



**Town of Hilton Head Island
Public Planning Committee
Thursday, January 25, 2018 – 3:00p.m.
Benjamin M. Racusin Council Chambers
AGENDA**

As a Courtesy to Others Please Turn Off All Cell Phones and Pagers during the Meeting.

- 1. Call to Order**
- 2. Freedom of Information Act Compliance**
Public notification of this meeting has been published, posted, and mailed in compliance with the Freedom of Information Act and the Town of Hilton Head Island requirements.
- 3. Approval of Agenda**
- 4. Approval of Minutes** – October 26, 2017 Meeting, November 30, 2017 Special Meeting, December 20, 2017 Special Meeting
- 5. Unfinished Business**
- 6. New Business**
 - a. Review of Policy Questions and Responses Matrix
 - b. Review of Best Practices
 - c. Discussion of draft Request for Proposals (RFP) for an Affordable Workforce Housing Strategic Plan
- 7. Committee Business**
- 8. Appearance by Citizens**
- 9. Adjournment**

Please note that a quorum of Town Council may result if four or more of their members attend this meeting.

Please note that meetings are now held on the fourth Thursday of each month at 3:00p.m.

TOWN OF HILTON HEAD ISLAND
Public Planning Committee
Minutes of the October 26, 2017 – 3:00p.m. Regular Meeting
Benjamin M. Racusin Council Chambers

Committee Members Present: Chairman David Ames, Kim Likins, Bill Harkins

Committee Members Absent: None

Town Council Present: Mayor David Bennett

Town Staff Present: Shawn Colin, Deputy Director of Community Development; Anne Cyran, Senior Planner; Brian Hulbert, Staff Attorney; Teri Lewis, LMO Official; Scott Liggett, Director of Public Projects & Facilities/Chief Engineer; Jennifer Ray, Planning & Special Projects Manager; Darrin Shoemaker, Traffic & Transportation Engineer; Teresa Haley, Senior Administrative Assistant

1. Call to Order

Chairman Ames called the meeting to order at 3:00 p.m.

2. Freedom of Information Act Compliance

Public notification of this meeting has been published, posted, and mailed in compliance with the Freedom of Information Act and the Town of Hilton Head Island requirements.

3. Approval of Agenda

The Public Planning Committee approved the agenda by general consent.

4. Approval of the Minutes – September 28, 2017 Meeting and October 2, 2017 Special Meeting
Mr. Harkins moved to approve the minutes of the September 28, 2017 meeting. Mrs. Likins seconded. The motion passed with a vote of 3-0-0.

Mrs. Likins moved to approve the minutes of the October 2, 2017 special meeting. Chairman Ames seconded. The motion passed with a vote of 2-0-1. Mr. Harkins abstained as he was absent from the October 2, 2017 meeting.

5. Unfinished Business – None

6. New Business

- a. Update from Mary Lou Franzoni with Palmetto Breeze

Chairman Ames welcomed Mary Lou Franzoni to present the update. Ms. Franzoni thanked the Committee and began her presentation. Palmetto Breeze received urban grant funding, active September 5, and is using the funding toward the transportation initiatives. The bid for trolley buses went out and is scheduled to be awarded in December. The best option could provide for three trolley buses in April or May 2018. The funding was also used to purchase bus stop shelters and for a marketing RFP which is currently being put together.

The Committee discussed the different types of vehicles and certain specifications (number of seats), the flexibility to use shuttles based upon ridership needs, the aesthetic aspects of the

shuttles, the trolley shelters and locations, who would be responsible for the shelters and who would review signage. Staff indicated they will continue to work with Ms. Franzoni and Lowcountry COG to meet the springtime timeframe. Staff asked that signage and shelter information be provided as early as possible, so it can be reviewed by the appropriate Staff and Design Review Board to meet the timeframe. Regarding shelter locations, Staff has asked if the Urban Transit Plan that the consultant will work with Lowcountry COG would include recommendations specific to stops. Staff is not sure it will get down to the level of detail, so Staff would work over the next several months to identify locations that make sense.

The Committee discussed the several moving parts to the project and who would be responsible for developing a critical path and keeping it on track for the delivery timeframe. Certain elements of the project are dependent upon the Urban Transit Plan and other partners. Staff will engage throughout the process to meet any benchmarks. If there's a decision that needs to be made by Town Council in order to proceed, then Staff will bring it forward. There is control over certain elements (ordering trolleys, identifying shelter locations) needed for the island for the on island shuttle. The Committee indicated all the decisions that will have to be made should be identified along with who is going to be making them and a timeline attached.

The Committee made inquiries regarding future transportation options and how Palmetto Breeze would recommend the Town begin looking at strategic options for transportation solutions in the region. Ms. Franzoni believes the urban study would help identify these. Palmetto Breeze is working on several projects to help accommodate transportation growth for the future.

b. Discussion regarding 'No Parking' signs on Bradley Circle

One of the issues that came out of Town Council's discussions on the Bradley Circle area is a potential safety issue where cars might be parked on the side of the road and an emergency vehicle might not be able to pass. Chairman Ames asked Darrin Shoemaker to speak about this item.

Mr. Shoemaker presented statements regarding his observations and the steps that have been taken to date. Mr. Shoemaker had discussions with the County, as the owner of the road. The County indicated that if the Town desires to recommend putting 'No Parking' signs, the County would entertain a recommendation by the Town. The County desires to handle the installations and be responsible for maintenance on its roads, but would leave enforcement to the Town at the local level. Local law enforcement would need to be notified and responsible for enforcement of any parking prohibition signs.

The Committee discussed the placement for the signs, a possible trial period for posting the signs, and the advantages and disadvantages.

Chairman Ames opened the meeting for public comment. Keith Sledge and Tamara Becker addressed the Committee concerning 'No Parking' signs on Bradley Circle.

Upon the conclusion of the discussion, Chairman Ames asked for a motion.

TOWN OF HILTON HEAD ISLAND
Public Planning Committee
Minutes of the November 30, 2017 – 3:00 p.m. Special Meeting
Benjamin M. Racusin Council Chambers

Committee Members Present: Chairman David Ames, Kim Likins, Bill Harkins

Committee Members Absent: None

Town Council Present: Mayor David Bennett, Tom Lennox

Town Staff Present: Marcy Benson, Senior Grants Administrator; Shawn Colin, Deputy Director of Community Development; Charles Cousins, Director of Community Development; Brian Hulbert, Staff Attorney; Teri Lewis, LMO Official; Jennifer Ray, Planning & Special Projects Manager; Teresa Haley, Senior Administrative Assistant

1. Call to Order

Chairman Ames called the meeting to order at 3:00 p.m.

2. Freedom of Information Act Compliance

Public notification of this meeting has been published, posted, and mailed in compliance with the Freedom of Information Act and the Town of Hilton Head Island requirements.

3. Approval of Agenda

The Public Planning Committee approved the agenda by general consent.

4. Approval of the Minutes – October 26, 2017 meeting

The minutes of the October 26, 2017 meeting were not addressed at this time.

5. Unfinished Business – None

6. New Business

a. Affordable Housing

Mr. Colin presented statements regarding staff's white paper *Providing the Keys to Address Affordable Housing on Hilton Head Island*. Staff has prepared an approach for each of the approved Town Council recommendations. Additionally per Council's request, staff has prepared an outline of the planning steps to form the basis of the Town's Affordable Housing Strategy. Staff recommends developing the Strategic Planning recommendations as the first step and recommends implementing the Immediate Action items where appropriate throughout the process. This approach provides the greatest possibility to achieve a sustainable solution while still accomplishing Immediate Action items that support the overall initiative. Staff and Committee then discussed the staff proposal of the following sequencing:

Strategic Planning

1. TC Recommendation: Staff will define scope of work for research, analysis, and options for Town's Affordable Housing Strategy.

Staff Approach: Staff recommends integrating the Immediate Action items into the long term Affordable Housing Strategy. This would afford flexibility to achieve short term goals while not losing the importance of looking at this initiative in a comprehensive manner. Additional details are listed below in the Immediate Action section. The Town has participated in housing programs in the past. These programs have not produced desired outcomes for a variety of reasons. Staff recommends that any solutions to the affordable housing issue be sustainable in order to provide greater opportunities for success. The Town's Affordable Housing Strategy should be comprised of three components: research, analysis, and options.

A. Research - Staff has begun and will continue to identify best practices for affordable housing by researching what other successful communities have done. Some best practices identified include:

- Bonus Density
- Inclusionary Zoning Expedited
- Permitting
- Home Purchase Assistance
- Adaptive Re-use
- Reduced Fees
- Needs Assessment

Communities have been identified for study based on their similarity as a destination resort of the longevity of their affordable housing program. Some communities include:

- Aspen/Pitkin County, Colorado
- Jackson, Wyoming
- Big Sky, Montana
- Truckee, California
- Davidson, North Carolina
- Delray Beach, Florida
- Jupiter, Florida
- Telluride, Colorado
- Montgomery County, Maryland
- Virginia Beach, Virginia
- New Castle County, Delaware

Bluffton, SC should be studied as well because of its proximity to Hilton Head Island. Staff will continue to research and identify best practices in conjunction with the ongoing County Housing Needs Assessment. Additionally staff will research potential revenue sources and funding options.

B. Analysis – The foundation of analysis will be the County's Housing Needs Assessment. This assessment will identify the study area; evaluate demographics, economics, community services, and housing; perform housing gap analysis; and provide conclusions and recommendations. Staff will analyze the specific recommendations for Hilton Head Island and may identify additional recommendations.

C. Options – Staff has identified a toolkit to address affordable housing needs. Some components of the toolkit include:

1. Changes to the LMO including floating zone, conversion factor, bonus density, and inclusionary zoning;
2. Housing tax credit for developers;
3. Financial contributions/incentives such as bonus if tear down and rebuild, bonus for conversion of property;

4. Private sector development of affordable housing projects;
 5. Replication or expansion of existing affordable housing project, i.e. Habitat for Humanity Phase 2;
 6. Use of underutilized or vacant properties;
 7. Alternate housing types; and
 8. Other options based on recommendations from the County Housing Needs Assessment.
2. TC Recommendation: Council with staff will identify working groups to oversee the planning process.

Staff Approach: Staff recommends project oversight be provided by the PPC with regular updates to the full Town Council. Appropriate stakeholders will be engaged as needed to help address specific issue areas. Anticipated issue areas may include Strategic Planning, Finance, Legal, Real Estate, Construction, etc. Staff recommends the transportation component, which is critically important to workforce availability, be considered in tandem with affordable housing solutions.

3. TC Recommendation: Council will establish an appropriate budget to prepare a Strategic Plan.

Staff Approach: The approved FY18 budget includes funds for Workforce Availability. Town Council's budget includes \$25,000 for a workforce housing study. The Community Development Department's Comprehensive Planning Division's budget includes \$50,000 for a consultant to assist on workforce availability. Staff believes these funds are sufficient to start the process and can accommodate consultant and communications functions. Additional funding recommended to support this initiative would be incorporated into the FY19 budget to be directed towards recommended programs supported by existing staff.

Immediate Action

1. TC Recommendation: Given the importance of an urgent need for affordable housing, Council supports a dedicated staff position to direct and implement affordable housing strategies.

Staff Approach: Staff believes immediate needs can be addressed by existing Community Development staff and that a dedicated position may not be warranted. Staff is currently conducting research and developing recommendations related to the Immediate Action items. One recommendation may include contracting with a consultant to develop a local Affordable Housing Strategic Plan. Following the completion of the County's Housing Needs Assessment, staff will make a recommendation to Town Council on whether or not a consultant or dedicated housing staff person is necessary. If additional staff is needed, Staff is prepared to work with the County on a joint, regional staffing approach. Staff is prepared to generate a RFP for a consultant if needed. There is funding in the current budget to address the consultant portion but there is not funding for a new staff person at this time.

2. TC Recommendation: Staff with PPC and outside assistance will implement a Communications/Education Messaging Plan for residents, businesses, and other stakeholders.

Staff Approach: Staff is prepared to implement a Communication/Education Messaging Plan in conjunction with the PPC. Staff, working with the PPC, will craft initial messaging and determine best methods for delivery to build support for this initiative. Following the completion of the County's Housing Needs Assessment the messaging plan will be enhanced to include the key findings and recommendations of the assessment. This step will be critical to demonstrate the importance of the affordable housing issue and provide citizens with an understanding of its size and magnitude.

3. TC Recommendation: Staff and Planning Commission will establish location criteria for overlay or floating zones and propose amendments to Ordinances to stimulate affordable housing investment.

Staff Approach: Staff is currently researching overlay districts and floating zones along with identifying candidate areas for implementation. Staff will work with the LMO Committee of the Planning Commission to determine criteria for overlay or floating zones. Joint meetings between the Planning Commission and Town Council should be considered.

4. TC Recommendation: Council with the assistance of State Delegation will seek to have State Legislature amend criteria for housing tax credits.

Staff Approach: Staff will support Town Council's efforts with the State Delegation as needed. Staff recommends Town Council work with the State Legislature on other funding options to be identified.

5. TC Recommendation: Town and community partners will commit to creating a plan for a 25-unit housing development and ground breaking within 18 months.

Staff Approach: Based on the findings and housing types recommended for implementation on Hilton Head Island in the County's Housing Needs Assessment, Staff will work with community partners to identify the best approach for development of an appropriately sized affordable housing project.

6. TC Recommendation: The Private Sector is encouraged to identify steps it can take independently, whether led by the Chamber or some other business group.

Staff Approach: Town Council should continue to encourage the private sector to identify steps it can take to address the affordable housing issue. Staff recommends this effort be done in conjunction with other local and regional efforts such as the Lowcountry Affordable Housing Coalition.

The Committee thanked staff for its white paper. The Committee and staff discussion on the Strategic Planning and Immediate Action items included: consideration for Key West, Florida's affordable housing program; the timeline of a RFP for consultant is usually three months; staff is doing work, but the County's Housing Needs Assessment will provide information (projections, types of housing, housing inventory) staff does not have and create a full picture; components of the toolkit; the private sector on a fast track to action; how can the Town be ready for opportunities, do more, address things in a fast track way, and what does it cost; the importance of

the strategic approach to the County Needs Assessment, consultant, and private sector; better define the role of the Town; invite the private sector to a round table discussion with the Committee and staff; the Town is involved in the Housing Coalition discussions, but is not the leader; the private sector can do things without government role; this is a collaborative effort, the government may not be the best leader and defining roles is important; developers offer ideas for affordable housing and staff wants to make sure those ideas meet expectations of Town Council; over the next month a team of staff will be researching tools in the toolkit; defining affordable housing for this community; Visioning data appears to show constituents are saying affordable housing is a big issue; staff has capacity to address Immediate Action items, following review of County Needs Assessment, if more resources are needed, staff would report to the Committee appropriately; funding is available in the current budget to address consultant, but no funding is available for a new staff person at this time; state delegation; 25-units as a test to how this model can work; and continue to encourage the private sector to move forward.

Staff and the Committee identified some next steps: research by staff, identify successful programs; identify speakers from different communities with and without success; work on the RFP for review at the January meeting; a list of policy questions drafted by staff for the Committee to provide direction at the December meeting; use the round table and/or speakers for the December/January meeting; communications component – create items and put to the Committee’s meeting schedule, identify community concerns and topics that need answers, diplomatically coalesce realtors, housing coalition, Town to all get on the same track; staff to provide Committee with an outline of what the County Needs Assessment is going to cover.

7. Committee Business – None

8. Appearance by Citizens

Tad Segars presented statements regarding land he has to offer for affordable housing, communication is a key component, and utilizing professionals and assets in the community. He made inquiries regarding the definition for affordable housing and consultant cost.

Frank Babel stated there are pockets of people on the island who need housing. He suggested starting to work on some pieces, while trying to solve the whole puzzle.

Michelle Wicoff presented statements regarding what the Hilton Head Island-Bluffton Chamber of Commerce has done so far and its future plans related to affordable housing. She encouraged Staff to continue attending related meetings and to share its white paper discussed today. She noted the Chamber’s symposium “Unite” slated for a March timeline. She discussed the purpose of the impact analysis committee and a high level survey mechanism that will need to be carried out.

Eric Somerville presented statements regarding affordable housing and the visioning process, and different kinds of workforces that he has identified.

Mayor Bennett expressed agreement with the Committee and direction of Staff. He voiced concern for limited funding sources and the criteria for qualification. He cautioned to wait and perhaps the consultant could weigh in on those funding sources and criteria.

Chester Williams expressed the Committee needs to identify what it wants to do and what it does not want to do, to look at previous programs and identify why those didn't work.

9. Adjournment

The meeting was adjourned at 4:11 p.m.

Submitted by: Teresa Haley, Senior Administrative Assistant

Approved:

David Ames, Chairman

DRAFT

TOWN OF HILTON HEAD ISLAND
Public Planning Committee
Minutes of the December 20, 2017 – 3:00p.m. Special Meeting
Benjamin M. Racusin Council Chambers

Committee Members Present: Chairman David Ames, Kim Likins

Committee Members Absent: Bill Harkins

Town Council Present: Tom Lennox, John McCann

Town Staff Present: Charles Cousins, Director of Community Development; Shawn Colin, Deputy Director of Community Development; Teri Lewis, LMO Official; Jennifer Ray, Planning & Special Projects Manager; Marcy Benson, Senior Grants Administrator; Steve Riley, Town Manager

1. Call to Order

Chairman Ames called the meeting to order at 3:00 p.m.

2. Freedom of Information Act Compliance

Public notification of this meeting has been published, posted, and mailed in compliance with the Freedom of Information Act and the Town of Hilton Head Island requirements.

3. Approval of Agenda

4. Approval of the Minutes – none

5. Unfinished Business – None

6. New Business

a. **Workforce Housing** – Policy Discussion

Chairman Ames announced that since Mr. Harkins and Mayor Bennett were unable to attend, he has asked Councilmen Lennox and McCann to join in this workshop discussion. Chairman Ames stated he invited Bluffton Councilman Fred Hamilton to provide input as well since Bluffton has been working on affordable housing programs for a few years.

Mr. Shawn Colin thanked Council for holding this workshop and stated that it is important to have dialogue to understand what Council's expectations are for workforce housing. The policy questions are meant to engage discussion with Council and the community to help guide how the Town approaches solutions for workforce housing. Staff would like to take these policy questions to Town Council in January for additional discussion and to solidify the direction going forward. Staff plans to engage a consultant because this would help Hilton Head Island's unique approach to this issue.

Mr. Colin stated the Town will meet with a panel of speakers from communities with successful affordable housing programs prior to the Hilton Head Island-Bluffton Chamber of Commerce Unite Workforce Summit on Wednesday, February 28, 2018.

Mr. Colin will read the policy questions that Town staff created, give staff's recommendation and then Council and the public discuss.

Policy Questions:

- What is the target?
 - Should it be tied to a certain percentage of household income and household net worth, i.e. Area Median Income (AMI)? If so, what are the percentages?
 - Staff recommends affordable housing be tied to an income between 50-100% AMI.

Many retired seniors would qualify by their income but their net worth cap would disqualify them. There may be programs that have not been identified at this time that could include criteria other than household income. The 50-100% AMI is a good starting point for the near term

- Should this be limited to housing the workforce? Should this be directed towards:
 - Existing employees living on Hilton Head Island?
 - Existing employees living off island?
 - New employees being attracted to work on Hilton Head Island?
 - Staff believes that this effort should be limited to housing for the workforce and tied to employment on the island by at least one member of the household. It is staff's opinion that to increase capacity of the workforce, new employees should be attracted to work on Hilton Head Island while maintaining existing employees.

If new attractive housing stock is built at the right price point it will improve the employee retention rate of current existing employees which in turn will improve the work life balance. Additionally the creation of newer nicer units will require that other older units will have to lower rates because they are not as nice or are not up to code. Currently there is a false market because of supply versus demand – there is a lack of housing stock.

Attracting new employees to work on Hilton Head Island provides the most capacity to expand the workforce. The Town should create newer units at a competitive price which may then provide the incentive HOAs to make improvements. If units are limited to new employees then the existing employees are penalized. Affordable units for workforce should have stipulations attached – must live/work in the community. Not all employees that work here want to live on Hilton Head Island – some may prefer to live in Bluffton.

- Should the Town participate in a regional effort by contributing to funding of off-island affordable housing? If so, is there a way to require that those units be occupied for a certain period of time by people working on Hilton Head Island?
 - Staff believes the Town should participate in regional efforts to increase the capacity of the island's workforce as it is unlikely that the Town can

accommodate all affordable housing needs within the Town limits. Funding efforts by the Town should include a requirement that at least one member of the household work on Hilton Head Island.

Part of the solution to the challenge of on island affordable workforce housing may be housing on the mainland. To tie employment on Hilton Head Island to housing on mainland is a good principal but may be too complex to work. This is not a top priority to solve.

- What role does transportation play in the success of both Town and regional projects?
 - Staff believes that transportation is a critical element in the success of both Town and regional efforts. It would be used for transporting employees around the island and for getting workers to the island. Palmetto Breeze is currently preparing for on-island shuttle service for 2018 between existing activity centers. This service can be expanded in the future to include additional routes, both on-island and from the island to the mainland.

Town Council agreed with the staff response.

- Should it focus on programs that create successful opportunities in the private sector or should the Town be an active participant in project development (solely or in public-private partnership)?
 - Staff recommends the Town focus on programs by creating an environment for projects to be developed by the private sector rather than being a developer or competing with the private sector. This may include regulatory incentives such as increased density, financial support, utilization of Town-owned property, etc.

Private sector should have first shot at developing affordable workforce housing; the Town has lot of tools to use to enable the private sector to develop affordable workforce housing; Allowing the private sector to develop a project makes economic sense, because these projects need to be expedited. The Town has land inventory that should be used such as the Indigo Run hotel property, the Port Royal golf course property and the Yacht Cove property. Ensure that the face of community is not changed; this can be done using creative thinking (i.e. build housing on top of buildings; convert existing vacant buildings into housing, look for other opportunities than just developing bare land.) The cost of land and infrastructure have been the biggest hurdles for developers to overcome in Bluffton. The Town has to be an active participant in the process (providing layered financing) but the Town is not the sole provider in developing housing.

- Should there be any location restrictions or should it be island-wide?
 - Should it be in PD-1s or only non PD-1 areas?
 - Many affordable solutions may be appropriate for all parts of the island, such as accessory dwelling units.

There may be opportunities within gated communities. If it serves the purpose, don't restrict solutions. Take a reactive role: garage apartments, accessory units; tie it to employment; not just resort rental; the hurdles would be zoning, density and covenants.

- Should it be located in close proximity to areas with a high commercial concentration?
 - Staff believes locating affordable housing in areas with high commercial concentration would provide occupants direct access to many places of employment. However care should be taken to ensure additional demands on existing infrastructure can be accommodated.

Housing should be spread out to reach many employers and reduce demand on existing infrastructure. Affordable workforce housing would be a good way to use underutilized or vacant buildings.

- Should a Housing Authority, Redevelopment Authority or similar entity implement and manage this effort?
 - Staff believes some entity other than the Town should implement and manage this effort. A Town Housing Authority would be a duplication of the efforts of the existing Beaufort County Housing Authority which has the same jurisdiction, program, and incentives that a Town Housing Authority would have. A Redevelopment Authority would have the ability to target areas for redevelopment with flexibility in programs but may not be the best option for workforce housing since it is focused only on redevelopment.

Town should not be developer or managing component. The Town needs more information on these options; the Business Workforce Coalition is currently researching this issue. This will depend on how we sustain a program of affordability. Previous programs were limited in scope. Bluffton currently uses LCOG for income qualification; they also put a 25 year covenant on all affordable housing properties. There may be an opportunity for a joint Bluffton/HHI housing authority.

- Should the goal be home ownership or rental?
 - Staff believes the short term goal should be rental, however Habitat for Humanity has a successful home-ownership program that could be a model for long term project.

The emphasis should be rental both because of accessibility for employees and the higher density it offers. This also allows the Town or Housing Authority to deal with one owner instead of multiple owners. It will be important to recertify income every year for the purpose of ensuring that the people are still working; the purpose would not be to force people to move just because they are making a greater income.

- Should affordable projects be required to remain affordable for a set period of time or in perpetuity?

- Staff recommends maximizing the time that projects are affordable.

There is a law against perpetuity clauses. Developers will want flexibility in how long something has to remain affordable. Town Council agreed that the time should be maximized for the community.

- Should it be large scale projects or multiple smaller projects that can be integrated into neighborhoods?
 - Staff believes multiple smaller projects better meet the definition of Island Character and would distribute the workforce and infrastructure demands around the island versus a central location.
 - Do not rule out large scale projects if they are well designed. Anything that is built will need to be compatible with surrounding area. It will also be important for it to be in close proximity to large employers. Repurpose vacant property; consider mixed use developments. Look at examples of affordable housing in Columbus, GA (redevelopment) and Destin, FL (Bayshore).

- How should the Town prioritize areas for redevelopment?

1. redevelopment
2. adaptive re-use
3. vacant land

Staff recommends the following prioritization: 1-redevelopment, 2-adaptive re-use, 3-vacant land. Both redevelopment and adaptive re-use could address both the affordable housing issue as well as the vacant/under-used building issue and is more likely to be located in existing activity nodes/on main travel routes.

Redevelopment has the highest potential for longer term impacts. Adaptive re-use may have complications due to the change in use and building codes. Vacant land should be a lower priority based on desire for open space, cost of development, other potential uses, etc.

The Town will have to create bigger incentives in areas of redevelopment and re-use because developers would prefer to use vacant land. Any of these options might be good depending on the area where the development is proposed. Transition open space bond into a bond specifically to purchase land for affordable workforce housing projects. Consider some sort of land banking program.

- Are any of the following housing types off of the table:

- | | |
|---------------|----------------------------|
| • apartments | • accessory dwelling units |
| • houses | • garage apartments |
| • dormitories | • mobile homes |

- tiny homes
- townhouses
- All housing types should be considered however staff believes mobile homes should not be considered a long-term workforce housing solution.

There is an aesthetic issue and long term maintenance issue with mobile homes but they also provide income. The Town should disincentivize the development of mobile home density and incentivize the other options. Mobile homes should be left on the table because they are transitional housing.

- Should the Town develop a program to maintain existing affordable housing units?
 - Staff believes that maintenance of existing affordable housing units is a social equity issue rather than a workforce availability issue. Once the workforce housing program is established, consider a separate program for community housing initiatives such as maintenance of existing affordable housing units.

Bluffton implemented a home maintenance program to keep people from moving out of substandard homes into other housing. They commit a certain amount of money to this fund every year. The program is income qualified – it is not tied to employment. It is only for owner-occupied homes. The Town wants to consider a similar sort of program but with our own regulations. Consider partnering with Deep Well.

- What does success look like after 1 year?
 - After 1 year, staff believes success will be determined by the completion of the housing needs assessment, the hiring of a local consultant, development of an affordable housing program, and moving toward ground breaking on an affordable housing development. Does this vision match Council’s vision of what success looks like after 1 year?

The Town will have the benefit of a County-wide needs assessment, a local consultant could develop an affordable housing program. Long-term sustainability and the identification of funding sources will be key.

7. Committee Business

8. Appearance by Citizens – None

9. Adjournment

The meeting was adjourned at 4:40 p.m.

Submitted by: Eileen Wilson, Senior Administrative Assistant

Approved:

David Ames, Chairman



TOWN OF HILTON HEAD ISLAND

Department of Community Development

TO: Public Planning Committee
VIA: Charles Cousins, AICP, *Community Development Director*
VIA: Shawn Colin, AICP, *Deputy Director of Community Development*
FROM: Teri Lewis, AICP, *LMO Official*
CC: Jennifer Ray, ASLA, *Planning & Special Projects Manager*
DATE: January 19, 2018
SUBJECT: Workforce Availability – Housing Component Policy Questions, Best Practices and RFP Scope of Work

Recommendation: That the Public Planning Committee review the final “Policy Questions” matrix, review the best practices information related to other communities with successful affordable workforce housing programs and provide input on the draft RFP Scope of Work for a consultant.

Summary: Workforce Availability continues to be a key priority for Town Council. The two main subcomponents of workforce availability are housing and transportation. Staff is seeking information to inform a Scope of Work for an affordable workforce housing consultant to include policy direction and a review of best practices.

Background: Staff submitted a white paper, “Providing the Keys to Address Affordable Housing on Hilton Head Island”, at Town Council’s annual workshop in Fall 2017. To further the discussion staff has prepared policy questions, researched best practices of other communities with sustainable affordable workforce housing programs and drafted a Scope of Work for a consultant. Input received will aid staff in developing an affordable housing strategy including working with a consultant to prepare an Affordable Workforce Housing Strategic Plan.

Attachments:

Workforce Availability-Housing Component Policy Questions and Responses Matrix
Best Practices Research - Comparison Table
Best Practices Research – Summary Table
Best Practices Research – Detail Sheets
Draft RFP Scope of Work

Workforce Availability continues to be a key priority for Town Council. The two main subcomponents of workforce availability are housing and transportation.

Workforce Availability - Housing Component

Policy Questions

Policy Question	Staff Response	Public Planning Committee Response	Town Council Response
Should affordable workforce housing be tied to a certain percentage of household income and household net worth, i.e. AMI? If so, what are the percentages?	Staff recommends affordable workforce housing be tied to an income between 50-100% Area Median Income (AMI).	This appears to be the correct target for the near-term. It may need to be 30-80% AMI to cover all of the workforce.	It may be more appropriate to use 30% as a starting point to capture all of the workforce. There may be multiple targets. There is probably a difference between the County's AMI and the Town's actual AMI. Provide additional details about how the net worth component may be used.
Should this be limited to housing the workforce? Should this be directed towards: <ul style="list-style-type: none"> • Existing employees living on HHI? • Existing employees living off island? • New employees being attracted to work on HHI? 	Staff believes that this effort should be limited to housing for the workforce and tied to employment on the island by at least one member of the household. It is staff's opinion that to increase capacity of the workforce, new employees should be attracted to work on HHI while maintaining existing employees.	Housing should be directed to existing employees living on HHI and existing employees living off island. It is important that housing be tied to employment on the island.	Any affordable housing workforce program should be open to all types of employees. There is some concern with requiring that affordable units must be occupied by employees working on HHI. This could create problems with lenders.
Should there be any location restrictions (not allowed in gated communities) or should it be island-wide?	Many affordable solutions may be appropriate for all parts of the island, such as accessory dwelling units. Staff believes locating affordable workforce housing in areas with high commercial concentration would provide occupants direct access to many places of employment. However care should be taken to ensure additional demands on existing infrastructure can be accommodated.	There may be opportunities within gated communities. If it serves the purpose, don't restrict solutions. Housing should be spread out to reach many employers and reduce demand on existing infrastructure.	Options should be Island-wide but consider more incentives for those properties where old tired assets are being converted/redeveloped.
Should affordable projects be required to remain affordable for a set period of time or in perpetuity?	Staff recommends maximizing the time that projects are affordable.	PPC agreed with staff's response.	Projects needs to remain affordable for a long enough period of time that we retain affordable housing stock on the island but it should not be in perpetuity. Ensure that the Town is not too restrictive in whatever time requirements are tied to units/properties. The

Workforce Availability continues to be a key priority for Town Council. The two main subcomponents of workforce availability are housing and transportation.

Workforce Availability - Housing Component

Policy Questions

Policy Question	Staff Response	Public Planning Committee Response	Town Council Response
			Town will need to ensure that there is a way to monitor this. Depending on the Town's level of participation in affordable workforce housing projects, the Town may have leverage to require a project to remain affordable for a set period of time. Provide additional details about how this would work, particularly for 'For Sale' properties.
Should the goal be home ownership or rental?	Staff believes the short term goal should be rental, however Habitat for Humanity has a successful home-ownership program that could be a model for long term project.	The emphasis should be rental both because of accessibility for employees and the higher density it offers. This also allows the Town or Housing Authority to deal with one owner instead of multiple owners.	Focus on both to allow maximum opportunities.
Should it be large scale projects or multiple smaller projects that can be integrated into neighborhoods?	Multiple smaller projects better meet the definition of Island Character and would distribute the workforce and infrastructure demands around the island versus a central location.	Do not rule out large scale projects if they are well designed. Anything that is built will need to be compatible with surrounding area. It will also be important for it to be in close proximity to large employers.	Projects should fit into the character of the community. Are there any large vacant properties left that would be appropriate for a large-scale affordable workforce housing effort? Do not rule out large scale projects. Smaller projects will be best to accommodate infill/redevelopment goals. Be creative.
Should the Town participate in a regional effort by contributing to funding of off-island affordable housing? If so, is there a way to require that those units be occupied for a certain period of time by people working on HHI?	Staff believes the Town should participate in regional efforts to increase the capacity of the island's workforce as it is unlikely that the Town can accommodate all affordable workforce housing needs within the Town limits. Funding efforts by the Town should include a requirement that at least one member of the household work on Hilton Head Island.	PPC agreed with staff's response but not as a first priority. It's a good principle but will be hard to implement.	This will be easier to answer after the Town understands the demand. It is likely that the demand will exceed the capacity of what the Town can provide. The provision of affordable workforce housing should be a cooperative regional effort. There is concern about funding off-island affordable housing units. The most efficient affordable housing solution may be off-island. The Town has already set a precedent of participating regionally by the purchase of development rights off-island.

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Workforce Availability - Housing Component

Policy Questions

Policy Question	Staff Response	Public Planning Committee Response	Town Council Response
<p>What role does transportation play in the success of both Town and regional projects?</p>	<p>Transportation is a critical element in the success of both Town and regional efforts. It would be used for transporting employees around the island and for getting workers to the island. Palmetto Breeze is currently preparing for on-island shuttle service for 2018 between existing activity centers. This service can be expanded in the future to include additional routes, both on-island and from the island to the mainland.</p>	<p>PPC agreed with staff's response.</p>	<p>Transportation is equally as important as housing; it plays a major role. The Town will need to look beyond the existing transportation system.</p>
<p>Should it focus on programs that create successful opportunities in the private sector or should the Town be an active participant in project development (solely or in public-private partnership)?</p>	<p>Staff recommends the Town focus on programs by creating an environment for projects to be developed by the private sector rather than being a developer or competing with the private sector. This may include regulatory incentives such as increased density, financial support, utilization of Town-owned property, etc.</p>	<p>Private sector should have first shot at developing affordable workforce housing. The Town has lot of tools to use to enable the private sector to develop affordable workforce housing. The Town has to be an active participant in the process (management, quality control, providing layered financing, etc.) but the Town is not the sole provider in developing housing.</p>	<p>The focus should be on public/private partnerships with the private sector providing funding and the Town assisting with regulatory changes. The Town should play a strong advocacy, education and promotion role. Depending on where efforts fall on the AMI scale, the role of government changes.</p>
<p>Should a Housing Authority, Redevelopment Authority or similar entity implement and manage this effort?</p>	<p>Staff believes some entity other than the Town should implement and manage this effort. A Town Housing Authority would be a duplication of the efforts of the existing Beaufort County Housing Authority which has the same jurisdiction, program, and incentives that a Town Housing Authority would have. A Redevelopment Authority would have the ability to target areas for redevelopment with flexibility in programs but may not be the best option for affordable workforce housing since it is focused only on redevelopment.</p>	<p>Town should not be developer or managing component. The Town needs more information on these options.</p>	<p>Provide additional information about how the Beaufort County Housing Authority functions and why it would make a Town Housing Authority unnecessary. The Town should not own any affordable housing but should manage the programs that establish affordable workforce housing. The Town should consider a program such as a Community Based Development Organization (CBDO) that would allow the Town to qualify for HUD funding. The consultant should advise whether or not a Redevelopment Authority would be appropriate given the</p>

Workforce Availability continues to be a key priority for Town Council. The two main subcomponents of workforce availability are housing and transportation.

Workforce Availability - Housing Component

Policy Questions

Policy Question	Staff Response	Public Planning Committee Response	Town Council Response
			Town's desire to accommodate the effort by redevelopment of vacant/under-utilized properties.
<p>Are any of the following housing types off of the table:</p> <ul style="list-style-type: none"> • apartments • houses • dormitories • accessory dwelling units • garage apartments • mobile homes • tiny homes • townhouses 	All housing types should be considered however staff believes mobile homes should not be considered a long-term affordable workforce housing solution	Everything should be on the table. The Town should dis-incentivize development of mobile home density and incentivize the other options.	All housing types should be available to provide the most flexibility. The Town will need to decide if we are trying to create temporary or permanent solutions. Temporary solutions such as the housing of J1 and H2B workers may need to be handled by the private sector. Not all workforce housing units should be the same.
<p>How should the Town prioritize areas for redevelopment?</p> <ol style="list-style-type: none"> 1. redevelopment 2. adaptive re-use 3. vacant land 	1-redevelopment, 2-adaptive re-use, 3-vacant land. Both redevelopment and adaptive re-use could address both the affordable housing issue as well as the vacant/under-used building issue and is more likely to be located in existing activity nodes/on main travel routes. Redevelopment has the highest potential for longer term impacts. Adaptive re-use may have complications due to the change in use and building codes. Vacant land should be a lower priority based on desire for open space, cost of development, other potential uses, etc.	Any of these options might be good depending on the area where the development is proposed. The Town will have to create bigger incentives in areas of redevelopment and re-use because would expect developers to prefer to use vacant land.	The staff ranking is appropriate. Determining how to re-use older properties and preserve land will be what will distinguish the Town in the future. The layering of funding sources will be important for accomplishing all three options and will influence implementation. The opportunity to use vacant land for a creative development should be an option.
Should the Town develop a program to maintain existing affordable housing units?	Staff believes that maintenance of existing affordable housing units is a social equity issue rather than a workforce availability issue. Once the workforce housing program is established, consider a separate program for	The Town wants to consider a home maintenance program similar to Bluffton's program but with our own regulations. Consider partnering with Deep Well.	The Town should look to the giving community (charitable, volunteer organizations/groups) to provide this service.

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Workforce Availability - Housing Component

Policy Questions

Policy Question	Staff Response	Public Planning Committee Response	Town Council Response
	community housing initiatives such as maintenance of existing affordable housing units.		
What does success look like after 1 year?	After one year, staff believes success will be determined by the completion of the housing needs assessment, the hiring of a local consultant, development of an affordable workforce housing program, and ground broken on an affordable workforce housing development. Does this vision match Council's vision of what success looks like after one year?	The Town needs to develop a funding strategy and consider how to deal with long-term sustainability.	TBD

Additional miscellaneous comments from Town Council and the public:

- Take a reactive role: garage apartments, accessory units; tie it to employment; not just resort rental; the hurdles would be zoning, density and covenants.
- Affordable workforce housing would be a good way to use underutilized or vacant buildings.
- It will be important to recertify income every year for the purpose of ensuring that the people are still working; the purpose would not be to force people to move just because they are making a greater income.
- Repurpose vacant property; consider mixed use developments.
- Look at examples of affordable housing in Columbus, GA (redevelopment) and Destin, FL (Bayshore).
- Allowing the private sector to develop a project makes economic sense, because these projects need to be expedited.
- Ensure that the face of community is not changed; this can be done using creative thinking (i.e. build housing on top of buildings; convert existing vacant buildings into housing, look for other opportunities than just developing bare land). The cost of land and infrastructure have been the biggest hurdles for developers to overcome in Bluffton.
- This will depend on how we sustain a program of affordability. Previous programs were limited in scope. Bluffton currently uses LCOG for income qualification; they also put a 25 year covenant on all affordable housing properties. There may be an opportunity for a joint Bluffton/HHI housing authority.
- There is an aesthetic issue and long term maintenance issue with mobile homes but they also provide income. Mobile homes should be left on the table because they are transitional housing.
- Transition open space bond into a bond specifically to purchase land for affordable workforce housing projects. Consider some sort of land banking program.

Workforce Availability continues to be a key priority for Town Council. The two main subcomponents of workforce availability are housing and transportation.

Workforce Availability - Housing Component

Policy Questions

- Bluffton implemented a home maintenance program to keep people from moving out of substandard homes into other housing. They commit a certain amount of money to this fund every year. The program is income qualified – it is not tied to employment. It is only for owner-occupied homes.
- The Town should look at more than just income when considering how to qualify people for affordable workforce housing.
- Consider having some sort of threshold requirement – employees have to live/work on HHI for a certain period of time before qualifying for an affordable housing unit.
- If federal funding is involved, there may be some limitations on having a clause that dictates where you live or work.
- Include livable wage in the information that is provided to the consultant and know how it compares to what is paid elsewhere in the County.
- Ensure that any tools considered by the Town won't be in violation of federal fair housing policies.
- Only long-term rental projects should be considered at the beginning of the program.
- Put affordable workforce housing in areas of HHI where businesses (workplaces and retail), schools and recreational areas are located.
- Parking, setbacks and open space can be problematic for developers.
- Transportation is a key influencer for workforce housing because of land value.
- The Town needs a better on-island transportation system – this will help workers to have more money to spend on housing.
- Talk to owners of vacant buildings and ask what incentives are necessary for them to redevelop the property into part retail/part residential.
- The Town should work with native islanders to help them figure out how to develop businesses on their property that don't require them to sell their land.
- Look for opportunities to replace mobile homes with more permanent structures.

Affordable Workforce Housing – Summary of Best Practices of Other Communities

Community	Agency Contact	Bonus Density	Deed Restricted, if so, how long	Employment Verification	Exactions	Fee In Lieu	Inclusionary Zoning	Infill	Net Worth/ Net Income Requirement	Regional Effort	Resort Community	Target AMI	Who Administers
Aspen/Pitkin County, CO	Mike Kosdrosky, Executive Director 970-920-5050 Cindy Christensen, Deputy Director 970-920-5455 cindy.christensen@cityofaspen.com			√		√			√	√	√		Aspen/Pitkin County Housing Authority, Director employed by City and reports to City Manager
Charleston, SC	Geona Shaw Johnson, Director 843-724-3768 johnsong@charleston-sc.gov		√	√					√			50-120%	City of Charleston Housing and Community Development Department
Charlotte, NC	Warren Wooten, City of Charlotte, Housing & Neighborhood Services 704-336-2849 twooten@ci.charlotte.nc.us Brent Wilkinson, Charlotte-Mecklenburg Planning Department 704-336-8329 bwilkinson@ci.charlotte.nc.us	√										At or below 80%	City of Charlotte Housing & Neighborhood Services' Housing Services division
Davidson, NC	Cindy Reid, Town Attorney /Affordable Housing Coordinator 704-940-9605 creid@townofdavidson.org					√	√						Town of Davidson
Delray Beach, FL	Michael Coleman, Community Improvement Director 561-243-7203 CIDirector@mydelraybeach.com Timothy Stillings, Planning & Zoning Director 561-243-7040 stillings@mydelraybeach.com Evelyn Dobson, Executive Director 561-243-7505 dobson@mydelraybeach.com	√	Community Land Trust holds properties in trust	√					√				City of Delray Beach, Delray Beach Community Land Trust, Delray Beach Community Redevelopment Agency
Greenville, SC	Virginia Stroud, Administrator								√				Housing Trust

Affordable Workforce Housing – Summary of Best Practices of Other Communities

Community	Agency Contact	Bonus Density	Deed Restricted, if so, how long	Employment Verification	Exactions	Fee In Lieu	Inclusionary Zoning	Infill	Net Worth/ Net Income Requirement	Regional Effort	Resort Community	Target AMI	Who Administers
	864-467-4570 gstroud@greenville.gov												Fund under CommunityWorks, an existing non-profit organization
Jackson-Teton County, WY	April Norton, Housing Director 307-732-0867 ahnorton@tetonwyo.org	√	√	√	√				√	√	√		Jackson/Teton County implements the housing policies in the Comprehensive Plan and Land Development Regulations
Jupiter, FL	John Sickler , Director, Department of Planning & Zoning (561) 741-2291 johns@jupiter.fl.us	√	For sale units: 99 years For rent units: 30 years	√		√	√		√				Neighborhood Services Division and Department of Planning and Zoning in the Town of Jupiter
Key West, FL	Patrick Wright, Director of Planning (305) 809-3778 pwright@cityofkeywest-fl.gov Manuel Castillo, SR., Executive Director (Housing Authority) (305) 296-5621 castillom@kwha.org		50 years	√		√	√	√	√		√		City of Key West Planning Department
Montgomery County, MD	Jalal "Jay" Greene, Division Chief 240-777-3704	√	For sale units: 30 years For rent units: 99 years	√			√		√	√			Montgomery County Department of Housing and Community Affairs
New Castle County, DE	Carrie Casey, Manager 302-395-5600 ccasey@nccde.org	√	15 years	√			√		√	√		Less than 120%	Community Development and Housing Division

Affordable Workforce Housing – Summary of Best Practices of Other Communities

Community	Agency Contact	Bonus Density	Deed Restricted, if so, how long	Employment Verification	Exactions	Fee In Lieu	Inclusionary Zoning	Infill	Net Worth/ Net Income Requirement	Regional Effort	Resort Community	Target AMI	Who Administers
Savannah, GA	Martin Fretty, Department Director 912-651-6926 mfretty@savannahga.gov Darrel Daise, Director 912-651-2169												Department of Housing and the Community Housing Services Agency
Telluride, CO	Lance McDonald, Program Director (970) 728-2167 lmcdonald@telluride-co.gov Shirley L. Diaz, Executive Director (970) 728-3034 ext. 5 shirley@smrha.org	√	√	√			√			√	√		Town Manager's office, Planning & Building Department, San Miguel County Housing Authority
Truckee, CA	Jeff Loux, Town Manager (530) 582-2901 jloux@townoftruckee.com	√		√		√	√						Community Development Planning Division
City of Virginia Beach, VA	Karen Prochilo, Housing Programs Administrator 757-385-5750 KProchil@vbgov.com	√		√					√			Owners: 80-120% Renters: 60-100%	Planning Department and Housing and Neighborhood Preservation Department
Steamboat Springs/Yampa Valley, Colorado	Jason Peasley, Executive Director 970-870-0167 inquiry@yvha.org		√	√					√	√	√	80-120%	Yampa Valley Housing Authority
Total		9	9	12	1	5	7	1	11	6	5	5	

Community	Community Population	Program Description
Aspen/Pitkin County, CO	Aspen: 6,971 Pitkin County: 17,753	Qualifications for housing program are determined according to applicant household size and maximum gross income and net assets per category. Program eligibility: Must work full time in Pitkin County; Occupy unit as primary residence; Own no other developed residential property within Ownership Exclusion Zone. Under city and county land use regulations and codes private sector developers are required to include an approved affordable housing component in all development projects or satisfy requirements through mitigation. Affordable housing purchase program is based on a bid lottery system. Affordable rental units must be rented to tenants with established employment/work history guidelines. Rental tenants must requalify every 2 years. Owners must complete requalification affidavit on bi-yearly basis.
Charleston, SC	Charleston: 134,385 Charleston County: 396,484	Charleston’s first time Homeownership Initiative program provides a combination of newly constructed and rehabilitated homes for sale to low and moderate income families in five specific neighborhoods. The City of Charleston acquires and transfers properties to non-profit housing development organizations that develop and sell the homes to eligible first time homebuyers. Down payment and closing cost assistance is available from a variety of sources and the City coordinates with different agencies to secure assistance. The City funds are secured through long term restrictive covenants which determine property resale value and income level of subsequent buyers. The Homeownership Initiative program income limits are between 50% and 120% of the Area Median Income. The City of Charleston also offers developer incentives in the form of mixed use workforce housing zoning districts to promote mixture of housing options in a single development.
Charlotte, NC	Charlotte: 842,051 Mecklenburg County: 1,054,835	The Housing Trust Fund (HTF) is funded from voter-approved housing bonds and administered by Housing & Neighborhood Services' Housing Services division. The HTF was established in 2001 to provide financing for affordable housing. Since that time, the HTF has financed 5,542 new and rehabilitated affordable housing units. The Voluntary Mixed Income Housing Development Program was created in 2013 to pursue regulatory and financial incentives that would encourage housing diversity through private sector development of affordable housing units. This program seeks to encourage mixed-income housing developments in targeted locations through a voluntary, incentive-based density bonus. The goals of this program are to incentivize private sector development of affordable housing; disperse affordable housing within the community; and encourage a range of housing types and income levels. Mixed Income Housing Development is defined as a planned, single development that has a percentage of the dwelling units targeted to income levels at or below 80% of Area Median Income and developed according to an approved preliminary site plan.
Davidson, NC	Davidson: 12,452 Mecklenburg County: 1,054,835	Davidson requires 12.5% of homes in all new developments to be affordable. With inclusionary housing, construction of low-and-moderate income housing is linked to construction of housing in the marketplace by mandating developers to provide the affordable units in an otherwise market-driven development. In doing so, inclusionary housing not only generates units affordable to low-and-moderate income families, but also provides opportunities for racial and economic integration. With inclusionary housing, affordable units are built concurrently with market-rate housing.
Delray Beach, FL	Delray Beach: 67,371 Palm Beach County: 1,443,810	Developers are given the incentive to provide workforce housing units in exchange for additional units within the project. The program is intended to serve the housing needs of people employed in the jobs that the general population of the community relies upon to make the community economically viable. The applicant must qualify according to the annual income limits adjusted to family size for Palm Beach County.
Greenville, SC	Greenville: 67,452 Greenville County: 498,766	In November 2017 the City Council of Greenville adopted a resolution to authorize the establishment of an independent Non-Profit Housing Trust Fund, creating a financial mechanism to support affordable housing development within the City. The Housing Trust Fund will receive and disburse money to support the production and preservation of affordable housing units, and will invest in projects that can provide affordable housing for households with annual incomes between \$15,000 and \$55,000. The fund also has the ability to move beyond these limits as project and market conditions may allow. The Housing Trust Fund will have three main goals: Serve as an advocate and champion for affordable housing in Greenville; Invest in affordable housing development; and Purchase land for affordable housing development.

Community	Community Population	Program Description
Jackson-Teton County, WY	Jackson: 10,529 Teton County: 23,191	The Jackson/Teton County Affordable Housing Department supplies workforce housing by providing development incentives; and using tax revenue, developer fees and exactions. Currently, the Housing Department manages 20 rental units and ensures compliance on another 831 deed restricted units throughout Teton County. Teton County's goal is to house at least 65% of the workforce locally. Many types of workforce housing exist in Teton County. There are rental and ownership programs which are administered through lottery programs.
Jupiter, FL	Jupiter: 63,813 Palm Beach County: 1,443,810	The workforce housing program is part of land development regulations which include a non-residential linkage fee; an inclusionary workforce housing requirement where 6% of dwelling units in any resident development of 10 units or more are to be developed as workforce housing units; workforce housing plan density bonus; payment in lieu options for workforce housing units; construction standards; household eligibility standards; homeowner and homebuyer assistance plan; sales and rental prices; resale requirements, and establishment of a housing trust fund. Affordability time periods for rental units are for a minimum of 30 years and for-sale workforce housing units must have a 99 year affordability covenant recorded with the county. The homeowner and homebuyer assistance program is available through the Town's Neighborhood Services Division and participants must meet several criteria including income, tenancy, down payment and loan financing requirements.
Key West, FL	Key West: 26,990 Monroe County: 79,077	The City of Key West workforce housing program is part of the land development regulations. The program has an inclusionary workforce housing requirement, allows for linkage of projects and includes a fee in lieu component. Workforce housing developments must be deed restricted and be for a period of at least 50 years. Participants in the program must meet eligibility requirements including income limits, residency location and occupancy requirements. In mixed use zoning districts the addition of affordable work force housing on the same site as commercial properties and institutions to promote employee housing is encouraged, this is referred to as accessory unit infill.
Montgomery County, MD	Montgomery County: 1,043,863	Montgomery County developed the nation's first Moderately-Priced Dwelling Unit (MPDU) program in 1974 when a law establishing the MPDU program was enacted. This required any developer applying for subdivision approval, site plan approval, or building permits for construction of 50 or more dwelling units at one location to ensure that 15% of the units were MPDUs. In exchange, developers were offered density bonuses of up to 20%, allowing them to develop a greater number of units than zoning ordinances permitted. It has been amended several times; it currently requires that between 12.5% and 15% of homes in new developments of 20 units or more be MPDUs. When the program was established, affordability of both rental and homeownership MPDUs was controlled for five years. Today, the control period is 30 years for homeownership MPDUs and 99 years for rental MPDUs.
New Castle County, DE	New Castle County: 556,987	New Castle County, Delaware offers bonus density, and site development, incentives, expedited reviews, and application fee waivers to workforce development project developers who designate a portion of their projects as workforce and who make a designated contribution to the Housing Trust Fund to assist with the provision of affordable housing. To participate in the incentives at least 20% of the new dwelling units must be priced for low and/or moderate income households. In addition to the 20% set aside requirement, developers must contribute \$12 per \$1000 of permit construction value of market rate dwelling units only to the Housing Trust Fund. The Workforce Housing Program is designed for people who make less than 120% of area median income. Buyers must sign a declaration at settlement agreeing the property will remain owner-occupied during the fifteen (15) year affordability period. There will be annual monitoring occurring throughout the affordability period. Property may be sold before the 15 year affordability period expires, however, the new owner also must be income qualified. Additionally, the resale profit would be split with the Housing Trust Fund depending on the amount of months the property was originally occupied out of the required 15 years.
Savannah, GA	Savannah: 146,763 Chatham County: 265,128	The City of Savannah Housing Department offers programs to assist low and moderate income households within the city. The DreamMaker home purchase program allows for homeownership opportunities. The Savannah Affordable Housing Funds (SAHF) was established by resolution of the Mayor and Alderman of the City of Savannah in November 2011. From 2012 through 2016 the City of Savannah invested \$800,000 in the SAHF for revolving loans. Local banks, businesses, and non-profits have invested another \$138,060 since 2014.

Community	Community Population	Program Description
Steamboat Springs/ Yampa Valley, CO	Steamboat Springs: 12,336 Routt County: 23,980	Steamboat Springs has several communities and individual units that contain deed restrictions. A deed restriction targets the sale of the unit to qualified owners who meet specific income, asset and employment criteria. YVHA Down Payment Assistance Loan Program helps local home buyers with up to 10% of the purchase price of a home. A new affordable apartment development opened in 2017 and provides 48 rental units for low income families in Steamboat Springs. The development consists of two buildings with two and three bedroom units for families earning less than 60% of the area median income.
Telluride, CO	Telluride: 2,444 San Miguel County: 8,017	Regulatory mechanisms include the Land Use Code requirement that new development provide affordable housing for 40% of new employees generated. This housing is provided in the form of cash payments, construction of new deed-restricted housing, or deed-restriction of existing housing. These regulatory mechanisms are administered by the Planning & Building Department within their development review activities.
Truckee, CA	Truckee: 16,391 Nevada County: 99,107	The Town of Truckee, California adopted a workforce housing ordinance and inclusionary housing ordinance requiring commercial, industrial and residential projects to provide affordable housing as part of development. There are density bonuses, concessions and incentives to developers for providing housing that is affordable to qualifying residents. There is an inclusionary requirement or an in-lieu fee for residential development projects to mitigate impacts caused by these projects on the additional demand for more affordable housing and rising land prices for limited supply of available residential land. There is a workforce housing requirement and an in-lieu fee for commercial, industrial, and other non-residential development projects to mitigate the impacts caused by these projects on the additional demand for more affordable housing.
City of Virginia Beach	City of Virginia Beach: 452,602	The program offers a bonus density to developers who voluntarily build workforce housing units in combination with the development of market-rate units. By allowing developers to build more units with no additional land cost, rental units are more affordable and for-sale units are sold with special financing that allows for more affordable monthly mortgage payments. The workforce housing program also allows the city first rights to buy back the property at the time of resale, therefore helping to maintain an affordable stock of homes. The workforce housing buyer program is a shared appreciation program where a portion of the accrued equity in the workforce housing unit will belong to the City of Virginia Beach upon the sale or transfer of the unit.

AFFORDABLE HOUSING COMMUNITY RESEARCH

Name of Community: Aspen/Pitkin County, Colorado
Reference Name & Organization: Aspen/Pitkin County Housing Authority (APCHA)
Mike Kosdrosky, Executive Director
Website: <https://www.apcha.org/>
Phone Number & Email Address: 970-920-5050

1. What is the size of the community? Population?

Aspen: 6,971
Pitkin County: 17,752
(2016 US Census Bureau estimates)

2. Describe the Affordable Housing program.

Provide affordable rental and ownership housing opportunities to qualified workers in Aspen and Pitkin County who contribute to the success of local community and economy.

- Qualifications for housing are determined according to applicant household size and maximum gross income and net assets per category.
- Housing categories are established according to household income levels (qualified adult and/or dependent members in household determines household size).
- Program eligibility:
 - Must work full time in Pitkin County.
 - Occupy unit as primary residence.
 - Own no other developed residential property within Ownership Exclusion Zone.
- Maximum gross income levels adjusted annually based on consumer price index or 3% increase, whichever is less.
- Under city and county land use regulations and codes private sector developers are required to include an approved affordable housing component in all development projects or satisfy requirements through mitigation.
- Affordable housing purchase program is based on a bid lottery system. Priority bids are assigned a number of lottery chances according to length of consecutive employment/work history.
- Affordable rental units must be rented to tenants with established employment/work history guidelines.
- Rental tenants must requalify every 2 years.
- Owners must complete requalification affidavit on bi-yearly basis.

3. When was it started?

Late 1970's. In 1982 the first intergovernmental agreement between the city and county created the Aspen/Pitkin County Housing Authority.

4. How is it funded?

Approximately two-thirds of APCA's revenues are generated by application, property management, and sales fees; however, one-third of its total annual operating budget is funded through a shared annual subsidy by the City of Aspen and Pitkin County. The City funds its subsidy from one or both of its dedicated housing funding sources, a Real Estate Transfer Tax (RETT) and a small portion of sales tax. The County allocates dollars out of its General Fund to fund its half of the subsidy.

Aspen has a housing development fund dedicated to affordable housing. Below are components of the fund:

- Real estate transfer tax of 1% on sale price above \$100,000 of private sector real property sold.
- Portion of city sales tax dedicated to housing. Affordable housing and day care programs share 0.45% of city sales tax.
- Payment-in-lieu (or impact fees) charged to private sector developers who don't construct or convert affordable housing.
- Land-in-lieu or conveyance of vacant property to mitigate private sector development requirements. This lets city acquire property that if not appropriate for public affordable housing development can be sold to fund housing program.

5. Who administers the program? What is municipality's role if not the leader?

The affordable housing program is administered by the Aspen/Pitkin County Housing Authority, with an executive director who is employed by the city and reports to the city manager. The housing authority has two offices:

- Operations/Oversight which handles administration, most applicant qualifications, sales, compliance and enforcement.
- Property Management which manages and maintains 5 multifamily properties with over 360 units, including federal low income housing tax credit qualifications.

6. What made it successful? What are specific best practices used in the program?

Affordable workforce housing has a long history of community support in Aspen.

7. Any problems, pitfalls? Legal challenges?

- Residents aging in units/retirees continuing to live in units because no incentive to leave. Owners can't get "a lot" out of selling which also creates lack of incentive to upkeep unit, they reason, why update when there is a price cap in place. People have been in units for 30 years.
- Residents re-renting rooms, condos, or entire houses for profit such as during high season, or special local events/festivals. Program must have consistent compliance checks and enforcement of program rules. Fraud and abuse is common in the program.
- Lack of capital reserves for maintenance and fixing problems at affordable housing complexes is an issue.

- Administering the program is complex; the housing guidelines document is 105 pages.

8. Are there any lessons learned?

Completed By: Marcy Benson

Date: December 15, 2017

Sources: Aspen Pitkin County Housing Authority website

AFFORDABLE HOUSING COMMUNITY RESEARCH

Name of Community: Charleston, South Carolina
Reference Name & Organization: City of Charleston Housing & Community Development
Geona Shaw Johnson, Director
Website: <http://www.charleston-sc.gov/index.aspx?nid=233>
Phone Number & Email Address: 843-724-3768 johnsong@charleston-sc.gov

1. What is the size of the community? Population?

Charleston: 134,385
Charleston County: 396,484
(2016 US Census Bureau estimates)

2. Describe the Affordable Housing program.

Charleston's first time Homeownership Initiative program provides a combination of newly constructed and rehabilitated homes for sale to low and moderate income families in five specific neighborhoods. The City of Charleston acquires and transfers properties to non-profit housing development organizations that develop and sell the homes to eligible first time homebuyers. Down payment and closing cost assistance is available from a variety of sources and the City coordinates with different agencies to secure assistance. The City funds are secured through long term restrictive covenants which determine property resale value and income level of subsequent buyers. The Homeownership Initiative program income limits are between 50% and 120% of the Area Median Income.

The City of Charleston also offers developer incentives in the form of mixed use workforce housing zoning districts to promote mixture of housing options in a single development. The ordinance updated in 2017 includes requirements for minimum number of units per development, a fee in lieu payment option, a land donation in lieu option, covenants relating to occupancy restrictions and allowable sales price

3. When was it started?

The City of Charleston adopted The Charleston Homeownership Initiative Redevelopment Plan in December of 2000, creating the Homeownership Initiative (HI) program.

4. How is it funded?

The Housing and Community Development department Homeownership Initiative Program is funded in collaboration with local, state and federal agencies including but not limited to CDBG, HOME and HOPWA funding.

5. Who administers the program? What is municipality's role if not the leader?

City of Charleston Housing & Community Development Department.

6. What made it successful? What are specific best practices used in the program?

7. Any problems, pitfalls? Legal challenges?

8. Are there any lessons learned?

Completed By: Marcy Benson

Date: December 27, 2017

Sources: City of Charleston website, Housing & Community Development page and zoning code

AFFORDABLE HOUSING COMMUNITY RESEARCH

Name of Community: Charlotte, North Carolina
Reference Name & Organization: City of Charlotte, Housing & Neighborhood Services/
Program Administration: Warren Wooten
Charlotte-Mecklenburg Planning Department/Subdivision
Review/Development Proposals: Brent Wilkinson
Website: charlottenc.gov/HNS/Housing/Pages/default.aspx
charlottenc.gov/planning/Pages/VoluntaryMixedIncomeHousingDevelopmentProgram.aspx
Phone Number & Email Address: 704-336-2849 twooten@ci.charlotte.nc.us
704-336-8329 bwilkinson@ci.charlotte.nc.us

1. What is the size of the community? Population?

Charlotte: 842,051
Mecklenburg County: 1,054,835
(2016 US Census Bureau estimates)

2. Describe the Affordable Housing program.

The Housing Trust Fund (HTF) is funded from voter-approved housing bonds and administered by Housing & Neighborhood Services' Housing Services division. Charlotte City Council established the HTF in 2001 to provide financing for affordable housing. Since that time, the HTF has financed 5,542 new and rehabilitated affordable housing units. Of that total, 2,853 were for people earning less than 30 percent of the area median income, or under \$20,160 per year. The City of Charlotte has committed \$93 million to the Housing Trust Fund.

The Voluntary Mixed Income Housing Development Program was created in 2013 as a result of a Council approved action plan directing staff to pursue regulatory and financial incentives that would encourage Housing Diversity through private sector development of affordable housing units. This program seeks to encourage mixed-income housing developments in targeted locations through a voluntary, incentive-based density bonus within the R-3, R-4, R-5, and R-6 single family zoning districts and the R-8MF and R-12MF multi-family zoning districts. The goals of this program are to incentivize private sector development of affordable housing; disperse affordable housing within the community; encourage a range of housing types and income levels; and increase opportunities for people to age in place. Mixed Income Housing Development is defined as a planned, single development that has a percentage of the dwelling units targeted to income levels at or below 80% of Area Median Income (AMI) and developed according to an approved preliminary site plan.

3. When was it started?

Charlotte City Council established the HTF in 2001 and the Voluntary Mixed Income Housing Development Program in 2013.

4. How is it funded?

City's Housing Trust Fund and developer bonus density incentives.

5. Who administers the program? What is municipality's role if not the leader?

The City of Charlotte Housing & Neighborhood Services' Housing Services division.

6. What made it successful? What are specific best practices used in the program?

7. Any problems, pitfalls? Legal challenges?

8. Are there any lessons learned?

Completed By: Marcy Benson

Date: December 27, 2017

Sources: City of Charlotte website, Housing & Neighborhood Services webpage and Planning Department webpage

AFFORDABLE HOUSING COMMUNITY RESEARCH

Name of Community: Davidson, North Carolina
Reference Name & Organization: Town of Davidson, North Carolina
Cindy Reid, Town Attorney/Affordable Housing Coordinator
Website: www.townofdavidson.org/226/Affordable-Housing
Phone Number & Email Address: 704-940-9605 creid@townofdavidson.org

1. What is the size of the community? Population?

Davidson: 12,452
Mecklenburg County: 1,054,835
(2016 US Census Bureau estimates)

2. Describe the Affordable Housing program.

Davidson requires 12.5% of homes in all new developments to be affordable. With inclusionary housing, construction of low-and-moderate income housing is linked to construction of housing in the marketplace by mandating developers to provide the affordable units in an otherwise market-driven development. In doing so, inclusionary housing not only generates units affordable to low-and-moderate income families, but also provides opportunities for racial and economic integration. With inclusionary housing, affordable units are built concurrently with market-rate housing.

3. When was it started?

Davidson adopted an affordable housing program in 2001.

4. How is it funded?

Payments in lieu received from developers are placed in a separate fund that is used solely and exclusively for affordable housing activities including the acquisition of land for, or the construction and marketing of, affordable dwelling units. In addition funds from federal grant programs such as HOME Investment Partnerships and Community Development Block Grants are used to fund the inclusionary housing program.

5. Who administers the program? What is municipality's role if not the leader?

The Town of Davidson oversees the program.

6. What made it successful? What are specific best practices used in the program?

7. Any problems, pitfalls? Legal challenges?

Davidson settled a lawsuit filed by 2 developers claiming the town didn't have authority to require homebuilders to construct affordable housing or collect fees for public services.

Following the lawsuit requirements were eased and a policy was adopted offering developers a fee in lieu option on all required affordable units.

8. Are there any lessons learned?

Completed By: Marcy Benson

Date: December 22, 2017

Sources: Town of Davidson, NC website, Affordable Housing page.

AFFORDABLE HOUSING COMMUNITY RESEARCH

Name of Community: Delray Beach, Florida
Reference Name & Organization: City of Delray Beach, Florida/ Neighborhood Services Dept.
Michael Coleman, Community Improvement Director
City of Delray Beach, Florida/Planning & Zoning Dept.
Timothy Stillings, Planning & Zoning Director
The Delray Beach Community Land Trust (DBCLT)
Evelyn Dobson, Executive Director
Website: www.mydelraybeach.com
www.delraylandtrust.org/index.html
Phone Number & Email Address: 561-243-7203 CIDirector@mydelraybeach.com
561-243-7040 stillings@mydelraybeach.com
561-243-7505 dobson@mydelraybeach.com

1. What is the size of the community? Population?

Delray Beach: 67,371
Palm Beach County: 1,443,810
(2016 US Census Bureau estimates)

2. Describe the Affordable Housing program.

Developers are given the incentive to provide workforce housing units in exchange for additional units within the project. The program is intended to serve the housing needs of people employed in the jobs that the general population of the community relies upon to make the community economically viable. The applicant must qualify according to the annual income limits adjusted to family size for Palm Beach County.

The Delray Beach Community Land Trust (DBCLT) is one of several affordable and workforce housing initiatives city residents, government leaders, and concerned stakeholders created to provide a middle ground where both individual families and the community at large share in the long-term affordability and wealth creation that results from the wise investment of public money in privately owned housing.

The DBCLT is an independent, 501(c) 3 nonprofit organization, in partnership with the City of Delray Beach and the Delray Beach Community Redevelopment Agency (DBCRA), that preserves the affordability of homeownership and leased units in the City of Delray Beach. The DBCLT will sell or lease homes to qualified very low to moderate-income families, but retain ownership to the land under these homes and hold it "in trust" for future generations. By owning the land under the house, the land trust is in a strong position to insure that the subsidy is retained for the benefit of subsequent families.

Both the City of Delray Beach and the DBCRA donated land to the DBCLT, and the City of Delray Beach provides additional subsidies to DBCLT home owners to further increase the affordability of homes. The DBCLT has collaborated with other community non-profit

housing and family support agencies to develop housing, and provide a wide range of services to DBCLT home owners and leasees.

3. When was it started?

The Delray Beach Community Land Trust was started in December 2005.

4. How is it funded?

The City of Delray Beach provides developer incentives through the land development regulations. Grants and donations assist the Delray Beach Community Land Trust with ongoing land acquisition, construction, and operational expenses.

5. Who administers the program? What is municipality's role if not the leader?

The City of Delray Beach, the Delray Beach Community Land Trust and the Delray Beach Community Redevelopment Agency.

6. What made it successful? What are specific best practices used in the program?

7. Any problems, pitfalls? Legal challenges?

8. Are there any lessons learned?

Completed By: Marcy Benson

Date: December 26, 2017

Sources: City of Delray Beach website and Delray Beach Community Land Trust website

AFFORDABLE HOUSING COMMUNITY RESEARCH

Name of Community: Greenville, South Carolina
Reference Name & Organization: City of Greenville/Community Development Dept.
Virginia Stroud, Administrator
Website: <http://www.greenvillesc.gov/1275/Affordable-Housing>
Phone Number & Email Address: 864-467-4570 gstroud@greenvillesc.gov

1. What is the size of the community? Population?

Greenville: 67,452
Greenville County: 498,766
(2016 US Census Bureau estimates)

2. Describe the Affordable Housing program.

In January 2017 the City Council of Greenville adopted the Balancing Prosperity and Housing Affordability in Greenville report and appropriated \$2 million toward the implementation of the recommendations made in the report. In November 2017 the City Council of Greenville adopted a resolution to authorize the establishment of an independent Non-Profit Housing Trust Fund, creating a financial mechanism to support affordable housing development within the City. The Housing Trust Fund will receive and disburse money to support the production and preservation of affordable housing units, and will invest in projects that can provide affordable housing for households with annual incomes between \$15,000 and \$55,000. The fund also has the ability to move beyond these limits as project and market conditions may allow. The Housing Trust Fund will have three main goals:

- Serve as an advocate and champion for affordable housing in Greenville,
- Invest in affordable housing development, and
- Purchase land for affordable housing development.

The Housing Trust Fund will be launched under an existing community organization, CommunityWorks, which is a non-profit financial organization already committed to affordable housing issues. City officials project the Housing Trust Fund will be operational in early 2018.

3. When was it started?

The Housing Trust Fund was approved in November 2017 and anticipated to be operational in early 2018.

4. How is it funded?

The City of Greenville appropriated \$2 million in 2017 to implement the recommendations in the Balancing Prosperity and Housing Affordability in Greenville report. The report also recommended philanthropy, corporate and other charitable organizations leverage the City's contribution with an investment of \$1 million.

5. Who administers the program? What is municipality's role if not the leader?

The Housing Trust Fund will be launched under an existing community organization, CommunityWorks, which is a non-profit financial organization already committed to affordable housing issues. City officials project the Housing Trust Fund will be operational in early 2018.

6. What made it successful? What are specific best practices used in the program?

7. Any problems, pitfalls? Legal challenges?

8. Are there any lessons learned?

Completed By: Marcy Benson
Date: December 27, 2017
Sources: City of Greenville website, Affordable Housing webpage

AFFORDABLE HOUSING COMMUNITY RESEARCH

Name of Community: Jackson-Teton County, Wyoming
Reference Name & Organization: Jackson/Teton County Affordable Housing
April Norton, Housing Director
Website: <http://www.tetonwyo.org/156/Affordable-Housing-Department>
Phone Number & Email Address: 307-732-0867 and ahnorton@tetonwyo.org

1. What is the size of the community? Population?

Jackson: 10,529
Teton County: 23,191
(2016 US Census Bureau estimates)

2. Describe the Affordable Housing program.

The Jackson/Teton County Affordable Housing Department supplies workforce housing by providing development incentives; and using tax revenue, developer fees and exactions. Currently, the Housing Department manages 20 rental units and ensures compliance on another 831 deed restricted units throughout Teton County.

Teton County's goal is to house at least 65% of the workforce locally. Many types of workforce housing exist in Teton County. There are rental and ownership programs which are administered through lottery programs. There are six types of restricted units that are intended to house the workforce and they are:

- Affordable
Affordable units are owner-occupied with restricted pricing. To qualify, households must meet employment, income, and asset criteria.
- Employment-based
Employment-based units are owner-occupied and intended to serve households that don't fit within Affordable income categories, but still cannot afford to purchase a market rate home in Teton County. To qualify, households must meet employment criteria and earn 75% of their income from a local business.
- Workforce
This restriction creates a type of employment-based units that may be either rental or ownership. The qualification criteria are the same as Employment-based except that there is no cap on the initial purchase or rent negotiation.
- Attainable
Attainable units were built before housing standards were adopted in the Land Development Regulations. No more Attainable units will be constructed, but the Rules and Regulations still apply through the management of existing units. They have income limits and asset limits that are calculated according to their deed restriction. They do not have a price cap, but buyers must qualify to purchase.

- Employee
Employee housing is created through new commercial development. These units are rental units that may not be owner occupied. A maximum rent is allowed to be charged that is calculated according to their deed restriction. To qualify, households must meet income and employment criteria.
- ARU (Accessory Residential Unit)
These units must be rented to employees working in Teton County. There are no income limits or maximum rents on ARUs.

3. When was it started?

The formal housing program was established by the 1994 Comprehensive Plan and has successfully used regulations, incentives, and additional funding to create over 700 restricted housing opportunities. The Workforce Housing Action Plan was adopted in 2015 and the housing director was charged with drafting an initial 5-year Housing Supply Plan that is updated annually. In October 2016 the first Housing Supply Plan was adopted.

4. How is it funded?

Development incentives, tax revenue, developer fees and exactions.

5. Who administers the program? What is municipality's role if not the leader?

The Jackson/Teton County Affordable Housing's role is to implement the housing policies in the Jackson/Teton County Comprehensive Plan and Land Development Regulations.

6. What made it successful? What are specific best practices used in the program?

7. Any problems, pitfalls? Legal challenges?

8. Are there any lessons learned?

Completed By: Marcy Benson

Date: December 19, 2017

Sources: Town of Jackson Land Development Regulations
Jackson/Teton County Affordable Housing Department

AFFORDABLE HOUSING COMMUNITY RESEARCH

Name of Community: Jupiter, Florida
Reference Name & Organization: Town of Jupiter Florida/John Sickler – Director,
Department of Planning & Zoning
Website: <https://www.jupiter.fl.us/>
Phone Number & Email Address: (561) 741-2291 johns@jupiter.fl.us

1. What is the size of the community? Population?

Jupiter: 63,813
Palm Beach County: 1,443,810
(2016 US Census Bureau estimates)

2. Describe the Affordable Housing program.

The workforce housing program is part of land development regulations which include a non-residential linkage fee; an inclusionary workforce housing requirement where 6% of dwelling units in any resident development of 10 units or more are to be developed as workforce housing units; workforce housing plan density bonus; payment in lieu options for workforce housing units; construction standards; household eligibility standards; homeowner and homebuyer assistance plan; sales and rental prices; resale requirements, and establishment of a housing trust fund. Affordability time periods for rental units are for a minimum of 30 years and for-sale workforce housing units must have a 99 year affordability covenant recorded with the county.

The homeowner and homebuyer assistance program is available through the Town's Neighborhood Services Division and participants must meet several criteria including income, tenancy, down payment and loan financing requirements. The program includes grants or loans to assist low to moderate-high income owners improve exterior of homes, and grants from the community land trust to write down purchase price of home for qualifying households.

The Town of Jupiter established a housing trust fund for depositing funds pursuant to the workforce housing program. Funds include proceeds from loan repayments from the homeowner and homebuyer assistance program. Fees in the housing trust fund may be used for second mortgage assistance; down payment assistance; acquisition and construction of workforce housing dwelling units; resale gap; enhancement of County, State and Federal affordable housing programs; rehabilitation of existing workforce housing dwelling units; and administrative funds (up to 20% of total funds) necessary for the program.

3. When was it started?

The Town's housing element of the comprehensive plan contained housing objectives and policies adopted in 2008 that were consistent with Palm Beach County's mandatory workforce housing regulations. In 2015 the Town of Jupiter adopted an inclusionary workforce housing program into the code of ordinances.

4. How is it funded?

The Town of Jupiter established a housing trust fund for depositing funds pursuant to the workforce housing program. Funds include proceeds from loan repayments from the homeowner and homebuyer assistance program. Fees in the housing trust fund may be used for second mortgage assistance; down payment assistance; acquisition and construction of workforce housing dwelling units; resale gap; enhancement of County, State and Federal affordable housing programs; rehabilitation of existing workforce housing dwelling units; and administrative funds (up to 20% of total funds) necessary for the program.

5. Who administers the program? What is municipality's role if not the leader?

The Town of Jupiter, Neighborhood Services Division and Department of Planning & Zoning.

6. What made it successful? What are specific best practices used in the program?

7. Any problems, pitfalls? Legal challenges?

8. Are there any lessons learned?

Completed By: Marcy Benson

Date: December 26, 2017

Sources: Town of Jupiter website

Town of Jupiter Code of Ordinance – Workforce Housing Program
(Chapter 27 – Zoning/Article X/Division 43)

AFFORDABLE HOUSING COMMUNITY RESEARCH

Name of Community: Key West, Florida
Reference Name & Organization: City of Key West Planning Department
Patrick Wright, Director of Planning
The Housing Authority of the City of Key West, Florida
Manuel Castillo, SR. Executive Director
Website: <http://www.cityofkeywest-fl.gov/>
<http://www.kwha.org/wordpress0/>
Phone Number & Email Address: (305) 809-3778 pwright@cityofkeywest-fl.gov
(305) 296-5621 castillom@kwha.org

1. What is the size of the community? Population?

Key West: 26,990
Monroe County: 79,077
(2016 US Census Bureau estimates)

2. Describe the Affordable Housing program.

The City of Key West workforce housing program is part of the land development regulations. The program has an inclusionary workforce housing requirement, allows for linkage of projects and includes a fee in lieu component. Workforce housing developments must be deed restricted and be for a period of at least 50 years. Participants in the program must meet eligibility requirements including income limits, residency location and occupancy requirements. In mixed use zoning districts the addition of affordable work force housing on the same site as commercial properties and institutions to promote employee housing is encouraged, this is referred to as accessory unit infill.

The Housing Authority of the City of Key West, Florida was created by the City of Key West in 1938 and owns, manages, develops and administers federal, state and local affordable workforce housing programs for very low to moderate income families. In addition to the housing choice voucher program and public housing, the Housing Authority currently owns and operates 385 units of affordable housing. The properties do have income requirements, rents are based by income brackets and are below that of comparable market rate rentals. The properties are located throughout Key West and offer something for everyone, from families with children to seniors.

3. When was it started?

The City of Key West workforce housing ordinance was adopted in 2005. The Housing Authority of the City of Key West, Florida was created by the City of Key West in 1938.

4. How is it funded?

The City of Key West has an affordable work force housing trust fund and it is maintained with funds earmarked for the purpose of promoting affordable work force housing in the

city and its immediate environs. The trust fund is a separate dedicated fund used only for financial aid to developers as project grants for affordable housing construction; financial aid to eligible homebuyers of affordable housing as mortgage assistance; financial incentive for the conversion of transient units to affordable housing residential units; direct investment in or leverage to housing affordability through site acquisition, housing development or housing conservation; or other affordable workforce housing purposes established by resolution of city commission.

5. Who administers the program? What is municipality's role if not the leader?

The City of Key West Planning Department oversees the land development regulations which include the workforce housing program.

6. What made it successful? What are specific best practices used in the program?

7. Any problems, pitfalls? Legal challenges?

8. Are there any lessons learned?

Completed By: Marcy Benson

Date: December 26, 2017

Sources: City of Key West, Florida website and Housing Authority of the City of Key West, Florida website

AFFORDABLE HOUSING COMMUNITY RESEARCH

Name of Community: Montgomery County, Maryland
Reference Name & Organization: Department of Housing & Community Affairs
Division of Housing, Division Chief/Manager II: Jalal “Jay” Greene
Website: www.montgomerycountymd.gov/DHCA/index.html
Phone Number & Email Address: 240-777-3704

1. What is the size of the community? Population?

Montgomery County: 1,043,863
(2016 US Census Bureau estimates)

2. Describe the Affordable Housing program.

A. Workforce Housing Ownership Program is intended to be affordable to households with incomes that are too high to be eligible to participate in the Moderately Priced Dwelling Unit (MPDU) Program.

Workforce Housing Restrictions:

- New and resale homes have a 20-year Control Period. These controls are enforced by restrictive covenants placed on the property that state.
- During the Control Period, owners must occupy the home as their primary residence. The home may not be rented out. If the owner can no longer live in the WFH home due to employment or other reasons, it must be sold to another WFH household.
- During the Control Period, the owner must not refinance the home for more than the controlled resale price established by DHCA (owners are prohibited from refinancing the property based on the market value of the property). The refinancing must not result in reducing the owner’s equity below \$10,000.
- During the Control Period, the owner can sell the WFH home for no more than the DHCA-established controlled resale price through the WFH program to an approved WFH program participant.
- If a WFH home is sold during the Control Period, a new 20-year Control Period will start from the date of the resale. Once the WFH homes have been sold by the developer, the agency responsible for enforcing and administering the program’s long-term rules and regulations is DHCA.
- When the property is sold after the 20-year Control Period, the owner must pay half of the excess proceeds to the County’s Housing Initiative Fund. After the Control Period expires, owners are strongly encouraged to contact DHCA prior to refinancing their WFH home. Refinancing does not relieve the owner from the requirement to pay half of the excess proceeds to the County’s Housing Initiative Fund upon sale.

B. Moderately Priced Dwelling Unit (MPDU) Rental Program offers affordable rents at a number of MPDU apartment complexes located throughout Montgomery County. Persons interested in the MPDU rental program must apply directly to the MPDU complex of their choice. The management companies of these complexes provide an application, verify income, and credit history, and determine eligibility to rent a MPDU apartment.

- The minimum annual household income needed to afford a MPDU rental is approximately \$30,000. It is within the landlord's discretion to set a lower or higher minimum.
- The maximum annual household income for renewing tenants is 130% of maximum of household income for new tenants based on household size.
- There must be at least as many people in household as the number of bedrooms in the apartment.
- Demonstrate a good credit rating acceptable to the apartment management.
- Able to afford monthly rent payments for the MPDU rental property.

C. Moderately Priced Dwelling Unit (MPDU) Ownership Program offers affordably priced townhomes and condominiums (both new and resale) to first-time home-buyers who have a moderate household income.

- MPDU buyers must be able to qualify for a mortgage; pay a down payment; pay settlement fees including advance taxes and advance insurance; and pay a monthly mortgage payment, utilities, and other costs. The MPDU Program does not provide financing to purchase MPDUs. Special financing and down payment and closing cost assistance are available through the Housing Opportunities Commission.
- MPDU owners are responsible for all home maintenance, home improvements, condo and homeowner association fees (if applicable), and compliance with homeowner or condominium rules and regulations.
- Homes that are purchased through the MPDU Program, whether new or re-sale, have controls on them. All new MPDUs, and some resale homes, have 30 year controls; a very few resale homes have 15 year controls. These controls are in the form of MPDU restrictive covenants that states:
 - During the control period, the owner must occupy the home as their primary residence. The unit may not be rented out. The owner must certify before taking occupancy that they will occupy the unit as their primary residence during the control period.
 - During the control period, the owner must not refinance the property for more than the controlled resale price established by the MPDU office (owners are prohibited from refinancing the property based on the market value of the property).
 - During the control period, the owner can only sell their MPDU at the MPDU established controlled resale price through the MPDU Program.
 - During the control period, MPDU owners must not purchase another property in the Washington Metropolitan area.
 - When the MPDU is sold after the control period, the owner may sell the unit at a market price and must pay 50% of the excess profit to Montgomery County.
 - After the control period expires, it is strongly recommended that owners contact the MPDU office prior to refinancing their MPDU. Refinancing does not relieve the owner of the obligation to make a shared profit payment to the County upon sale; therefore, it is important not to refinance for the full market value.

3. When was it started?

Montgomery County developed the nation's first Moderately-Priced Dwelling Unit (MPDU) program in 1974 when a law establishing the Moderately Priced Dwelling Unit (MPDU) program was enacted. This required any developer applying for subdivision approval, site plan approval, or building permits for construction of 50 or more dwelling units at one location to ensure that 15% of the units were MPDUs. In exchange, developers were offered density bonuses of up to 20%, allowing them to develop a greater number of units than zoning ordinances permitted.

It has been amended several times; it currently requires that between 12.5% and 15% of homes in new developments of 20 units or more be MPDUs. When the program was established, affordability of both rental and homeownership MPDUs was controlled for five years. Today, the control period is 30 years for homeownership MPDUs and 99 years for rental MPDUs.

4. How is it funded?

Montgomery County's Housing Initiative Fund.

5. Who administers the program? What is municipality's role if not the leader?

Montgomery County Department of Housing and Community Affairs

6. What made it successful? What are specific best practices used in the program?

7. Any problems, pitfalls? Legal challenges?

The MPDU program has produced approximately 12,500 units of housing affordable to moderate and low income families since its inception. However, as Montgomery County nears its capacity for new development, MPDU production has decreased, and cannot compensate for units lost due to initially short periods of affordability restriction. While the program remains an important source of housing affordable to low and moderate income people in the county, these factors stress the reasons inclusionary zoning programs are but one tool for affordable housing development.

8. Are there any lessons learned?

Completed By: Marcy Benson

Date: December 21, 2017

Sources: Montgomery County Maryland, Department of Housing and Community Affairs website
National Low Income Housing Coalition website resource library

AFFORDABLE HOUSING COMMUNITY RESEARCH

Name of Community: New Castle County, Delaware
Reference Name & Organization: New Castle County Community Development & Housing Division/Carrie Casey, Manager
Website: <https://nccde.org/456/Community-Development-Housing>
Phone Number & Email Address: 302-395-5600 ccasey@nccde.org

1. What is the size of the community? Population?

New Castle County: 556,987
(2016 US Census Bureau estimates)

2. Describe the Affordable Housing program.

New Castle County, Delaware offers bonus density, and site development, incentives, expedited reviews, and application fee waivers to workforce development project developers who designate a portion of their projects as workforce and who make a designated contribution to the Housing Trust Fund to assist with the provision of affordable housing. To participate in the incentives at least 20% of the new dwelling units must be priced for low and/or moderate income households. In addition to the 20% set aside requirement, developers must contribute \$12 per \$1000 of permit construction value of market rate dwelling units only to the Housing Trust Fund. This initiative does not use Federal, State or County funding to accomplish the goal of providing workforce housing.

The Workforce Housing Program is designed for people who make less than 120% of area median income as determined by the U.S. Department of Housing and Urban Development (HUD) for New Castle County. Buyers must sign a declaration at settlement agreeing the property will remain owner-occupied during the fifteen (15) year affordability period. There will be annual monitoring occurring throughout the affordability period. Property may be sold before the 15 year affordability period expires, however, the new owner also must be income qualified. Additionally, the resale profit would be split with the Housing Trust Fund depending on the amount of months the property was originally occupied out of the required 15 years.

3. When was it started?

Workforce Housing Ordinance adopted in February 2008.

4. How is it funded?

Developer incentives and a housing trust fund.

5. Who administers the program? What is municipality's role if not the leader?

New Castle County, Delaware Community Development & Housing Division.

6. What made it successful? What are specific best practices used in the program?

7. Any problems, pitfalls? Legal challenges?

8. Are there any lessons learned?

Completed By: Marcy Benson

Date: December 28, 2017

Sources: New Castle County Delaware website, Community Development & Housing webpage

AFFORDABLE HOUSING COMMUNITY RESEARCH

Name of Community: Savannah, Georgia
Reference Name & Organization: City of Savannah/Housing Department
Martin Fretty, Department Director
Community Housing Services Agency (CHSA)
Darrel Daise, Director
Website: <http://www.savannahga.gov/housing>
Phone Number & Email Address: 912-651-6926 mfretty@savannahga.gov
912-651-2169

1. What is the size of the community? Population?

Savannah: 146,763
Chatham County: 265,128
(2016 US Census Bureau estimates)

2. Describe the Affordable Housing program.

The City of Savannah Housing Department offers programs to assist low and moderate income households within the city. The DreamMaker home purchase program allows for homeownership opportunities and has three levels of home buying assistance.

- Dream Maker 1
 - City-wide eligibility
 - Up to \$5,000 deferred, repayable upon transfer of title, refinance, or demise.
 - Minimum of \$1,000 home buyer contribution toward home purchase
 - Outside of Target Neighborhoods

- Dream Maker 2
 - CDBG Target Neighborhoods, Neighborhood Revalitization Areas and Succession Neighborhoods are eligible
 - Up to \$7,500 deferred, repayable upon transfer of title, refinance, or demise.
 - Minimum of \$1,000 home buyer contribution
 - House location inside of CDBG Target Neighborhoods, Neighborhood Revitalization Areas generally north of Victory Drive and Succession Neighborhoods
 - Succession Neighborhoods: Edgemere/Sackville, Paradise Park/Oakhurst, Largo Woods, Wilshire Estates/Savannah Mall, and Windsor Forest
 - Revitalization Areas: Benjamin Van Clark; Cuyler/Brownville; Feiler Park; Ogeecheeton; Savannah Gardens (including portions of East Savannah & Twickenham); West Savannah and Waters Avenue Corridor (One Block East and West of Waters Avenue

- Dream Maker 3
 - New construction only
 - Maximum Loan amount: New Construction in Revitalization & CDBG Areas. Home must be pre-approved by DOH for the DM 3 program prior to construction.

- Savannah Gardens (only) - Up to \$60,000*, deferred, repayable upon transfer of title, refinance, or demise.
Up to \$60,000 for two-story homes; Up to \$40,000 for single-story homes
- Neighborhood Revitalization Areas - Up to \$30,000
- CDBG & Neighborhood Renaissance Neighborhoods - Up to \$20,000
- Maximum term: 30 years deferred, payable upon transfer of title, refinance, or demise.
- Minimum of \$1,000 home buyer contribution.
- Revitalization Areas: Benjamin Van Clark; Cuyler/Brownville; Feiler Park; Ogeecheeton; Savannah Gardens (including portions of East Savannah & Twickenham); West Savannah and Waters Avenue Corridor (One Block East and West of Waters Avenue)

3. When was it started?

The Savannah Affordable Housing Funds (SAHF) was established by resolution of the Mayor and Alderman of the City of Savannah in November 2011.

4. How is it funded?

From 2012 through 2016 the City of Savannah invested \$800,000 in the SAHF for revolving loans. Local banks, businesses, and non-profits have invested another \$138,060 since 2014. Annual investments in the SAHF by partners typically range from \$5,000 to \$40,000.

5. Who administers the program? What is municipality's role if not the leader?

The City of Savannah Department of Housing and the Community Housing Services Agency (CHSA) administer the program. CHSA is a non-profit housing partner with the city which works to provide opportunities for quality affordable housing.

6. What made it successful? What are specific best practices used in the program?

7. Any problems, pitfalls? Legal challenges?

8. Are there any lessons learned?

Completed By: Marcy Benson

Date: December 28, 2017

Sources: City of Savannah website, Community & Economic Development Bureau Housing webpage

AFFORDABLE HOUSING COMMUNITY RESEARCH

Name of Community: Steamboat Springs/Yampa Valley, Colorado
Reference Name & Organization: Yampa Valley Housing Authority
Jason Peasley, Executive Director
Website: <http://yvha.org/#>
Phone Number & Email Address: 970-870-0167 inquiry@yvha.org

1. What is the size of the community? Population?

Steamboat Springs: 12,336
Routt County: 23,980
(2016 US Census Bureau estimates)

2. Describe the Affordable Housing program.

The Yampa Valley Housing Authority (YVHA) is charged with planning, financing, acquiring, managing and operating housing programs for low- and moderate-income residents employed in Routt County.

Steamboat Springs has several communities and individual units that contain deed restrictions. A deed restriction targets the sale of the unit to “qualified owners” who meet specific income, asset and employment criteria. Qualification terms include:

- **Income:** This is represented by a percentage of the Area Median Income (AMI) and is usually set at 80% or 120% AMI.
- **Net Assets:** This is a calculation of net assets (assets minus liabilities) with the maximum assets varying depending on the deed restriction.
- **Employment:** All local deed restrictions require that the purchaser be either employed full-time in Routt County or retired from full-time employment in Routt County.
- **Affordability:** Some deed restrictions require that the mortgage payment does not exceed 30% of gross income. This is often referred to as a “front end ratio” or “housing allowance” in mortgage lending terms. Other affordability terms include an appreciation cap, limiting the price appreciation of the unit over time.
- **Sole Residency:** All local deed restrictions require the owner to live in the unit as their sole residence. This means that rentals of the deed restricted unit are only permitted under certain circumstances outlined in the deed restriction.

YVHA Down Payment Assistance Loan Program helps local home buyers with up to 10% of the purchase price of a home. The YVHA DPAL Program is available to households that meet the following criteria:

- Buyer must be employed a minimum of 1,650 hours annually within the boundaries of YVHA (greater Steamboat Springs are, not including Hayden, Oak Creek and Clark)
- Buyer cannot own any other property at the time of purchase
- Household income up to 150% of Area Median Income
- Back End Ratio (total debt) no greater than 43%

- Minimum direct borrower investment of 1% of purchase price
- Maximum combined loan to value of 100%

In 2017 a new affordable apartment development opened and provides 48 rental units for low income families in Steamboat Springs. The development was funded in part with a \$12.8 million low income housing tax credit investment. Overland Property Group LLC partnered with the Yampa Valley Housing Authority to develop this project on land owned by the housing authority. The development consists of two buildings with two and three bedroom units for families earning less than 60% of the area median income, which is \$47,280 for a family of four. Rents range from \$615 to \$1,107 per month.

3. When was it started?

The Routt County Board of County Commissioners and the City Council of Steamboat Springs established the Yampa Valley Housing Authority in 2003 to address the on-going issue of affordable housing.

4. How is it funded?

The recently completed affordable apartment development was funded with federal income tax credits and a partnership with YVHA and Overland Property Group LLC.

5. Who administers the program? What is municipality's role if not the leader?

Yampa Valley Housing Authority.

6. What made it successful? What are specific best practices used in the program?

7. Any problems, pitfalls? Legal challenges?

8. Are there any lessons learned?

Completed By: Marcy Benson

Date: January 19, 2018

Sources: Yampa Valley Housing Authority website

AFFORDABLE HOUSING COMMUNITY RESEARCH

Name of Community: Telluride, Colorado
Reference Name & Organization: Town of Telluride/Lance McDonald, Program Director
Website: <https://www.telluride-co.gov/369/Affordable-Housing> and San Miguel Regional Housing Authority/Shirley L. Diaz, Executive Director <https://smrha.org/>
Phone Number & Email Address: Lance McDonald: (970) 728-2167
lmcdonald@telluride-co.gov
Shirley L. Diaz: (970) 728-3034 ext. 5
shirley@smrha.org

1. What is the size of the community? Population?

Telluride: 2,444
San Miguel County: 8,017
(2016 US Census Bureau estimates)

2. Describe the Affordable Housing program.

Programs to ensure affordable housing in Telluride are in three categories:

- Town Manager's Department - Program Director
Public actions to acquire land and develop housing. These tasks are primarily handled by the Town Manager's office, in consultation with the SMRHA. Planning is currently underway to develop several sites controlled by the Town, and opportunities to acquire additional sites are considered on a case-by-case basis.
- Planning & Building Department
The administration of regulatory mechanisms contained within the Town's Land Use Code (LUC) and adopted Telluride Affordable Housing Guidelines (TAHG) is another key component. Regulatory mechanisms include the Land Use Code requirement that new development provide affordable housing for 40% of new employees generated. This housing is provided in the form of cash payments, construction of new deed-restricted housing, or deed-restriction of existing housing. Incentives to create new housing also exist. The primary example is a density bonus granted within residential zones intended to establish more secondary dwelling units. These regulatory mechanisms are administered by the Planning & Building Department within their development review activities, with assistance from the SMRHA to process necessary deed restrictions for affected dwelling units.
- San Miguel Regional Housing Authority (SMRHA)
Financial incentives and information provided or administered by the SMRHA. These primarily consist of Federal and State programs such as down payment assistance and mortgage credit certificates, among others. The SMRHA also provides information and advice to first time home buyers.

3. When was it started?

Telluride Affordable Housing Guidelines were adopted in September 2007.

4. How is it funded?

Affordable housing is provided in the form of cash payments, construction of new deed-restricted housing, or deed-restriction of existing housing. Incentives to create new housing also exist.

5. Who administers the program? What is municipality's role if not the leader?

The town manager's office handles acquiring land and developing housing. The town's planning and building department handles administration of the land use code and affordable housing guidelines. The San Miguel County Housing Authority handles federal and state programs for financial assistance.

6. What made it successful? What are specific best practices used in the program?

7. Any problems, pitfalls? Legal challenges?

8. Are there any lessons learned?

Completed By: Marcy Benson

Date: December 19, 2017

Sources: Town of Telluride website
San Miguel Regional Housing Authority website

AFFORDABLE HOUSING COMMUNITY RESEARCH

Name of Community: Truckee, California
Reference Name & Organization: Town of Truckee, Jeff Loux, Town Manager
Website: www.townoftruckee.com/government/community-development/affordablehousing
Phone Number & Email Address: (530) 582-2901 jloux@townoftruckee.com

1. What is the size of the community? Population?

Truckee: 16,391
Nevada County: 99,107
(2016 US Census Bureau estimates)

2. Describe the Affordable Housing program.

The Town of Truckee, California adopted a workforce housing ordinance and inclusionary housing ordinance requiring commercial, industrial and residential projects to provide affordable housing as part of development.

There are density bonuses, concessions and incentives to developers for providing housing that is affordable to qualifying residents. There is an inclusionary requirement or an in-lieu fee for residential development projects to mitigate impacts caused by these projects on the additional demand for more affordable housing and rising land prices for limited supply of available residential land. There is a workforce housing requirement and an in-lieu fee for commercial, industrial, and other non-residential development projects to mitigate the impacts caused by these projects on the additional demand for more affordable housing.

3. When was it started?

The Town of Truckee development code was updated in August 2017.

4. How is it funded?

5. Who administers the program? What is municipality's role if not the leader?

The town's community development planning division handles the administration of the development code.

6. What made it successful? What are specific best practices used in the program?

7. Any problems, pitfalls? Legal challenges?

8. Are there any lessons learned?

Completed By: Marcy Benson

Date: December 20, 2017

Sources: Town of Truckee Website

AFFORDABLE HOUSING COMMUNITY RESEARCH

Name of Community: City of Virginia Beach, Virginia
Reference Name & Organization: Department of Housing & Neighborhood Preservation
Website: <http://www.vbgov.com/housing> Karen Prochilo
Phone Number & Email Address: 757-385-5750 KProchil@vbgov.com

1. What is the size of the community? Population?

City of Virginia Beach: 452,602
(2016 US Census Bureau estimates)

2. Describe the Affordable Housing program.

The program offers a bonus density to developers who voluntarily build workforce housing units in combination with the development of market-rate units. By allowing developers to build more units with no additional land cost, rental units are more affordable and for-sale units are sold with special financing that allows for more affordable monthly mortgage payments. The workforce housing program also allows the city first rights to buy back the property at the time of resale, therefore helping to maintain an affordable stock of homes.

The workforce housing buyer program is a shared appreciation program where a portion of the accrued equity in the workforce housing unit will belong to the City of Virginia Beach upon the sale or transfer of the unit. Currently there is one workforce housing development with 42 single family units of which 7 units are set-aside under the workforce housing ordinance.

Eligibility requirements for buyer of a workforce housing unit must meet all of the following criteria at the time of application and through the time of settlement:

- Must live or work full-time in Virginia Beach, or have a bona fide offer of full-time employment in Virginia Beach within 3 months of the time of application;
- Cannot own, or have a controlling interest in, other real estate property;
- Household's annual gross income must be between 80% and 120% of area median income (AMI), adjusted for household size; and
- Net worth cannot exceed 50% of the sales price of the workforce housing unit
- Buyer must be able to secure their own first mortgage from a mortgage lender acceptable to the city

Eligibility requirements for renters include gross annual income limits (between 60% - 100%) of AMI. The City of Virginia Beach does not own or operate rental housing units.

3. When was it started?

August 2007, the City of Virginia Beach adopted an ordinance establishing the Workforce Housing Overlay District. In 2011 the first development under the workforce housing ordinance was approved.

4. How is it funded?

Incentives to developers.

5. Who administers the program? What is municipality's role if not the leader?

The city planning department staff and housing & neighborhood preservation department staff.

6. What made it successful? What are specific best practices used in the program?

- High quality housing is built.
- Neighbors do not experience a reduction in property values.
- Workforce housing is integrated throughout development.
- City's ability to provide high-quality affordable housing is increased.
- Our local workforce can live where they work.
- Workforce communities enhance the city's economic development and quality of life.
- The city is able to attract and retain the best employers and employees.
- The affordability of housing for future generations is preserved.

7. Any problems, pitfalls? Legal challenges?

8. Are there any lessons learned?

Completed By: Marcy Benson

Date: December 21, 2017

Sources: City of Virginia Beach website, Housing & Neighborhood Preservation page

TOWN OF HILTON HEAD ISLAND
REQUEST FOR PROPOSALS (RFP 2018-0000)
AFFORDABLE WORKFORCE HOUSING STRATEGIC PLAN

The Town of Hilton Head Island is soliciting responses from qualified consultants to prepare an Affordable Workforce Housing Strategic Plan.

The community has expressed a concern with the availability of a qualified workforce including difficulties in finding affordable housing. The Public Planning Committee has hosted stakeholder input sessions to discuss specific needs and goals for affordable housing on Hilton Head Island. Through these meetings it has become evident that affordable workforce housing is a critical element of the Town's infrastructure. Workforce availability, including housing and transportation, has been identified as a priority of Town Council. Working with staff, Town Council has developed a policy direction supported by research into best practices. Policy response matrix is attached to RFP for information.

The Town has been involved in previous efforts on affordable housing starting in 1995 including a Family Housing Program and Moderate Income Housing Program. A history of efforts is attached to the RFP. Hilton Head Island has unique characteristics that will affect the affordable workforce housing strategy including its status as a resort and retirement community, seasonal population fluctuations, a high percentage of gated communities, land limitations, rapid growth on the mainland, competition for employees, etc.

A Housing Needs Assessment is being prepared by Bowen National Research, hired by Beaufort County, and is scheduled to be completed in Spring 2018. The Needs Assessment will include recommendations for each of the municipalities within the County including Hilton Head Island. The successful consultant will be expected to take the recommendations from the Needs Assessment and prepare specific implementation steps for the Town. Recommendations should be specific to Hilton Head Island but consider the regional context of any solutions.

The Town's housing strategy should include preparation of an Affordable Workforce Housing Strategic Plan with goals, objectives, and policies for affordable workforce housing. The plan should include specific implementation steps with short- (1 year), medium- (3 year), and long-term (5 year) action items to prioritize the Town's involvement. At a minimum the following items should be included:

- Summary of best practices;
- Detailed toolkit for addressing affordable housing;
- Specific impacts to the Town's Land Management Ordinance (LMO) or other codes;
- Outline of strategies including financial impacts;
- Specific funding strategies and potential funding partners;
- Expected absorption rate;
- Recommendations for oversight and management structure including identification of the appropriate organization to manage and implement the programs;
- An outline of similar efforts underway at the local and regional level including how these efforts could be part of the solution;
- A hierarchy of organizations, funding, and programs from the federal level to the local level including non-profit organizations and other potential partners.

The consultant team will be responsible for drafting any LMO amendments necessary and working with staff to take the amendments through the approval process to be implemented as quickly as possible. The

team should include someone with experience directly related to affordable housing opportunities within the state of South Carolina and what funding mechanisms are allowed/available.

It is anticipated that this effort will take 4-6 months beginning in the first quarter of 2018 and will include stakeholder meetings as well as reports to the Town Council's Public Planning Committee.