



PURPOSE

The purpose of the Incentive Strategies in the Annual Report of the State Housing Initiative Partnership (SHIP) program is to set out the deliberations and recommendations for monetary and non-monetary incentives targeting regulatory reform with respect to affordable housing, including evaluation of the established policies, procedures, ordinances, land development regulations, and the comprehensive plan. All recommendations should encourage or facilitate affordable housing while preserving the property's ability to appreciate in value.

The Incentive Strategies in the Annual Report encompass the specific recommendations of the Local Affordable Housing Advisory Committee (LAHAC); all of which were voted upon and approved at a Public Hearing on November 13, 2025, as required by the State Housing Initiatives Partnership program (SHIP) regulations, under Florida Statutes, Sec. 420.9076 (5): "The approval by the advisory committee of its local housing incentive strategies recommendations and its review of local government implementation of previously recommended strategies must be made by affirmative vote of a majority of the membership of the advisory committee taken at a public hearing." This Plan details the City's existing housing-related policies/procedures to be undertaken in support of affordable housing.

Per Florida Statutes, after the Local Affordable Housing Advisory Committee (LAHAC) approves its annual Incentive Strategies Report by a majority vote, the LAHAC must provide the City Commission with the final LAHAC Report, which includes recommendations on affordable housing incentive strategies in the areas noted below; and annually thereafter evaluates the implementation of the same. Typically, the LAHAC Report is presented at a regularly scheduled commission meeting. The SHIP Statute does not mandate the adoption of the LAHAC recommendations by the governing body of the local government, other than the required incentives for expedited permitting and an ongoing process of review.

The Annual Report contains the recommendations made by the 2025-2026 LAHAC for each incentive strategy. Previously, the Committee recommended eight (8) of the eleven (11) strategies, of which two strategies (Strategy (A) and (I)) have been adopted by the City Commission and included in the most recent Local Housing Action Plan (LHAP). During this current year's review (FY 2025-2026), the Committee decided to carry forward eight (8) ongoing incentive strategies and recommend the implementation of one (1) additional incentive strategy (Incentive E - Allowance of affordable accessory residential units in residential zoning districts), to show a strong support for continuation of these strategies, while rejecting the remaining two (2).

Per Florida Statutes (S. 420.9076 (4)(5)), the elected officials may:

- *Discuss the report and vote to adopt only one of many recommendations.*
- *Adopt all the recommendations.*
- *Use the report as a springboard to generate their own ideas for incentive strategies.*

- *Read the report and take no further action.*

If the local government adopts the recommendations of the LAHAC, the SHIP Statute provides that the local government has 90 days to amend its Local Housing Action Plan (LHAP) to incorporate the recommended incentive strategies it plans to implement. The City or County will provide the LHAP amendments to the Florida Housing Finance Corporation.

INCENTIVE STRATEGIES REQUIRED FOR CONTINUED SHIP FUNDING:

The SHIP Act requires that two of the eleven incentive strategies detailed in the statute (Strategy (A) and (I)) must be adopted and incorporated into the SHIP jurisdiction's local housing assistance plan, and must be implemented in order to continue to receive SHIP funding.

STRATEGY A: *The processing of approvals of development orders or permits for affordable housing project is expedited to a greater degree than other projects, as provided in s. 163.3177(6)(f)3.*

STRATEGY I: *The establishment of a process by which a local government considers, before adoption, policies, procedures, ordinances, regulations, or plan provisions that increase the cost of housing.*

AFFORDABLE HOUSING INCENTIVES STRATEGIES

1. **INCENTIVE A:** *THE PROCESSING OF APPROVALS OF DEVELOPMENT ORDERS OR PERMITS, AS DEFINED IN S. 163.3164, FOR AFFORDABLE HOUSING PROJECTS IS EXPEDITED TO A GREATER DEGREE THAN OTHER PROJECTS.*
Recommendation: Continue to implement
2. **INCENTIVE B:** *THE MODIFICATION OF IMPACT FEE REQUIREMENTS, INCLUDING REDUCTION OR WAIVER OF FEES AND ALTERNATIVE METHODS OF FEE PAYMENT FOR AFFORDABLE HOUSING.*
Recommendation: Continue to implement
3. **INCENTIVE C:** *THE ALLOWANCE OF FLEXIBILITY IN DENSITIES FOR AFFORDABLE HOUSING.*
Recommendation: Continue to implement
4. **INCENTIVE D:** *THE RESERVATION OF INFRASTRUCTURE CAPACITY FOR HOUSING FOR VERY-LOW INCOME PERSONS, LOW-INCOME PERSONS, AND MODERATE-INCOME PERSONS.*
Recommendation: Reject the incentive
5. **INCENTIVE E:** *ALLOWANCE OF AFFORDABLE ACCESSORY RESIDENTIAL UNITS IN RESIDENTIAL ZONING DISTRICTS.*

Recommendation: Implement the incentive

Recent updates to statewide housing policy are still under consideration, with Senate Bill 328 currently pending review in the Appropriations Committee on Transportation, Tourism, and Economic Development. As drafted, the legislation would require all local governments to adopt an ordinance permitting accessory dwelling units (ADUs) in single-family residential zoning districts by December 1, 2026. The proposal allows municipalities to regulate ADU permitting, construction, and use; however, it would prohibit local governments from banning ADUs outright, imposing owner-occupancy requirements, or increasing parking requirements beyond what can be accommodated on an existing driveway. Although earlier statewide housing measures were approved by Governor DeSantis in 2024, this ADU-specific mandate has not yet been enacted and remains subject to legislative action.

The City reviewed the implications of this pending legislation during the City Commission Workshop on October 20, 2025, where staff presented both the benefits and challenges of allowing ADUs. Identified benefits include expanding affordable housing options, supporting aging in place, allowing multigenerational living, and providing a legal pathway for existing unpermitted garage conversions. Challenges noted include infrastructure capacity, permitting and inspection demands, parking concerns, enforcement limitations, and impacts on surrounding neighborhoods.

Based on these discussions, the Local Affordable Housing Advisory Committee (LAHAC) supports the recommendation to implement Incentive E, provided that the City adopts clear local standards for ADU size, setbacks, design, inspections, and long-term rental requirements. The LAHAC recommends proceeding with policy development so the City is prepared to comply should the legislation be enacted, while ensuring local regulations maintain neighborhood compatibility and uphold health and safety standards.

6. INCENTIVE F: *THE REDUCTION OF PARKING AND SETBACK REQUIREMENTS FOR AFFORDABLE HOUSING.*

Recommendation: Reject the incentive

7. INCENTIVE G: *THE ALLOWANCE OF FLEXIBLE LOT CONFIGURATIONS, INCLUDING ZERO-LOT-LINE CONFIGURATIONS FOR AFFORDABLE HOUSING.*

Recommendation: Continue to implement

8. INCENTIVE H: *THE MODIFICATION OF STREET REQUIREMENTS FOR AFFORDABLE HOUSING.*

Recommendation: Continue to implement

9. **INCENTIVE I:** *THE ESTABLISHMENT OF A PROCESS BY WHICH A LOCAL GOVERNMENT CONSIDERS, BEFORE ADOPTION, POLICIES, PROCEDURES, ORDINANCES, REGULATIONS, OR PLAN PROVISIONS THAT INCREASE THE COST OF HOUSING.*

Recommendation: Continue to implement

10. **INCENTIVE J:** *THE PREPARATIONS OF A PRINTED INVENTORY OF LOCALLY OWNED PUBLIC LANDS SUITABLE FOR AFFORDABLE HOUSING.*

Recommendation: Continue to implement

11. **INCENTIVE K:** *THE SUPPORT OF DEVELOPMENT NEAR TRANSPORTATION HUBS AND MAJOR EMPLOYMENT CENTERS AND MIXED-USE DEVELOPMENTS.*

Recommendation: Continue to implement

Vote: LAHAC Report Passed 8-0