Affordable Housing Policy and Program Initiatives

Resolution
August 28, 2018

- Definition of Affordable Housing
- Research
- What does it mean for Corpus Christi
  - Tying Affordable Housing initiative to existing Plan CC and implementation through policies and program initiatives
  - Programs in the near future

What is Affordable Housing

- Housing for which the occupant(s) is/are paying no more than 30% of their income for gross housing costs, including utilities.

- Affordable Housing, per this policy, is the above definition and must include income eligibility guidelines.

- Ex: Family of 4 cannot exceed an annual income of $51,500. Monthly housing, excluding utilities, cannot exceed $1,287.51.

Research

Other Texas Communities
- Tying affordable housing to area development plans
- Establishing Funding Sources
- Policies
  - ✓ Established at local government level
- Programs
  - ✓ Increase local funding
  - ✓ Gap Financing
  - ✓ Partnerships
  - ✓ Zoning Ordinances
  - ✓ Land Acquisition
  - ✓ Infill housing

What does this mean for Corpus Christi

- Creation of an Affordable Housing Policy and Program Initiatives
  - Tying initiative Plan CC and implementation of Element 3, Housing and Neighborhoods
    - Goal 1 – Corpus Christi has a comprehensive housing policy to advise the City on development and quality housing for residents of all income levels in all parts of the city.
    - Goal 9 – The design of new developments promotes a broader sense of neighborhood and community rather than creating isolated subdivisions or apartment complexes developments with lack of interconnection.
  - Building and Permit fee reimbursement

Goal 1: Corpus Christi has a comprehensive housing policy to advise the City on development of quality housing for residents of all income levels in all parts of the city.

- *Strategy*
    - Support a community-based system to develop and implement a housing policy that includes stakeholders from government, the nonprofit sector, and the private sector

Implementation

- Continuation of Homebuyer Assistance Programs
  - Down Payment Assistance Program (Type A)
  - Closing Cost Assistance Program (HOME Program)
- Establishing a Gap Financing Program – Funds used Program Income (revenue generated from the HOME Program)
- Entering into the development process – Funds used HOME Program Entitlement funds

Goal 9: The design of new developments promotes a broader sense of neighborhood and community rather than creating isolated subdivisions or apartments complexes developments with lack of interconnection.

- *Strategy*
    - Give consideration to regulations, projects, incentives, and guidelines that promote interconnected development

Implementation

- The City will encourage private sector development of affordable housing by creating a development reimbursement program ordinance.
  - Plat application fees on a pro rata basis
  - Zoning fees on a pro rata basis
  - Community Enrichment fees on a pro rata basis
  - Building permit application fees
  - Water tap/set fees
  - Wastewater tap fees
  - Gas tap fees

Affordable Housing Reimbursement Program

- Application for reimbursement must include:
  - Deed
  - Contract of Sale
  - Proof of Permit Fees
- To qualify for reimbursement:
  - Deed must include a covenant restricting the sale of the dwelling unit for more than $200,00 within five years from the initial date of the deed
  - This restrictive covenant runs with the land and must be recorded in the Official Public Records of Nueces County, Texas

Affordable Housing Reimbursement Program

- The Affordable Housing Reimbursement Program will be administered by Development Services
- Reimbursements are for new owner-occupied housing that does not exceed 200,000 sales price.
  - Reimbursement amount:
    - 100% for low– moderate income purchaser.
    - Must pre-qualify as a family earning 80% or less of the median family income.
    - 25% for middle income purchaser up to $200,000
      - No pre-qualification of income is required.
  - Reimbursements to developer, builder and property owner with proof of fee payment.

Questions

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