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#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

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

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)

For Profit Housing Developers

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

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

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

Local Partnerships

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

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

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

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

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

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
