The program is currently run by Clearwater's Engineering Department. Projects are reviewed on a first-come, first-served basis.
- Applicants must not be responsible for the site contamination they seek to assess and remediate.
- Applicants must demonstrate that the intended redevelopment creates a positive economic impact on the community.
- Eligible entities applying for a grant through this program must intend to remediate the property after assessment or purchase.
- Grants can be used for:
 - Phase I Environmental Assessments, which reveal potential for contamination through evaluation and review of historical property uses.
 - Phase II Environmental Assessments, which verify contaminants through various methods of testing.
 - Site cleanup and remediation costs.
- To apply, applicants complete and sign this [form](#) which is posted on the city's Brownfields Program webpage. Application information, including required materials and program contact information, can be found on the form.

Funding for Multi-Family Homes

Reference: Business & Development's [Funding Programs for Multi-Family Homes](#) page

Description: The City of Clearwater's Business & Development Department, Planning and Zoning Department, and Housing and Community Development Department work together to provide support, information, and resources to developers of multi-family affordable housing.

Process: While working with the city on an affordable housing development project, funding assistance can be requested at any point in the process through conversation with the city's development team, and through an application provided on the city's [Grants and Affordable Housing Loans Participant Portal](#) through the Neighborly platform. Funding sources that can be utilized for various types of multi-family development needs, including acquisition,

rehabilitation, construction, infrastructure support, and more, is available through (non-exhaustive list):

- U.S. Housing and Urban Development's various funding programs
- Florida's State Housing Initiatives Partnership (SHIP) funds
- Low-Income Housing Tax Credits (LIHTC) and other state and federal tax policies and programs
- Penny for Pinellas funds
- City of Clearwater American Rescue Plan Act (ARPA) funds
- General revenue

Single-Family Lot Disposition Program

Reference: Business & Development's [Single-Family Lot Disposition Program](#) page

Description: The City of Clearwater may donate or sell at below market-value city-owned lots for the development of affordable single-family homes. These lots are typically acquired by the city after tax foreclosure, and are competitively awarded to qualifying buyers.

Process:

- If the Property Disposition Committee (PDC) determines that the optimum future use of a city-owned property is a single-family home, then staff will recommend that Clearwater City Council add the property to the Affordable Housing Inventory List.
- The city's Economic Development and Housing Department compiles a list of interested developers (LID) on an ongoing basis. Developers may contact the Assistant Director of the Economic Development and Housing Department by email or phone to be added to the list. Interested buyers must be serious and committed to affordable home development.
- When a property becomes available, the entire list is notified with the address and parcel ID. The available parcel is also posted on the "affordable housing real estate disposition webpage" and other mediums? During notification is when donation or sale is recommended, as well as probably AMI (80%-120).
- Developers have 15 days to respond to the notification with their interest in the parcel and details about the potential project. They must apply by answering the questionnaire found at the bottom of this program guidance [form](#).
- The PDC evaluates each application from the LID for acquisition of surplus property, calculates the scoring criteria, and makes a recommendation to the Neighborhood and Affordable Housing Advisory Board (NAHAB) as to which developer should acquire the property. The PDC may recommend a developer that did not have the highest number of points in the scoring criteria by providing an explanation along with its recommendation. The NAHAB then makes their selection recommendation to Clearwater City Council, who makes the final decision.
- The selected developer is notified, and has 10 days to respond.

- Once the property is sold by the selected developer to a qualifying household, the parties execute and record as public record a Land Use Restriction Agreement (LURA) to encumber the property.

*Note: The city recently transferred its last available lot under this program. While activity is down, the Economic Development and Housing Department is working with legal and other departments to make updates to the program.

Funding for Single-Family Homes

Reference: Business & Development's [Funding Programs for Single-Family Homes](#) page

Description: The city offers deferred payment, zero-interest acquisition loan, a construction loan, and a combination acquisition and construction loan to qualified single-family home developers who agree to sell the home to an income-restricted homebuyer. The city typically uses funds from the CDBG program to provide a revolving loan fund for acquisition, and typically uses HOME or SHIP funds to provide loans for construction.

Process:

- Developers may inquire about this program with the Assistant Director of the Economic Development Department by phone or email. Contact information can be found within this program guidance [form](#).
- For an acquisition loan, the loan amount is based on a third-party appraisal. The amount may add demolition cost if needed. For a construction loan, the developer must provide all line-item costs to the city, as well as design renderings.
- Home construction must begin within 6 months of the closing of an acquisition loan, and the home must be sold to a qualifying homebuyer within 12 months of acquisition closing (or within 4 months of the closing of a construction loan if receiving a construction loan only).
- The home must be sold to a household at or below the level of Area Median Income (AMI) required by the funding source used to purchase the land. The exact AMI levels are determined by HUD annually and may vary by funding source requirements.
- If the developer plans to sell the home to a household earning greater than 80% AMI but less than 120% AMI, the developer must show a reliable approach for finding a qualified buyer. If the developer plans to sell the home to a household earning less than 80% AMI, then the developer must have a letter of intent to purchase the home from a pre-qualified or pre-approved buyer.
- Both acquisition funds and construction funds provided by the city in the form of a loan must be repaid when the home is sold to a qualifying homebuyer.
- The developer fee is calculated as 12% of construction costs and is awarded to the developer by a reduction of the construction loan when the project is sold or is included in periodic draw requests. Project Net Revenue (PNR), is total project revenue minus total development costs. If the project does not earn PNR equal to 12% of total development costs, then the city will write down the loan such that the developer will

earn 12% PNR. For the purposes of this calculation, the developer fee is included in PNR.

- Once the home is sold, the PNR is calculated by subtracting the Total Project Cost (the sum of construction costs [funds drawn on the construction loan/documentated construction costs approved by the city], plus the acquisition loan amount, plus other costs for acquisition incurred by the developer) from the sale price of the home. Note that administrative oversight of the project by the developer is not considered a project cost. The PNR should equal 12% of total development cost. If the net revenue from the home sale exceeds 12% of total development costs, then 100% of the funds loaned for acquisition must be repaid to the city, and 88% of the funds loaned for construction must be repaid to the city.
- If required by the funding source used to fund the loan from the city, a Land Use Restriction Agreement (LURA) is placed on the property.

Other Sources of Benefits

Other local, state, and federal resources are available to affordable housing developers in the City of Clearwater. The following potential or existing sources provide, either through formula, allocation, or competitive process, benefits such as grants, tax credits or exemptions, below-market-rate loans, or other resource or monetary benefit for land or property acquisition, actual construction costs, or related infrastructure construction for single- or multi-family affordable housing development. Varying rules and restrictions apply to each program, and can be found on the online resource pages for that program. For local sources, rules and restrictions may be up to the discretion of the local elected body.

City of Clearwater

- Clearwater general revenue funds
- Local American Rescue Plan Act (ARPA) funds/State and Local Fiscal Recovery Funds (SLFRF)
- Community Redevelopment Area (CRA) funds
 - Downtown Clearwater CRA
 - North Greenwood CRA

Pinellas County

- Pinellas County Economic Development's Brownfield Redevelopment Program
- Penny for Pinellas funds and Community Land Trust land

State

- Florida Housing Finance Corporation (FHFC) funds
 - Predevelopment Loan Program
 - State Housing Initiatives Partnership (SHIP) program
 - State Apartment Incentive Loan (SAIL) financing
 - Low Income Housing Tax Credits (LIHTC)
 - Elderly Housing Community Loan
 - Grants for Persons with Developmental Disabilities

- Multifamily Mortgage Revenue Bonds (MMRB)/Noncompetitive 4% HC
- Other grants and financing offered through Request for Applications (RFA)

Federal

- U.S. Housing and Urban Development (HUD) program funds
 - Community Development Block Grant (CDBG)
 - HOME Investment Partnerships Program
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 - Other grants and financing offered through Notice of Funding Opportunity (NOFO)
- Opportunity Zones