

Incentives and Hindrances to Affordable Housing

Development and permitting

Create a liaison or some line of communication between affordable housing builders/nonprofits and for-profit builders in order to ensure that creative ideas for fulfilling the affordable housing requirements of given developments are being met.

Affordable Housing Liaison Position- A person dedicated to helping builders and developers through the county processes and offices with one primary point of contact. This will eliminate conflicting information often encountered.

Impact Fees

Reduce impact fees, provide a credit, or refund impact fees to affordable housing builders. (25% of the cost to build a Habitat home goes towards impact fees, utility hook-up fees, and permits)

Impact Fees- Allow payment of impact fees, and utility connection, fees over a period of time, paid thru property tax process. Offer extended period of time for lower income target populations,

Offer impact fee and utility connection fee offsets for new construction of affordable rental units.

Offer impact fee and utility connection offsets for new construction of homes for income qualified buyers.

Density

Review Density Bonus options- consider density bonus outside of the designated parcel that would include paying a percentage (30-50%) of the value of the additional new lots into a Housing Trust Fund

Offer an affordable housing density bonus of one unit per buildable lots in RS3 zoning, without requiring a special use permit. (Limited, perhaps, to designated areas ie: West Augustine CRA)

Infrastructure

Consider allowing affordable housing developers to be able to utilize existing capacity in storm water retention areas rather than having to create their own or share county owned land nearby to store storm water and lift stations required for housing developments so more land can be reserved for housing stock instead of infrastructure requirements.

Accessory Dwellings

Encourage accessory residential dwellings/granny flats, etc. Could be included as part of density bonus negotiations. Must include onsite parking.

Parking and Setbacks

Consider a reduction in required set-backs for affordable housing projects

Street Requirements

Review private/public road considerations for all affordable housing developments.

Homebuyer Programs/Advocacy

When disbursing funds for down payment assistance to qualified buyers of affordable housing consider offering only the amount necessary to make the home affordable for that person instead of having a flat fee amount given to everyone no matter their income. This will allow for the resources to be spread over more people/homes if we are only provided what is needed. This way the funds for down payment assistance are not over-subsidizing some buyers while others are left with nothing.

Ensure that the workforce is being educated about the importance of credit before it is in need of repair. The amount of county resources being used to 'fix' everyone's credit would go much further if it was being used on the front end, educating people about how to keep their credit good and understand the implications that credit has on their future, long term when it comes to housing.

Work with County Code Enforcement to potentially foreclose on the liens held by the county for those properties that have been dilapidated beyond repair and the county has had to intervene and use their funds to demolish existing structures that were previously a safety hazard. These properties would also be exempt from impact fees due to the fact that a previous structure was already there. These properties could be donated to nonprofit affordable housing builders rather than sitting vacant on the tax rolls. Many times the value of the lien exceeds the value of the land so they will likely never be developed.

Use the same income and rent charts(HUD or SHIP) for all affordable housing defined projects unless specified by a particular fund source uses – each project can select the income "bracket" being targeted. Possibly consider more incentives for projects that target lower income populations

To Reduce Blight- create some type of record for those existing structures that would qualify for the reduce impact fee credit on a property, and allow the buildings to be removed without the one year penalty.

Review deed restriction affordability requirements based on income population served and length of time the property remains affordable.

Make all incentives available to both for-profit and non-profit providers.

Offer incentives of up to \$25K per unit of affordable rental with qualifying rents, and income qualified renters. (Guidelines to TBD, by published standards)

Make all incentives available to both for-profit and non-profit sectors.

Offer down payment assistance of \$10,000-15,000 for qualified buyers of affordable housing.

Investigate the potential/requirements for a Community Land Trust.

Make better use of the Housing Finance Authority as housing experts to evaluate and encourage proposals and financing pro formas

Economic Impact

Consider using private funds such as DRI contributions for lower interest rate enticements.

A hindrance to economic development for our county is the lack of affordable housing. Large corporations and businesses won't be interested in relocating to our county if they can't ensure that the workforce they bring will be able to find affordable housing close by. This goes both ways, and we won't be able to build affordable housing and have buyers unless those buyers have jobs. If the county wants economic development, it will need to place an equal amount of priority on the affordable housing problem.

Affordable housing should be tied to economic development projects. Consider a specific relationship be created (ex. any company receiving economic incentives to relocate and/or build in SJ County must agree to "payback" some of those incentives in the form of dollars to a specific Affordable Housing Fund (maybe at a 1% payback over 10 years after building)

Impact Fees: Create an income fee credit, based on negative impact to economic development if the county does not have sufficient workforce housing for local employees