

MEMORANDUM

To: Mayor & City Council Members Date: October 14, 2014

From: Jeff Staudinger, Asst. Dir.
Community & Economic Dev Department

Via: Gary W. Jackson, City Manager

Subject: Comprehensive Affordable Housing Strategy Work Session

Purpose - The purpose of this report is to receive City Council's feedback on a draft Comprehensive Affordable Housing Strategy. Staff is seeking City Council's consideration of the goals, action items and next phase of recommendations included in the framework. Staff will incorporate City Council's input and direction into the strategy and bring it back for adoption.

Review - The Comprehensive Affordable Housing Strategy (CAHS) is a next generation housing policy framework, combined with an implementation toolkit, that will focus on:

- Strengthening the city's affordable housing programs for low- and moderate-income households;
- Continuing the development of a housing crisis management system to prevent and end homelessness;
- Expanding housing opportunities for middle-income households;
- Exploring innovative approaches to providing additional housing and a broader range of housing options, particularly for housing needs not being met by the market;
- Prioritizing action items that provide the highest return on investment as measured by number of affordable units, percentage of permanently affordable units, contributions to long-term economic and tax base growth, and sustainability.

The CAHS is envisioned as a "living document" that will guide ongoing work related to housing policies and programs. In other words, adoption of the strategy will not signal the end of the city's housing-focused discussions, but rather inform annual work program priorities aimed at continual monitoring, evaluation and action to strengthen and expand housing opportunities through a variety of tools and coordinated initiatives.

Policy Direction - During the work session, staff will ask City Council to:

- Provide feedback on the draft goals and assumptions outlined in the framework
- Consider an affordable housing goal for FY2014-2015
- Identify short- and long-term priorities that need to be incorporated into the city's work plan
- Provide direction on the prioritization of projects and policy recommendations

Attachments:

- (1) Comprehensive Housing Strategy & Policy Framework
- (2) PowerPoint Presentation



Asheville . NC 2015
**COMPREHENSIVE
HOUSING STRATEGY
& POLICY FRAMEWORK**

Presented to the Asheville City Council by:

Gary W. Jackson, City Manager
and the Executive
Management Team

Introduction

Asheville is developing a comprehensive housing policy framework and implementation plan that will focus on:

- Strengthening the city's affordable housing programs for low- and moderate-income households;
- Continuing the development of a housing crisis management system to prevent and end homelessness;
- Expanding housing opportunities for middle-income households;
- Exploring innovative approaches to providing additional housing and a broader range of housing options, particularly for housing needs not being met by the market;
- Prioritizing action items that provide the highest return on investment as measured by number of affordable units, percentage of permanently affordable units, contributions to long-term economic and tax base growth, and sustainability.

Achieving Asheville's economic and affordability goals will take a creative mix of policies, tools and resources to make progress on multiple fronts over multiple years. The initial presentation of this framework includes a 12-month action plan that continues the City's progress with existing policies, processes and projects while laying a foundation for considering new policies and tools in subsequent months. The framework is expected to progressively build as the foundational elements are completed.

Purpose

Framework Purpose

The purpose of this framework is to define priorities and goals for the expansion and preservation of diverse, affordable housing choices in Asheville and to identify specific programs and tools to address them in a manner consistent with City Council's social, economic and sustainability goals.

For the past decade and more, Asheville has discussed and evaluated the issue of affordable housing. This framework is intended to provide a high level overview of how the city's existing policies and planning documents will work together to achieve Asheville's affordable housing goals while opening the door to new policies, programs and initiatives.

This framework is not a static plan but a flexible structure that will evolve and be achieved over time. Specific projects, actions items and tactics will move forward on different timetables, and staff will seek City Council direction and community input as they move forward. It is expected that new projects and initiatives will be added and existing items modified as the city works within this framework. Several of the items in the 12-month action plan are foundational initiatives (market analysis and data collection, defining affordable housing goals, definitions and metrics) that set the stage to explore new strategies.

Guiding Principles

- Create and support great neighborhoods and new housing opportunities.
- Continue and strengthen policies and programs that support economic mobility goals.
- Expand housing choice for middle-income households.
- Consider the regional context as well as area-specific conditions.
- Be willing to have candid conversations, and to try new things.
- Create new forms of partnership to deliver housing that meets community needs.
- Develop an ongoing strategic approach, not a "plan."

Key Assumptions

1. This strategy will build upon Asheville's existing policy context, retaining and expanding current affordable housing goals and programs.
2. There are no single solutions to Asheville's affordability challenges. Affordable housing demand in Asheville will out strip the affordable housing supply. However, there are opportunities to respond more effectively and the situation can be improved while also achieving other community goals.
3. The strategy will not focus on the needs or desires of higher-income households because the market is already meeting those needs.
4. There is not enough land to add the necessary supply, nor are there the financial resources to provide the necessary subsidy to a large enough number of middle-income households to fully address the affordable housing gap. The strategy therefore may take into consideration the provision of new single family detached homes but it will not be a main focus.
5. The strategy will continue to prioritize the development of affordable rental housing, and will recognize that City resources will need to be leveraged by housing developers to obtain significant other resources .
6. Any expansion of housing opportunities will require expanding the housing supply. However, the strategy will only consider land in the city's service area. Asheville will continue to work collaboratively with Buncombe County and other Regional Housing Consortium members to develop effective regional strategies.
7. Given constraints on available land, increasing the supply of housing will require continued consideration of strategies to increase supply through infill and redevelopment. These strategies will necessitate increased housing density.
8. Supporting permanently affordable housing options will preserve the stability of neighborhoods while assisting in the prevention of gentrification.
9. The exploration of any new housing opportunities will integrate and reflect Asheville's commitment to sustainability by considering location, efficient use of land, transportation connections, energy efficiency, context-sensitive design and return on investment.

The following goals are intended to inspire and direct work on the Comprehensive Housing Strategy. The goals, once approved, will be used to guide the strategy development process and evaluate potential policies and tools. The goals should not be viewed individually, but rather as a comprehensive and coordinated approach toward achieving the overarching purpose of the project – to preserve and expand diverse, affordable housing choices in Asheville in a manner consistent with the community’s social, economic and environmental sustainability principles.

For each goal, action items of how the goal might be advanced are provided in order to illustrate the types of policies or initiatives that might be considered. These examples are illustrative only, and are not comprehensive. Ongoing efforts will involve consideration of specific strategies and tools in each area, engaging the community and stakeholders in determining what the priority areas for action should be.

Goals

Strengthen Our Current Commitments

Reach or exceed Asheville’s goals to serve people of in all life stages, incomes and abilities.

- Adopt a short-term specific affordable housing production goal defined by a number of affordable units produced per year
- Additionally, establish a short-term “households assisted” goal, recognizing the important of strategies such as Tenant Based Rental Assistance in addressing homelessness, strengthening existing neighborhoods and breaking the cycle of poverty
- Establish clear funding priorities to accomplish the goal
- Identify or create new policies or funding resources to accelerate progress

Maintain the Middle

Prevent further loss of Asheville’s economic middle by preserving existing housing and providing greater variety of housing choices for middle-income families and for Asheville’s workforce.

- Explore options to preserve the affordability of existing housing
- Facilitate the creation of higher density but diverse family-supportive housing types through land use and zoning changes
- Address issues within the development review process that create uncertainty, additional cost and lost time during the development process

Create Diverse Housing Choices in Every Neighborhood

Facilitate the creation of a variety of housing options in every part of the city, including existing single-family neighborhoods and commercial districts.

- Make it easier and more financially feasible to develop accessory dwelling units and owner accessory units
- Make it possible to create appropriately scaled and contextually-fitting multi-unit housing in existing single-family neighborhoods
- Establish minimum density standards or alternative approaches to managing density to avoid creating new areas that offer only large, high priced single family homes
- Assist in the diversification of both lower-income and higher-income neighborhoods.

Strengthen Partnerships and Leverage Resources

Strengthen current partnerships and explore creative new public-private-partnerships to address our community's housing challenges (e.g., Housing Authority of the City of Asheville, UNC Asheville, private developers, financing entities, affordable housing providers, etc.)

Create Vibrant Neighborhoods

Foster mixed-income, mixed-use, highly walkable neighborhoods in amenity rich locations (e.g., close to transit, parks, open space and trails, employment, retail services, etc.) to maximize locational efficiency

- Prioritize areas for housing that is appropriate to the context and offers a variety of types and styles to meet Asheville's future housing needs
- Partner with developers to create mixed income, mixed use developments on key opportunity sites including city-owned land
- Explore new tools to incentivize or require desired unit mixes, types or sizes, such as "benefit capture" provisions connected to property rezoning
- Establish a pattern book of desired housing outcomes, particularly for higher density housing and for housing that meets special needs, linked to streamlined review processes

BACKGROUND

Policy Documents and Direction

Date	Plan or Initiative	Key Policies and Recommendations
2000	<u>Affordable Housing Trust Fund is created</u>	<ul style="list-style-type: none"> • Rental housing is prioritized over home ownership with 75% of funds dedicated to rental development • Encourages higher-density, multi-family developments along transit corridors
2005	<u>Ten Year Plan to End Chronic Homelessness</u>	<ul style="list-style-type: none"> • Housing First – Provide permanent housing for chronically homeless • Housing Plus – Provide services to maintain stability in housing
2005	Redevelopment of City-owned land initiative	<ul style="list-style-type: none"> • City Council directed and approved an initiative to pursue the redevelopment of city-owned land for community development purposes including increasing the supply of workforce and affordable housing through development partnerships, proceeds from the sale of land, development of infrastructure, etc.
2008	<u>Affordable Housing Plan for the City of Asheville produced by the Mayor’s Task Force on Affordable Housing</u>	<ul style="list-style-type: none"> • Focus on increasing the supply of affordable housing • Maximize limited resources by investing in projects • Remove barriers to developing affordable housing in City ordinances and programs
2010-2015	<u>Consolidated Strategic Plan for CDBG and HOME Programs</u>	<ul style="list-style-type: none"> • Focus on affordable rental housing • Implement 10 Year Plan to End Homelessness • Invest in infrastructure that supports affordable housing and programs that support economic mobility
2010	<u>Land Use Incentive Policy</u>	<ul style="list-style-type: none"> • Seeks to increase supply of affordable and workforce housing that is “green” and locationally efficient • Offers grants (tied to City property taxes) to projects that meet affordability and/or sustainability criteria
2014-2015	<u>Asheville Regional Housing Consortium Annual Action Plan for CDBG and HOME Programs</u>	<ul style="list-style-type: none"> • 33 projects carried out by 16 agencies • Funding to assist 464 units through a combination of supply-and demand-side strategies • Funding for housing, family and support services • Every dollar leverages \$14.62 of funding from other sources

Existing Tools and Incentives

Tool	Description	Outcomes and Notes
FUNDING SOURCES		
CDBG (Community Development Block Grant)	US Department of HUD annual grant to City that directly supports housing repairs, loans for homeownership and infrastructure; as well as housing organization costs of operation.	<ul style="list-style-type: none"> • Provides financial support to housing delivery organizations, as well as directly funding housing preservation efforts. • Cannot directly fund new construction, although can fund infrastructure in support of new housing development. • Section 108 allows advance of future federal allocations for CDBG- eligible projects, which could be used as part of overall finance package for larger project. • Can also be used for non-housing purposes. • Federal allocation has declined 25% since 2010.
HOME	US Department of HUD annual grant to City for four county region that directly supports new affordable rental and homeownership development, and Tenant Based Rental Assistance (TBRA) for the homeless.	<ul style="list-style-type: none"> • Primary federal housing grant program. • Locally, 3:1 ratio of funds applied for to funds available. • Asheville projects compete with projects throughout four-county service area. • Use of funds for TBRA has been key factor in declining rate of chronic homelessness in Asheville and Buncombe County. • Federal allocation has declined 45% since 2010.
Affordable Housing Trust Fund	Long-term, low-interest loans for affordable rental housing development funded by City of Asheville General Fund	<ul style="list-style-type: none"> • Currently funded at \$500,000 annually, with around \$75,000 repayment income. Average of \$10,000 per unit over last 10 years.
EDCIP (Economic Development Capital Improvement Program)	City investments in infrastructure supporting developments that meet Council goals, including affordable and workforce housing, funded in a variety of ways by City of Asheville	<ul style="list-style-type: none"> • New program launched in FY14-15. • Major investment in Eagle Market Place. • Financial model requires revenue from a variety of sources, including proceeds from sale of City property, for full capitalization. • Significant commitments to RADTIP.
LIHTC (Low Income Housing Tax Credit program)	Indirect federal subsidy for long-term affordable housing based on section 42 of the Internal Revenue Code; awards made by state agencies (in NC, by the North Carolina Housing Finance Agency) according to their Qualified Allocation Plan (QAP)	<ul style="list-style-type: none"> • Qualified projects receive equity investments that reduce need for debt, with ROI coming from federal tax credits. • Developer must commit to 30 years of affordability for households at or below 60% of median income. • Success requires leverage from other sources, adherence to QAP. • Much of our HOME and HTF allocations support LIHTC projects, because of long term affordability for low income households. Unlikely, however, to achieve more than one project locally (40-80 units) annually.

Existing Tools and Incentives

Tool	Description	Outcomes and Notes
INCENTIVES		
Land Use Incentive Grant	Grants based on annual City of Asheville property tax liability for housing and mixed-use developments that meet affordability and sustainability criteria	<ul style="list-style-type: none"> In place since 2010, has seen limited use due to city legal indemnification requirement (now removed from policy), dual affordability and sustainability requirements. Recent increase in interest.
Fee Rebates	City and MSD permit fee rebates	<ul style="list-style-type: none"> Relatively high utilization; easy to qualify. Limited financial impact on projects.
Density Bonus	Provision in Asheville UDO (Sec. 7-16-1(c)) that increases allowable residential unit density from 20% to 100% available in certain zoning districts based upon commitments to affordability and sustainability. Other benefits include reduced lot size, setback and parking requirements.	<ul style="list-style-type: none"> No applications have been made for this program since its adoption in 2010. Rigid requirements, including mandatory “Good Neighbor Agreement,” mixed purpose appear to be major concerns.
Infrastructure Investment	Covered in EDCIP, above	

Evaluation and Measurement

In January 2014, an [Affordable Housing Scorecard](#) was created through a contract with Dr. Mai Thi Nguyen of UNC-Chapel Hill. City Management requested that a comparative analysis be completed between Asheville and other comparable cities/regions. The purpose of this analysis was a) to determine how effective Asheville’s efforts have been in its affordable housing investment programs, b) to assess whether best practices have been used, and c) to make recommendations to the City to form the basis of future policy and programming. The report concluded that the City of Asheville produces a significantly higher number of rental and home ownership units per year on average when compared to peer cities. This has been achieved by concentrating financial resources on “buying down” the cost of affordable housing development by using resources from the Affordable Housing Trust Fund, CDBG, and HOME to leverage additional dollars for affordable housing development.

Alignment

To the greatest extent possible, the Comprehensive Housing Strategy is being coordinated and integrated with the following strategic planning initiatives to ensure complementary and logical outcomes that advance Asheville’s established goals:

- [Asheville 2025 Plan](#)
- Downtown Master Plan
- [Sustainability Management Plan](#)
- [Transit Master Plan](#)
- Wilma Dykeman Riverway Plan

Action Items

12-Month Action Plan				
Project/ Initiative/ Category	Description	Timeline	Anticipated Outcomes	Responsible Bodies (City Project Owner)
Adopt Affordable Housing Policy Guidelines for FY2014-2015	Establish a goal for number of units and percentage permanently affordable for current fiscal year	October Work Session	Definition of Affordable Housing for application in policies in programs Goals and metrics for affordable housing production	Asheville City Council (Jeff Staudinger)
UDO Wording Amendment to allow housing density in commercial districts	Zoning changes to allow for residential housing development in commercial districts to maximize density for developments with affordable housing component	City Council consideration in November 2014	Significant new housing development would be allowed by-right in existing commercial corridors, with even greater density if percentage of units were affordable	Planning Staff (Blake Esselstyn)
Comprehensive Housing Market Analysis	Affordable Housing Market Analysis for the City of Asheville and the Asheville Regional Housing Consortium service area, including Buncombe, Henderson, Madison and Transylvania Counties	December 2014	Analysis will delineate price points in rental and for sale markets relative to purchasing power based on income and housing size to identify gaps and inform subsequent programs and policies	Community Development Staff (Jeff Staudinger)
Affordable Housing Trust Funding Cycle	Approximately \$200,000 awarded in low-interest loans	December 2014	Half of the current year funding allocation is dedicated to Eagle Market Place; remaining funds will likely support projects already in the development pipeline	City Council Housing And Community Development Committee (Jeff Staudinger)
ED CIP Investment Projects	Underground utilities on South Lexington	Winter 2014	Supports PIP residential development on 56 South Lexington and other potential residential development	Public Works Staff (Greg Shuler)

12-Month Action Plan				
Project/ Initiative/ Category	Description	Timeline	Anticipated Outcomes	Responsible Bodies
Lee Walker Heights redevelopment project	Partnership with Housing Authority of the City of Asheville (HACA) and other institutions and private entities for transformational community development project	Selection of co-developer by January 2015 Anticipated development process 2015-2018	Mixed-use, mixed-income with potential for 200-300 residential units and undetermined amount of commercial development	HACA City serving as facilitator and development partner (Jeff Staudinger)
Update the 2015-2019 Consolidated Plan	Determines priorities for resource allocation for federal funds for affordable housing for five year period	City Council consideration April 2015	Plan assesses capacity for housing needs and production; includes specific production goals consortium-wide	Asheville Regional Housing Consortium Community and Eco. Development Staff (Jeff Staudinger)
Adopt Affordable Housing Policy Guidelines for FY2015-2016	Establish a goal for number of units and percentage permanently affordable for next fiscal year	City Council adoption April 2015	Definition of Affordable Housing for application in policies in programs Goals and metrics for affordable housing production	City Council Housing And Community Development Committee Asheville City Council (Jeff Staudinger)
CDBG and HOME Funding Cycles	CDBG: Approximately \$1 million HOME: Approximately \$800,000	March 2015 funding decisions April 2015 adoption by City Council	Supporting the development of 100-150 units consortium-wide	CDBG: Housing and Community Development Committee HOME: Consortium

12-Month Action Plan

Project/ Initiative/ Category	Description	Timeline	Anticipated Outcomes	Responsible Bodies
Comprehensive Recommendations on City Affordable Housing Tools	Evaluate existing portfolio of affordable housing tools (HTF loans, land use incentives, land use incentive grants, fee rebates, density bonus) and resources and make recommendations for the most efficient and effective delivery system to maximize affordable housing production	April 2015	<p>A plan for FY2015-16 that aligns with City budget process based on market data and adopted policies, definitions and goals</p> <p>Evaluation of new tools, strategies and investments including land banking/land trusts, funding sources, alternative and/or consolidated methods of “buying down” cost of development</p>	<p>Planning, Economic Development and Community Development Staff (Jeff Staudinger)</p> <p>City Council Housing and Community Committee</p>
The Villas/ Deaverview Road site development	16 acres of greenfield acquired through foreclosure process; potential for development partnership	<p>Property sale in FY2014-2015</p> <p>Development timeline 2016-2020</p>	50-100 affordable residential units	Community and Eco. Development Staff (Jeff Staudinger)
Redevelopment of City-owned property initiative	Develop project plans, including relocation of city maintenance functions, and pursue redevelopment of priority sites	<p>Due diligence complete April 2015</p> <p>RFP process Summer 2015</p>	Potential for mixed-use development and 100-200 affordable residential units	Community and Eco. Development Staff (Nikki Reid and Jeff Staudinger)
Comprehensive Regulatory Analysis and Recommendations	Comprehensive review and analysis of regulatory environment including Unified Development Ordinance, incentives and policies	Summer 2015	An integrated set of development recommendations to maximize opportunities for affordable housing development; include project FY2015-2016 budget	Planning and Community Development Staff (Alan Glines, Jeff Staudinger)



COMPREHENSIVE AFFORDABLE HOUSING STRATEGY

October Work Session

Strategy



The **Comprehensive Affordable Housing Strategy** is envisioned as a “living strategy” that will guide ongoing work related to affordable housing policies and programs. Adoption of the strategy will inform annual work program priorities aimed at continual action, monitoring and evaluation to expand housing opportunities through a variety of tools and coordinated initiatives.

Purpose of Strategy



- Strengthen the City's affordable housing programs for low- and moderate-income households
- Continue the development of a housing crisis management system to prevent and end homelessness
- Expand housing opportunities for middle-income households
- Explore innovative approaches to providing additional housing and a broader range of housing options, particularly for housing needs not being met by the market
- Prioritize action items that provide the highest return on investment as measured by number of affordable units, percentage of permanently affordable units, contributions to long-term economic and tax base growth, and sustainability

Work Session



City Council is being asked to:

- Provide feedback on the draft goals and assumptions outlined in the framework
- Consider an affordable housing goal for FY2014-2015
- Identify short- and long-term priorities that need to be incorporated into the city's work plan
- Provide direction on the prioritization of action items, projects and policy recommendations

Staff will edit the strategy based on Council's direction today and bring it back for adoption.

Background



- Current and projected affordable housing need
- Existing plans and policies
- Tools and resources
- Alignment with other plans and efforts
- Affordable Housing Scorecard: How are we doing?

What is Affordable Housing?

FY 2014 Income Limit Category	Persons in Family				
	1	2	3	4	5
Extremely Low (30%)	11,800	13,450	15,150	16,800	18,150
Very Low (50%)	19,600	22,400	25,200	28,000	30,250
Low (80%) Income Limits (\$)	31,400	35,850	40,350	44,800	48,400
Median (100%) Income	39,250	44,813	50,438	56,000	60,500
Workforce (120%)	47,100	53,775	60,525	67,200	72,600

What is Affordable Housing?

What would affordable housing cost?

	Family Size	Utility Allowance	Max rent at 80% AMI	Max rent at 60% AMI
0 BR	1	60	725	428
1 BR	2	77	819	606
2 BR	3	95	914	719
3 BR	4	117	1,003	922
4 BR	6	146	1,154	1,044

Current and Projected Need



- Low Wages
- Housing Costs
- Transportation Costs

Low Wages

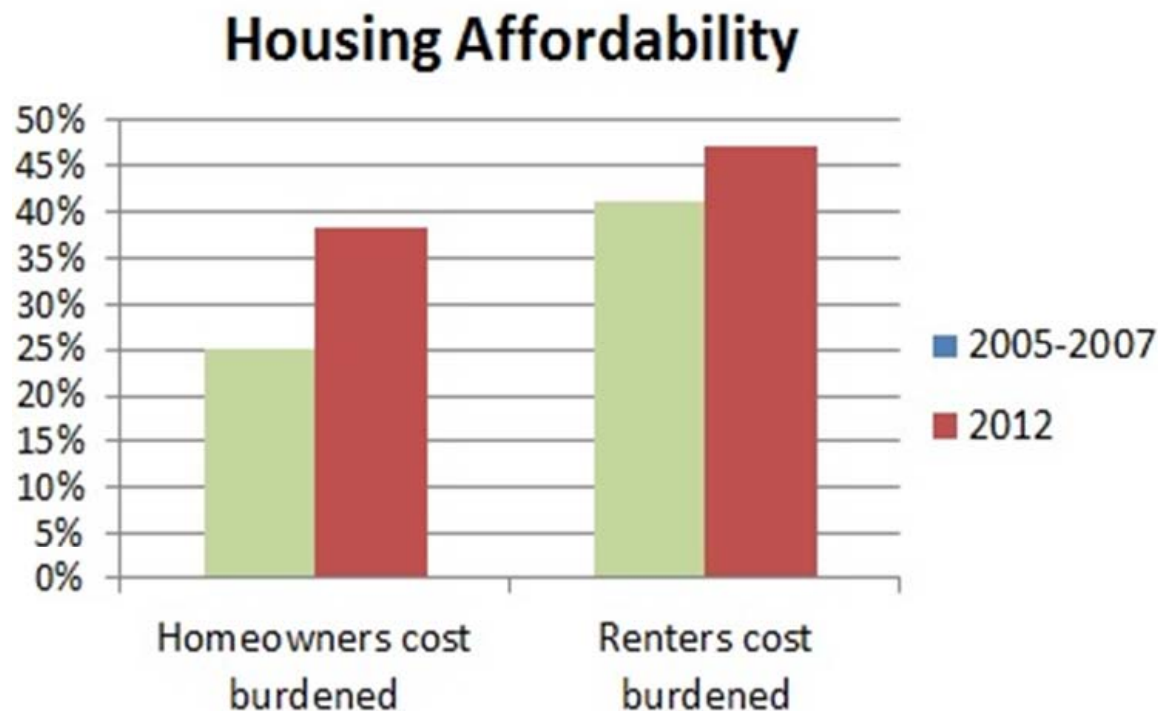
- Retail Trade and Accommodation & Food Services have provided more than 26% of all new jobs created in past year
- Jobs paying an average annual wage of less than \$25,000 comprise 31% of our workforce

	Average Weekly Wage	Average Annual Wage
Retail Trade	\$453	\$23,556
Accommodation and Food Services	\$314	\$16,328

Housing Costs

A high percentage of households are “cost burdened” (i.e. pay more than 30% of their income for housing costs):

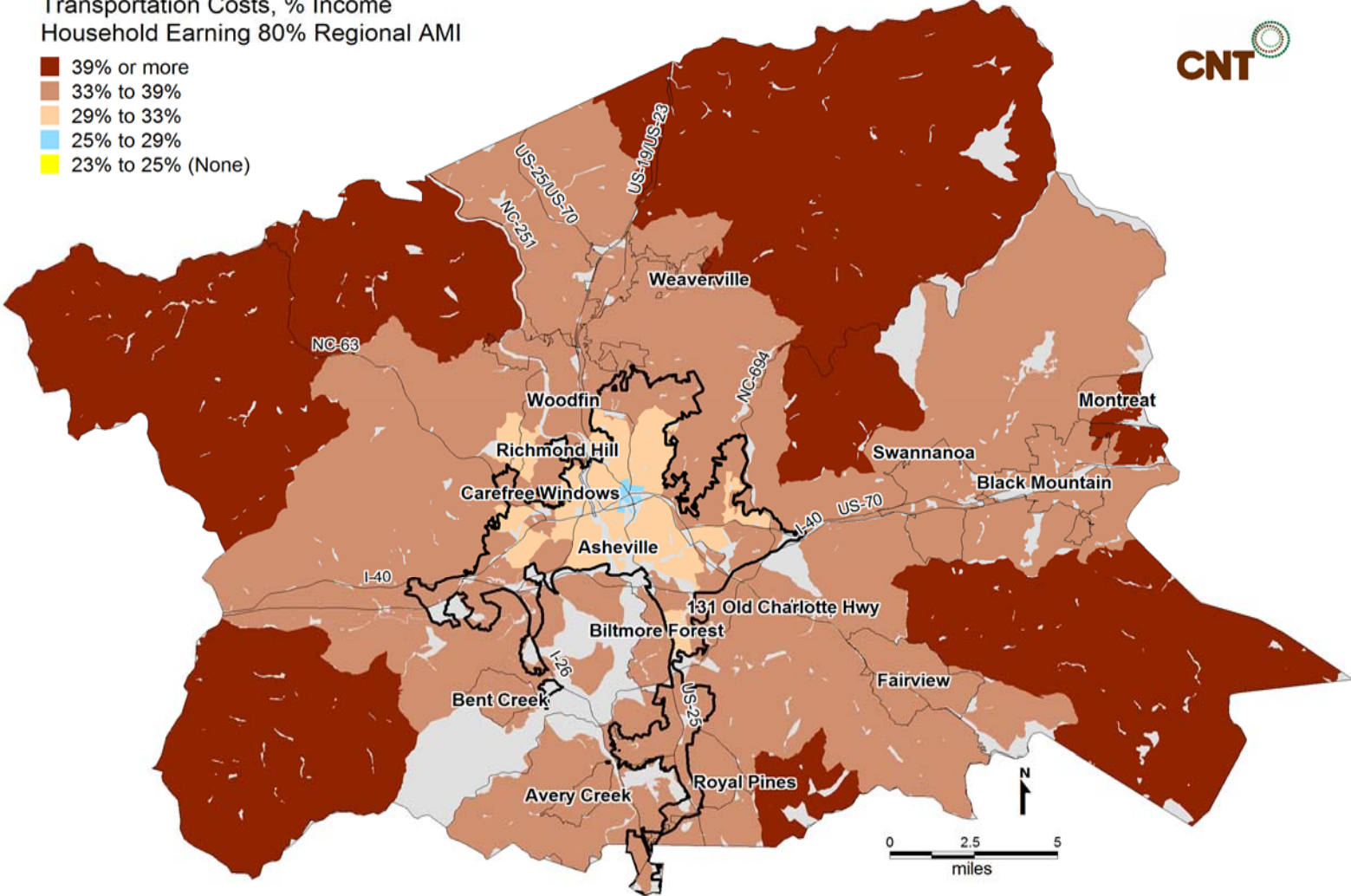
- 38.2% of homeowners with a mortgage
- 47% of renters




Transportation Costs

Transportation Costs, % Income
Household Earning 80% Regional AMI

- 39% or more
- 33% to 39%
- 29% to 33%
- 25% to 29%
- 23% to 25% (None)




Affordable Housing Scorecard: Findings



The City of Asheville

- is outperforming annual targets for affordable housing production and assistance
- is outperforming all four comparison cities: Greenville, SC, Wilmington, NC, Chapel Hill, NC and Durham, NC is using its state and federal grant dollars efficiently
- Housing Trust Fund and rebate programs have been very effective at assisting developers to make affordable housing development feasible
- has the political support as well as institutional/organizational capacity to tackle the affordable housing challenge

Affordable Housing Scorecard: Findings



The local community development corporation, Mountain Housing Opportunities, has efficiently and effectively utilized Housing Trust funds, LIHTCs, HOME funds, NeighborWorks funds, and other funding to produce affordable rental and for sale housing

Affordable Housing Scorecard: Recommendations



- *Permanent affordability*
- *Housing Trust Fund and dedicated funding for affordable housing*
- *Identify opportunity areas*
- *Neighborhood Planning*
- *Economic Development and Workforce Development*
- *Continue and expand affordable housing coordination with Buncombe County*
- *Expand affordable housing network*



ASSUMPTIONS

Assumptions



- Build on Asheville's existing policy context
- There are no single solutions
- Low- to middle-income focus
- Continued focus on greatest need: affordable rental apartments
- Only considers land in the city's service area
- Increase supply through infill and redevelopment
- Support strong and diverse neighborhoods
- Housing near to jobs, schools and services enhances affordability
- Asheville needs to grow "in and up"

Assumptions



**Are the goals correct and
reflective of City Council's vision?**

**Are there any important goals
we are missing?**



GOALS

Goals



Strengthen Our Current Commitments

- Reach or exceed Asheville's goals to serve people of in all life stages, incomes and abilities; adopt production goals that are ambitious and achievable

Maintain the Middle

- Provide greater variety of housing choices for middle-income families and for Asheville's workforce.

Create Diverse Housing Choices in Every Neighborhood

- Facilitate the creation of a variety of housing options in every part of the city, including existing single-family neighborhoods and commercial districts.

Create Vibrant Neighborhoods

- Foster mixed-income, mixed-use, highly walkable neighborhoods in amenity rich locations (e.g., close to transit, parks, open space and trails, employment, retail services, etc.) to maximize locational efficiency

Strengthen Partnerships and Leverage Resources

- Strengthen current partnerships and explore creative new public-private-partnerships to address our community's housing challenges

Goals



**Are the goals correct and
reflective of City Council's vision?**

**Are there any important goals
we are missing?**

Action Items



Initiatives underway

- UDO Wording Amendment to allow housing density in commercial districts
- Affordable Housing Trust Fund Cycle for FY2014-2015
- Economic Development Capital Improvement Plan (EDCIP)
- Eagle Market Place, Hudson Hills Developments
- Lee Walker Heights redevelopment project
- CDBG and HOME funding cycles
- Deaverview Road site disposition
- Redevelopment of city-owned property initiative – Hilliard Avenue site

Action Items



Foundations for action

- Adoption of a housing production goal for FY2014-2015
- Comprehensive Housing Market Analysis
- 2015-2019 Consolidated Plan for CDBG and HOME
- Revisit production goal for FY2015-2016

Mid-term policy initiatives

- Adopt Affordable Housing Policy Guidelines for FY2015-2016
- Comprehensive Recommendations on City Affordable Housing Tools for FY2015-2016
- Comprehensive Regulatory Analysis and Recommendations
- Adoption of achievable and aspirational long-term goal to substantially impact affordable housing needs



ACTION ITEMS

Action Items



Staff is seeking your policy guidance on key questions as we continue to build the work program.

- Are we ready to strategically prioritize the relocation of city facilities to pursue mixed-use project and affordable housing developments? Staff sees this as a high priority.
- Are we ready to consider UDO and other regulatory changes to increase housing density and otherwise encourage affordable housing production?
- Are we ready to focus financial and staff resources to maximize the return on housing production?
- What are the attributes we seek in development partners?

Action Items



- Are we ready to move to adopt standards to guide City resource contributions to affordable housing developments?
- Should we strengthen incentives that will result in affordable and “workforce” housing development in our Innovation Districts and other locationally efficient areas in the City?
- Are we ready to consider strategies to prevent gentrification such as community land trusts, live-work housing, cooperative housing and strategic land banking?
- Are we ready to move forward with policy decisions regarding the impact of short-term rentals on affordable housing, as soon as sufficient data and evidence is available to guide that policy?

Action Items



- Have we captured the right action items?
- Are there other projects and initiatives that need to be added?
- What additional policy direction would you give us now as we develop the mid-term policy initiatives?

Next Steps



- Staff to report on progress regularly to Council Committees
- Staff to incorporate feedback from today into strategy and action items
- City Council to adopt strategy and work program for next 12 months



QUESTIONS?