

# Housing Workshop #3 Presentation and Discussion



Council Presentation July 15, 2014



#### Policy Framework

#### **Council Workshops:**

- ✓ 1. Federal and Local Resources for Housing
- ✓ 2. Affordable Housing Where are we? Finance, Demographics, etc.
- → 3. Discussion about Housing Policy and Use of Federal and Local Funds

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#### **Council Action:**

4. Adoption of Policy



# Workshop #3 Agenda

- 1. Brief Recap of Previous Workshops
- 2. City Tools
- 3. Policy Options to Influence Housing
- 4. Council Discussion
- 5. Next Steps



#### ≈ 123,000 Total Housing Units

≈ 89% Occupied 12% with values of \$0 - \$50,000

≈ 11% Vacant

13,000 vacant units (11% of total) 14,700 substandard units (12% of total)

Source: US Census, American Community Survey



#### Findings:

- Current shortage in Housing Supply at \$150,000 or less (1.5 months supply)
- Multi Family property occupancies > 95%
- Demand for housing of all types continues to increase, due to several factors



#### Focus Areas based on Council Discussion:

- Vacant
- Substandard
- Infill/Revitalization of existing, older neighborhoods
- Downtown



#### Affordable Housing vs. Workforce Housing

Affordable Housing (as provided by Housing Authority):

- Low and very low income
- Primary population <30% area median income</li>
- Residents pay 30% of their income as rent
- HUD provides a subsidy
- CCHA/HUD own the housing

Source: CCHA Council presentation, May 20, 2014



# Affordable Housing vs. Workforce Housing Workforce Housing:

- Income Target 60% to 120% of median income
- Scattered sites / Rental housing
- No federal programs or resources
- Utilize abandoned property
- Once established, properties completely self-sufficient
- Help fill housing needs
- Revitalize existing neighborhoods

Source: CCHA Council presentation, May 20, 2014



# 2. City Tools to Influence Housing

## City Tools

- ✓ Incentives Fee Waivers, Tax Increment Financing (TIFs)
- ✓ Regulations Overlay Districts, PUDs
- ✓ Land City owned or tax foreclosures
- ✓ Funding Type A, HUD, Other funding <u>not</u> <u>tied</u> to HUD definitions



# 2. City Tools: Current Uses of Federal and Type A Funds

- Minor Home Repair Program
- Single Family Rehabilitation Program Homebuyer Assistance Program
- Multifamily Rental Programs via Housing Tax
   Credit Program
- Builders New Construction Program
- Existing Inventory Program



# 2. City Tools: Potential New Uses of Federal and Type A Funds

- Acquisition of Real Property (CDBG)
- Rental Housing Programs (new construction, demolition, rehabilitation) (CDBG)
- Type A All of the above (must follow Federal guidelines)



### 2. City Tools: Waiving Fees – What's the Cost?

- Single Family New Development (Zoning, Platting, Building Permit Fees)
  - > Total fees per home: \$2,186

Based on new construction, 98 homes on 15-acre site (excludes public infrastructure)

- ➤ Single Family Infill/Redevelopment (Building Permit Fees, Plan review, and taps)
  - > Total fees per home \$1,240

Based on 2,000 sq. ft. home infill area at \$150,000 value (excludes public infrastructure, excludes plat or change in zoning if needed)



### 2. City Tools: Waiving Fees – What's the Cost?

➤ Multi-Family New Development (Zoning, Platting, Building Permits)
➤ Total fees \$78,300

Based on a city block, 4.53 acres, 1 multifamily apartment complex

- Multi-Family Infill Remodel/Rehab (Building, Plumbing, Mechanical, Electrical Permits)
  - > Total fees \$448

Based on a \$20,000 commercial remodel/rehab

<sup>\*</sup>Includes appraisal land and improvement values

<sup>\*\*</sup>For new construction, the fees could include additional utility infrastructure costs



#### **Short Term:**

- Adopt a City Housing Policy
  - Identify target area(s)
  - Develop incentive and fee waiver program
- Identify and market any City-owned lots
- Refocus Type A Funds to redevelop City-owned lots with community partners
- Identify "seed money" <u>not tied</u> to Federal definitions to incentivize workforce housing



#### Longer Term:

- Partner with Housing Authority to rehab and/or build affordable housing, workforce housing and reasonably priced rental units
  - Housing Authority to own and manage
- Improve Public Infrastructure in target areas
  - Align Capital Improvement Program



# <u>Area Specific Example</u>: San Antonio ICRIP program (Inner City Reinvestment Infill Policy)

#### Goals:

- 1. Increase new development (housing and commercial) on vacant lots
- 2. Increase redevelopment of underused building and sites
- 3. Increase rehabilitation, upgrade, adaptive reuse of existing buildings
- 4. Improve maintenance of existing buildings and sites
- 5. Increase business recruitment and assistance

Source: City of San Antonio



# <u>Area Specific or City Wide Example</u>: CC Housing Authority Proposal for Workforce Housing

- Income Target 60% to 120% of median income
- Scattered sites / Rental housing
- No federal programs or resources
- Utilize abandoned property
- Once established, properties completely self-sufficient
- Help fill housing needs
- Revitalize existing neighborhoods

Source: CCHA Council presentation, May 20, 2014



#### 4. Council Discussion and Feedback

#### **Short Term:**

- Adopt a City Housing Policy
- Identify City-owned land; vacant lots
- Refocus Type A, CDBG or other funds to incentivize redeveloping substandard/vacant lots in existing neighborhoods

#### Longer Term:

- Partner with Housing Authority to build workforce housing & reasonably priced rental units
- Identify and dedicate City or other funds <u>not tied</u> to Federal guidelines to incentivize workforce housing and reasonably priced housing units



#### 5. Next Steps

#### **Council Workshops:**

- ✓ 1. Federal and Local Resources for Housing
- ✓ 2. Affordable Housing Where are we? Finance, Demographics, etc.
- ✓ 3. Discussion about Housing Policy and Use of Federal and Local Funds
  - ☐ Housing data analysis to be completed soon

#### **Council Action:**

4. Adoption of Policy



### Housing Workshop #3

Thank You

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July 15, 2014