

1/16/01  
# 002061

### Creating Affordable Housing

- Affordable Financing: Leveraging and layering of subsidies
  - End user
  - Not for Profit Housing Provider
  - For Profit Developer
- Affordable Product
  - Energy Efficiency
  - Maintenance
  - Price

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### End user mortgage products/programs/subsidies

- Fannie Mae:
  - FHA: 97% financing
  - RHS: 1%-6% interest rates
  - Habitat for Humanity: 0% Interest Rates
  - Gap Financing
  - Downpayment/Closing Cost Assistance

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### Not for profit housing provider:

- Local government development subsidies
  - Land
  - Fee Waivers
  - Pass through subsidy (SHIP)
- Pre-Development Loan Program
- Florida Community Loan Program
- HOME set asides for CHDO (Community Housing Development Organization)
- Affordable Housing Program (Federal Home Loan Bank of Atlanta)

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## For Profit Housing Developers

- Tax Credit/SAIL/HOME/SHIP
- Affordable Housing Program (Federal Home Loan Bank)
- HOME Construction Loan Program

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## Affordable Product

- Age of Home
- Energy efficiency of home: Energy Star Home designation
- Maintenance/durability
- Size
- Price: Maximum sales prices adopted by each participating jurisdiction for SHIP
  - New Construction \$106,365
  - Existing \$98,523

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## SHIP

- Single Family Housing Development
  - Housing Rehab
  - Emergency Repair
  - New Construction of Homes
  - CDBG Leveraging
- Multi-Family Housing Development
  - Local Government Contribution for Combined Cycle Program (Tax credit, HOME, SAIL)
- Special Needs Funding
- Downpayment/closing cost assistance

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### Local Partnerships

- Gail Monahan, Executive Director, Alachua County Housing Authority
- Odetta MacLeish-White., Jennings Development Group

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### Inclusionary Housing Ordinances

- Objectives
  - to increase the supply of affordable housing product
  - to disperse the supply of affordable housing throughout the community
- Tool to either require or provide incentives for developers to produce affordable product.
- Legislative Changes Made to Support Inclusionary Ordinances
- Legislative Changes Made to Reduce Incidents of NIMBYism that prevent permitting of affordable housing

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### Inclusionary Housing Ordinance Resources

- "How To" for Adopting an Inclusionary Housing Ordinance
- Affordable Housing Study Commission Final Report 2001: Local adoption of Inclusionary Housing and Linkage Fee Ordinances
- Inclusionary Housing: A Discussion of Policy Issues, By Ann Ray, June 15, 2001
- Housing Element as transmitted to DCA

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### Factors Influencing the Success/Failure of Inclusionary Zoning Programs

- Factors Enhancing Program Feasibility
  - 1. Local government commitment
  - 2. Minimum profit reduction
  - 3. Flexibility of compliance

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### Factors Enhancing Program Continuity and Effectiveness

1. Be a part of the local housing element
2. Modest set-aside
3. Alternatives to set-aside
4. Other Incentives
5. Local government's capacity and commitment to monitoring, resale controls, and quality management

Source: Inclusionary Housing and Density Bonuses for Affordable Housing in Florida; Shimberg Center for Affordable Housing

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### Conclusion

- The County can maximize the policy's chances for success by:
  - Creating a meaningful set of incentives to bring about developer participation
  - Allocating staff time for negotiating inclusionary housing agreements with developers, certifying incomes, rents, and housing prices, and administering the trust fund.
- By Ann Ray, June 15, 2001

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