CountyNews
HOT topics

NATIONAL ASSOCIATION *of* COUNTIES

MAY 14, 2018

## AFFORDABLE HOUSING




# OPENING THE DOOR TO AFFORDABLE HOUSING


# NO QUICK FIXES

## The challenge of creating workforce housing

**By Mary Ann Barton**
**senior staff writer**

*"The more expensive a resort town gets, the farther its workers have to commute to keep it functioning. And if your heart doesn't bleed for the dishwasher or landscaper who commutes two to four hours a day, at least shed a tear for the wealthy vacationer who gets stuck in the ensuing traffic. It's bumper to bumper westbound out of Telluride, Colorado, every day at 5, or eastbound on Route 1 out of Key West, for the Lexuses as well as the beat-up old pickup trucks."*

*— From 'This Land Is Their Land' by Barbara Ehrenreich*

Along Highway 192 in Osceola County, Fla., just south of Disney World, there is a 15-mile stretch of road that includes budget motels that have seen better days.

"Some of them really are not viable as tourist motels anymore; they were supposed to be an affordable alternative to Disney but then Disney created its own affordable alternative," said Susan Caswell, Osceola County's assistant community development administrator.

Today, some of the motels serve as housing for many of the workers who are employed in the area's booming resort towns and tourism industry. Affordable housing is tight in the Orlando area — it ranks third in the nation for its shortage of affordable rentals, according to the National Low-Income Housing Coalition. Earlier this year 8,000 prospective tenants inquired about 201 affordable apartments.

While tourism — theme parks, beach towns and ski resorts — opens up jobs for locals and seasonal workers, affordable rentals for them are especially hard to find. And many landlords can earn more from short-term rentals to tourists than long-term leases to residents.

Osceola County is especially looking to add affordable rental housing for those with incomes of $35,000 and below. The motels and hotels along U.S. 192 have come into play. The county has seen two recent proposals to convert hotels into permanent housing, Caswell said, and the county itself purchased a hotel a few years ago and converted it into permanent housing.

"The problem we have with the people living in the hotels is if we crack down from a code enforcement standpoint, we're going to displace a whole bunch of people," she said.

### 'Home ownership is not for everybody'

In addition to looking for buildings like a hotel that might work for affordable housing, the county's role is to "work really closely with developers and builders to figure out what their real barriers are and try to help them through those," Caswell said. The county has revamped its entire code so there is a lot more flexibility, more opportunity for higher density and quicker processes.

One of the challenges in creating affordable housing is dealing with "one size fits all" builders, she noted. "We're dominated by a few national builders and they answer to corporate. It's challenging for them to think of a different product, but it's doable."

In addition to finding housing for tourism workers, Caswell said there are other groups also vying for affordable housing including senior citizens on a budget who no longer need single family homes and single parents whose budgets are squeezed while they are paying a lot for childcare.

"A lot of these people are in a certain phase of their life and we're here to help them through it," she said. "We need to have that recognition that home ownership is not for everybody — it's not the solution to every issue."

Her advice to other counties: Streamline your development regulations and change your land development codes for more flexibility and higher density. And talk to developers and builders. "The more you talk to them," she said, "the more you discover what the challenges are."

### Pitkin County, Colo.

Patti Clapper, a county commissioner in Pitkin County, Colo., has lived in a 1967 single-wide trailer at Smuggler Mobile Home Park, now sometimes known as the

*See TOURISM page H15*

HOT topics

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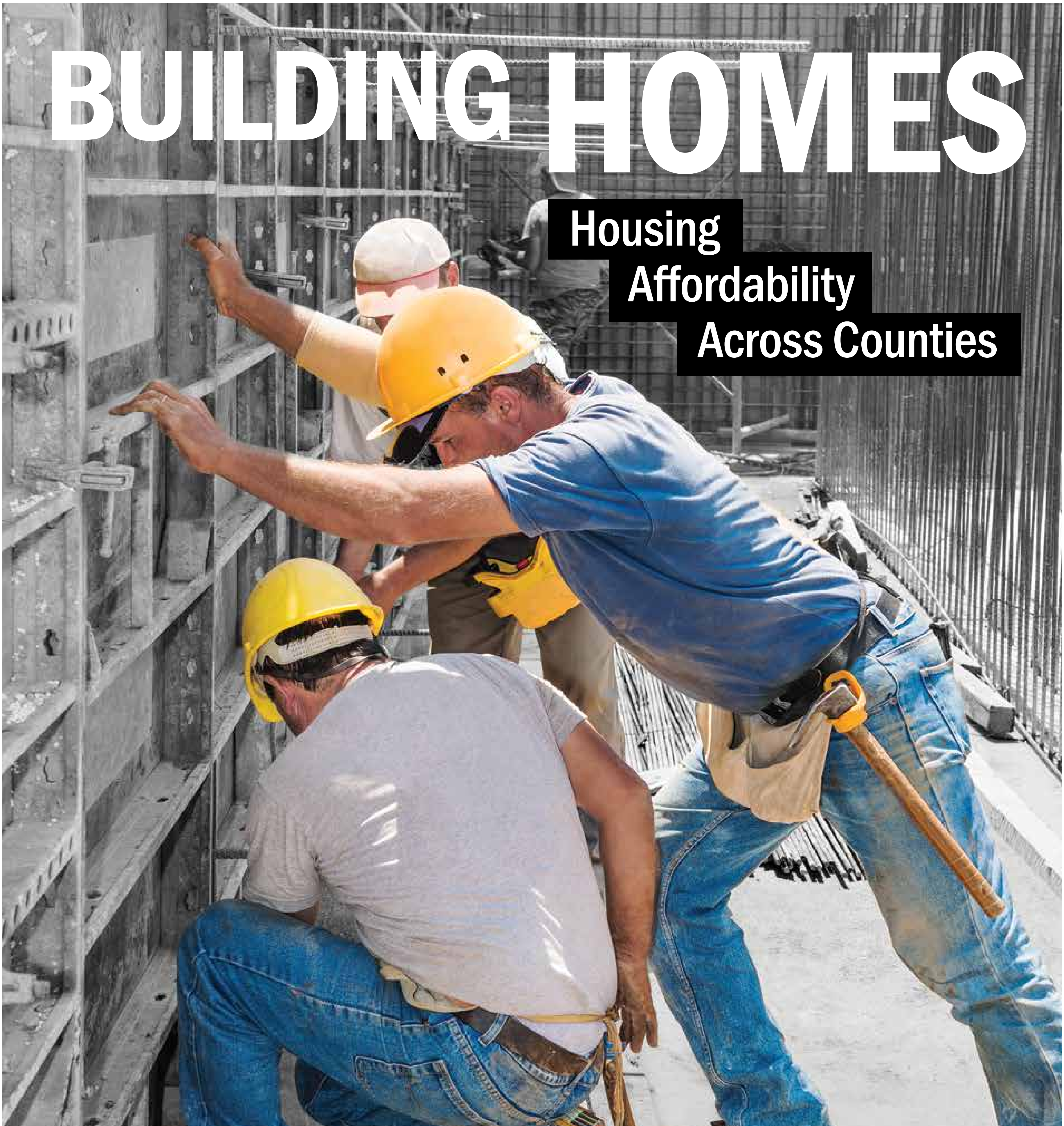
# BUILDING HOMES

## Housing Affordability Across Counties



**By Jonathan Harris**
**research analyst**

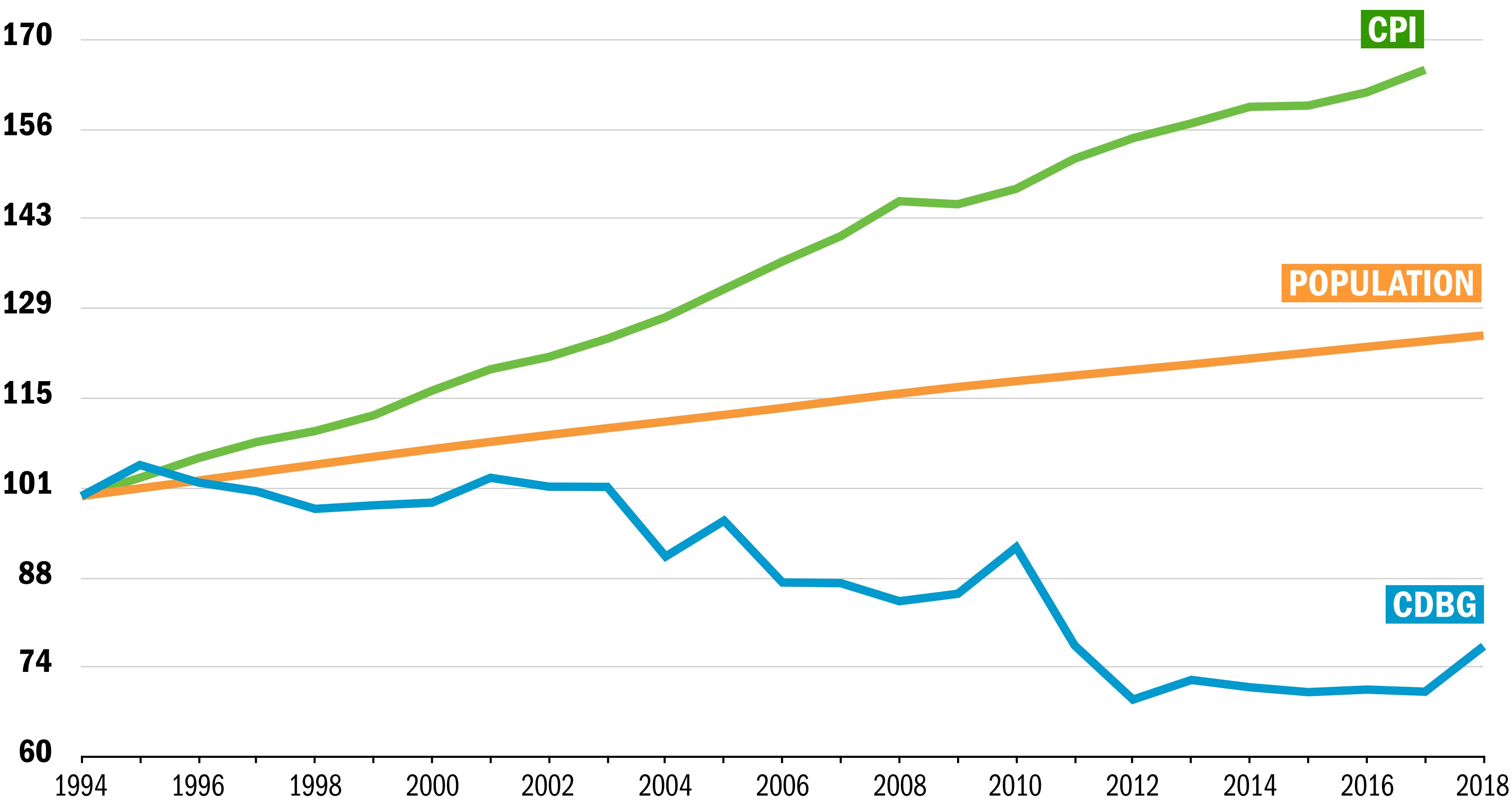
In Washington, D.C., Airbnb is bridging an important housing gap caused by skyrocketing rents in the nation's capital. One hostel-type townhouse — via Airbnb — rents out bunk beds for $30 a night. The hostel comes with a fully-stocked kitchen and living room with large flat-screen TV. At $900 or so per month, the fee beats the typical $1,500 rents for studio apartments in the D.C. area.

Across the U.S., people are facing fast-rising rents and home prices. In 2016, nearly half of households — more than 37 million — were living in housing units they could not afford, according to the American Community Survey (ACS). The Department of Housing and Urban Development (HUD) sets housing affordability at 30 percent of a household's income. If residents are spending more than 30 percent on housing costs, they are living in unaffordable housing.

Their plight can take many shapes. Long-time homeowners may have lived in the same house for decades, but revitalization or gentrification of the surrounding area increases their home value to the point where they can no longer afford the property tax-

*See BUILD page H4*

# CDBG FUNDING, U.S. POPULATION, AND INFLATION, 1994-2018




Source: NACo analysis of U.S. Department of Housing and Urban Development (HUD) data, 2018; NACo analysis of Federal Reserve of St. Louis data (FRED), 2018.

*From BUILD page H3*

es. Potential homebuyers delay buying a house for years as they try to save for a down payment while repaying student loans and paying exorbitant rents. Low-income renters totter on the edge of eviction and homelessness when a sudden job loss or death hits the family.

Housing affordability is a challenge that is confronting all types of counties on the ground – no group is exempt.

The problem of housing affordability is widespread across the U.S. population. In 2016, the ACS five-year estimates showed that 31 percent of all homeowners were living with mortgages they couldn't afford. Even among those who had completely paid off their home, 14 percent were spending more than 30 percent of their income on housing costs such as property taxes and utilities. When looking at renters, this number jumps to 51.1 percent.

Finding affordable housing is a challenge across every region of the country. These challenges are most pronounced in the West, where 35.5 percent of households with mortgages and 53.3 percent of renters were — by the HUD standard — unable to afford their homes in 2016. In the Northeast, times were the roughest for homeowners who had paid off their mortgages. Twenty percent of households without mortgages were spending more than 30 percent of their income on housing costs.

The South and the Midwest were not exempt from these problems either: Close to half of renters (50.5 percent and 48 percent, respectively) and more than one quarter of homeowners with mortgages (29.3 percent and 25.8 percent, respectively) were living in costly housing. Housing affordability is confronting counties in every region of the country.

The problem of housing affordability is not just a phenomenon of urban areas, but of suburban and rural areas, as well. Large counties have the highest percentage of households with mortgages and renters living in unaffordable housing (33.8 percent and 52.6 percent, respectively, on average), yet four of the five least affordable counties for renters are small, rural counties, where 70 percent or more of renters are living in unaffordable housing, while approximately 28 percent of households with mortgages live in unaffordable homes in both medium-sized counties and in small counties. In general, housing affordability problems have hit large counties the hardest; nevertheless, small and medium-sized counties are suffering from these effects very nearly as much.

**FROM 1990 TO 2016, THE AVERAGE COMMUTE TIME ACROSS THE U.S. HAS INCREASED BY 16.5 PERCENT.**

When trying to combat rising housing costs, counties will face different sets of challenges based on their populations. Unless they are able to implement innovative zoning policies, large, urban counties often face problems finding available land that can be developed for more affordable housing units. Medium-sized, suburban counties often face strong strains of NIMBYism from residents who imagine that affordable housing for low-income residents means building large apartment buildings that will make their neighborhoods feel more like a city.

Finally, small, rural counties may find themselves with large numbers of seasonal, migrant workers who need temporary housing, and areas of rural poverty may have very few available houses that are also livable. There is no one-size-fits-all solution for housing affordability; rather, the problems counties face vary greatly, and require a wide range of innovative solutions and partnerships.

### Impact of Housing Affordability on County Operations

County governments are inextricably linked to affordable housing because of the role they play in housing. Most coun-

*See BUILD page H5*

# GLOSSARY

### Affordable Housing

The U.S. Department of Housing and Urban Development (HUD) designates housing as affordable if the gross costs to live in that housing unit, including utilities, do not exceed 30 percent of the gross income of the resident(s).

### Area Median Income (AMI)

To determine whether housing costs or rents are affordable for residents of a certain community, HUD uses the area median income (AMI). In a designated area, half of the population makes more than the AMI, and the other half makes less than the AMI.

For example, the AMI for a single -person household in San Francisco is $82,900; in Cuyahoga County (Cleveland), Ohio, $45,660.

HUD designates households to certain income groups based on their income relative to the AMI:

– "Extremely Low Income": Below 30 percent of AMI

– "Very Low Income": Below 50 percent of AMI

– "Low Income": Below 80 percent of AMI

– "Moderate Income": Between 80 and 120 percent of AMI

*Note: All of these levels are adjusted based on how many people are in a household.*

### Housing Trust Fund

The Housing Trust Fund Project defines housing trust funds as distinct funds established by state, county or other local governments to support the preservation and production of affordable housing. These funds have ongoing dedicated sources of public funding, as opposed to an annual budget allocation.

### Social Impact Bond (SIB)

Social impact bonds (SIBs), also called "pay for success" programs, allow county governments to pay only for programs that achieve their objectives. Instead of forming an agreement to pay an organization for the services it provides, counties will agree upon a set of outcomes, and will pay the outside organization according to the outcomes it achieves. Expanding housing affordability is one of the many ways counties use SIBs.

### Inclusionary Zoning (IZ)

According to HUD, inclusionary zoning (IZ) practices refer to any kind of policy or ordinance that requires or encourages developers to set aside a certain percentage of housing units in a new or rehabilitated project for low- and/or moderate-income residents. IZ policies help to integrate lower-income residents with higher-income residents so that all have access to the same high-quality services and amenities.

# Zoning policies play housing role

*From BUILD page H4*

ty governments collect property taxes and provide property assessments. They also often provide much of the regulatory framework around housing, from planning and zoning to administering building permits, and often are the safety net for the homeless and poor. Housing is a prime concern of counties.

So, it may come as no surprise that counties play a major role in providing housing for their nearly 314 million residents, and that the partnership between them, states and the federal government is critical.

From 2014 to 2016, 1,421 counties invested over $15.5 billion of federal funds for housing and community development, according to the Federal Audit Clearinghouse. The top four programs providing this funding were Community Development Block Grants (CDBG) to entitlement counties, nearly $4 billion; Section 8 Housing Assistance Payments Program, nearly $3.7 billion; the HOME Investment Partnerships Program (HOME), over $2.5 billion; and CDBG funding that is passed through state governments to non-entitlement counties, nearly $1.7 billion. The four programs accounted for over three-quarters of the total federal funding invested by counties in housing and community development.

However, decreases in federal and state funding have put pressure on county budgets, and caused county leaders to look for new ways to close the funding gap. For example, total funding from CDBG decreased by 23 percent over the past 25 years, based on HUD data (see Figure 1). During the same period, the U.S. population increased by 24.6 percent and inflation rose by 65.4 percent, according the Federal Reserve Bank of St. Louis.

Counties can leverage local resources through various local funding sources, including county housing trust funds. According to the Housing Trust Fund Project, there are currently over 135 county housing trust funds across 16 states, which generated over $100 million in FY 2015, and, on average, leveraged $8.50 for every dollar invested.

Other counties use social impact bonds (SIBs) – also known as "pay-for-success" programs – to fund the development of affordable housing units based on the results the developer achieves, rather than paying a set cost upfront. Counties also use commercial linkage fees, developer impact fees, demolition fees or tax increment financing (TIF).

Counties play a major role in land use planning, zoning and other regulations that affect housing. These policies help regulate growth in the county and encourage development patterns that will benefit all residents while still preserving the county's natural resources. Counties also have authority over zoning laws, subdivision regulations, the timing of development and permitting procedures, which can be used to increase housing affordability.

Counties can enact inclusionary zoning policies and density bonuses to encourage developers to build affordable units and keep a certain percentage of the units affordable for a set period. Counties can simplify the permitting process and make sure all regulations are clear to reduce delays, and construction costs, for developers. Some counties even own and manage their own affordable housing units.

The housing affordability crisis exists in many shapes and forms, in counties of all sizes from all regions of the U.S. As counties work to expand housing affordability for all their residents, they have the potential to realize numerous social and economic gains for their community.

**IN 2016, MORE THAN 37 MILLION HOUSEHOLDS WERE LIVING IN HOUSING UNITS THEY COULD NOT AFFORD**

# WINE COUNTRY GROWS AFFORDABLE HOUSING

By Charlie Ban
senior staff writer

With large swaths of protected agricultural land, not too far from the San Francisco Bay area, Napa County, Calif. is in a tough place when it comes to housing affordability. Wine country is a beautiful place to visit, but a hard place to live.

Particularly as the county's economic base diversifies beyond just wine, the demand for housing stretches beyond the growing season to create year-round pressure on thelower end of the real estate market. Much of the housing that would otherwise be perfect for workers is owned as second homes and occupied sparingly, further pressuring the market.

"Napa County has challenges related to zoning — period — not just affordable housing," said Molly Rattigan, deputy county executive. "The tourism industry generates jobs, and those jobs are well-paid but still they're on the lower side of the income scale. As housing becomes more scarce, finding a place to live and helping those that work in those industries is a real challenge for us."

Zoning and strict preservation rules limit the land for multi-family homes, further exacerbating the problem for the low- and medium-wage workforce. That kind of housing is restricted to incorporated areas. Napa County has been focusing on three programs to help people who work in the county live near their jobs.

The county's worker proximity housing program offers a 10 percent down payment for families making up to 120 percent of area household median income with at least one family member working in the county. It's a silent second mortgage, due 55 years after the purchase of the house, upon sale or refinancing of the mortgage.

"It's not a gift, but we're trying to help the workforce have additional funds to get them in the door of purchasing a home," Rattigan said.

The program chooses applicants based on need and the miles saved from their commutes. Once selected, applicants work with a realtor to find housing within 20 miles of their workplace

Over 11 years, the county has provided loans to 120 families and has loans outstanding to 120 more, from a $5 million initial investment by the county in 2007. Repayments of the loans has gradually increased funding for the program.

The county also maintains an affordable housing fund, fed by a fee levied on construction projects development, which matches cities' respective affordable housing funds. In 2017, $6 million from the county has contributed to the construction of 200 affordable housing units.

"When you build something, it creates service needs and those service needs require employees," Rattigan said. "Those employees need a place to live."

For farm workers, typically at the county's famous vineyards, year-round housing is less in demand, but short-term, flexible, safe and affordable housing is exactly what they need. That was apparent in the late 1990s when workers, many migrant agricultural workers, were sleeping in cars because they couldn't afford a place to live for 6–9 months. That has motivated Napa County to proactively plan affordable housing assistance programs.

"They were living on the river, they were living in their cars, they were living in unsafe, unhealthy ways, that's when the industry and the county really stepped up to do something," Rattigan said.

Since 2001, the local vineyard owners, through an established community services area, have taxed themselves to fund creation and maintenance of three worker housing buildings, each supporting 60 people.

The tax on vineyard land yields $500,000, at $15 per acre — owners increased the tax last year to keep up with inflation and expenses. On top of shelter, the housing includes access to medical care and English language resources, along with three meals a day. The country contributes $250,000, and employers generally cover the $14 daily fee.

"Napa County is known for its fine wines and beauty, but all of that starts because somebody puts their hand on the fruit," Rattigan said. "That's where we get an economy and a base, so it's very important we take care of our agricultural workforce." Ht

One of three agricultural housing complexes in Napa County. Photo courtesy of Napa County Housing and Community Development

# Give a little, get a lot

## Counties use zoning tradeoffs to encourage affordable housing

**By Charlie Ban**
**senior staff writer**

Call up Loudoun County, Va.'s offices and you'll hear some fast-paced bluegrass music while on hold. It's a trace of the county's past, when it was known as "the country" to the Washington, D.C. Beltway before becoming a full-fledged part of the metropolitan area, with all the accompanying housing headaches.

The D.C. area has some of the highest costs of living in the country prompting Loudoun leaders to adopt zoning ordinances that encourage the building of affordable housing. Since 1993, the county has required any new development of 50 or more units to reserve 12.5 percent for buyers who earn 30 percent –70 percent of the area median income, currently $110,000.

It's a strategy known as inclusionary zoning — Loudoun calls it the affordable dwelling program. More than 500 inclusionary zoning policies have been enacted across the country since 2000, according to research by the Lincoln Institute of Land Policy. Most of those policies are in municipalities in California, Massachusetts and New Jersey, but at least 17 counties have their own policies, including five in the D.C. metropolitan area — Fairfax County was the first in 1971. It's one of several zoning policies counties use to encourage development of affordable housing. In fact, most are mandatory policies, though many offer the option of payments in lieu of building affordable units.

"It's been successful, we have affordable dwelling units; we just don't have enough of them," said Ricky Baker, Loudoun County's director of planning and zoning. "The big thing employers are looking for when they bring their projects here is the housing stock. We have to have the right kind of housing in the right area."

Loudoun County also maintains a housing trust fund and is doing an inventory of vacant land it owns on which to build affordable housing.

The business case for affordable housing is simple. Developers would leave money on the table if they priced units below market value. But if they do that, some counties allow the developers to build more densely then they would otherwise be permitted, and having more units makes up the difference.

Counties' inclusionary housing policies typically prescribe 10 percent – 20 percent of housing be made affordable, and that definition is usually 50 percent – 80 percent of area median income. The threshold size for requiring affordable units varies, from as low as four.

Most inclusionary zoning policies adopted by counties are in suburban areas.

"This idea of change is happening in the suburbs in a way that's quite different than in the city," said Lisa Sturtevant, a housing consultant and researcher based in Alexandria, Va. "The vast majority of us live in suburban jurisdictions where they're seeing this pressure on the local character."

Communities can react to that change with NIMBYism — not in my backyard — particularly when zoning affects the density homeowners expected when they bought their property, but Sturtevant said depending on what home rule powers their state allows them, counties have what they need to regulate development and incentivize affordable housing.

"Some communities are turning their backs, they say 'We don't see the value in creating more housing, that it's just going to benefit the developers,'" she said. "There's been some misunderstanding or at least not being aware of the tools that are out there, and for counties it is typically land use and zoning, that's where their power is. Counties are in a great position to do this, depending on the kind of state you're in and how much they have control of their land use."

Suburban counties differ from urban counties when planning affordable housing programs because there's more land available for new development, rather than infill, which motivates developers to work with counties to shape the future of that land.

In 2020, Loudoun County will be home to three light rail stations connecting it to Washington D.C. and Maryland. One station has a development on the way that will include 4,000 housing units, which means 500 affordable units will be among them.

It will be the kind of mixed-use development that is rare in once-rural Loudoun where cars are the main mode of transportation.

"We're looking at a big wave of millennials, and there's a clear demand for a different development type," Baker said. "We really need to build the different types of amenities that are going to attract new workers. It's clear we can't be building the same products we've been building over the years and expect it to work."

It will clash with Loudoun County's traditional spread-out character, but Baker said the county is big enough for everyone to get along, as long as zoning is done consistently and fairly.

"Density is really a struggle for communities, when you look at mixed-use with lower density around it, you want to create those environments but still respect the property rights around those places.

"It's just a matter of smaller houses and lots being better for some situations."

### ADUs: added drama and uncertainty?

More states are allowing the addition of accessory dwelling units (ADUs) to help ease the housing crunch.

The buildings, also known as granny flats, second units or carriage houses, are smaller houses that share a parcel with a primary residence. Local ADU ordinances regulate the location, minimum lot size, design standards, permitting process and zoning incentives. They are typically restricted to one ADU per lot.

Many are the size of a detached garage.

Where the ADUs are located goes a long way to determining if they are helpful, harmful or neutral to the cause of in-

*See ZONING page H8*

# Where building out isn't popular, some counties fortify what they have

From ZONING page H7

creasing affordable housing.

In Washington state, the flurry of construction has forced San Juan County to limit the number of new ADUs to 10 percent of the prior year's new single-family homes.

"You're seeing people building them for family members or to rent out, but they really haven't made a dent in the supply of affordable housing," said planner Julie Thompson. "I wouldn't say they've helped."

Meanwhile in San Mateo County, Calif. Supervisor Warren Slocum said that while some rental ADUs have popped up in touristy Half Moon Bay, he's seen a lot in his district's neighborhoods that haven't shown up as rental properties.

"They're integrated into the neighborhoods and seem to be used for permanent housing," he said. "That focus on ADUs has been an important part of our overall housing strategy."

San Mateo's housing strategy is born out of an initiative, Home for All, which joins county and city officials, nonprofits and businesses to focus on affordable housing issues.

Slocum represents a largely unincorporated part of the county, with lower-income residents.

"I hear about it everywhere I go, that people are being displaced because of high rents," he said. "While the job boom has been great in Silicon Valley, housing hasn't kept up the pace."

In nearby Monterey County, Carl Holm, director of the county's Resource Management Agency, said that ADUs in urbanized parts of the county generally integrate well, owners of large properties in rural areas have built larger ADUs expressly for the purposes of renting, and they strain the groundwater supply.

"Inside the service zone, there's capacity for these units, but they can really stress other areas."

As part of its review of a new comprehensive plan, Loudoun County is considering easing restrictions for where ADUs can be located.

### Housing, heal thyself

Though inclusionary zoning polices are at work all over the United States, they're concentrated on the coasts.

"If you go to California or the D.C. suburbs, they're all over this, but in Des Moines, in Indianapolis, they're just starting to figure out how they should approach affordable housing," Sturtevant said.

> It's amazing what a few thousand dollars can do when you're dealing with a disabled veteran or a widowed person on a fixed income who can't pay for a new roof.

Polk County, Iowa, home of Des Moines, previously had an incentive program for developers willing to build affordable housing, but Bret Vandelune, planning and development manager, said it was discontinued due to lack of interest. "We decided to promote infill development in our existing neighborhoods."

A combination of a booming insurance job market and a lower cost of living than Chicago has led to steady population growth in Polk County. In the absence of incentives to build new affordable housing, the county is focusing on preserving what it has and keeping residents in their homes when their fates are in question.

"We have a lot of historic neighborhoods that were constructed right outside of the city limits, older housing stock on some aging infrastructure," Vandelune said. "Most of the new growth in housing isn't remotely affordable."

"We want to stabilize the housing stock, so we don't have to condemn and demolish the homes. The problem a lot of the time, is aging infrastructure."

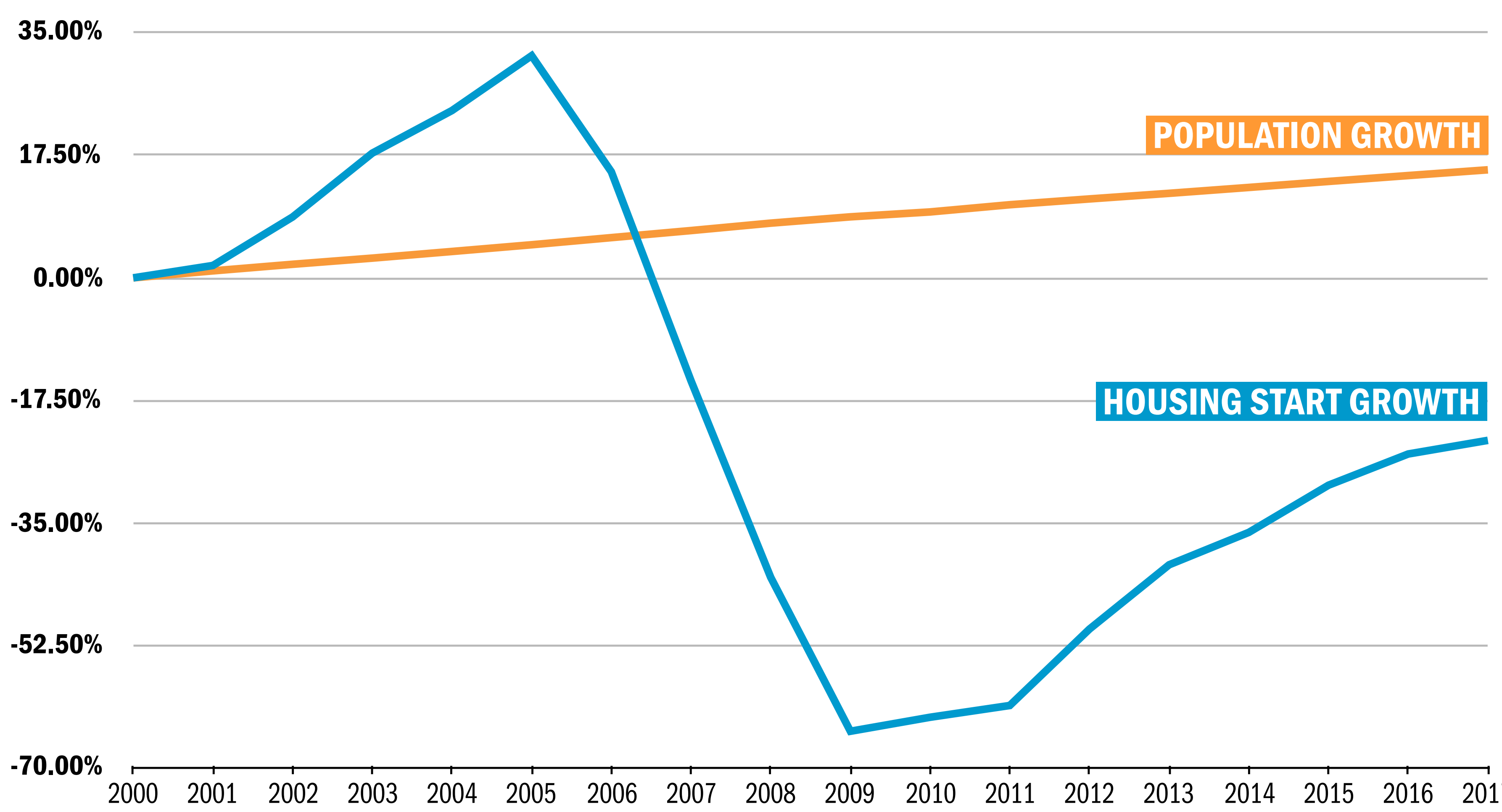
In some cases, the timing is just right for a fix. For instance, Vandelune said one common problem, deteriorated septic tanks, can now be fixed more affordably.

"The lots wouldn't have been big enough for a replacement before," he said.

In addition to keeping the housing stock viable for new residents, at the same time, the county is also focused on trying to limit the housing friction when people have to leave their houses because of disrepair. An income-based emergency repair program targets low-hanging fruit that mean the world to the resident.

"It's amazing what a few thousand dollars can do when you're dealing with a disabled veteran or a widowed person on a fixed income who can't pay for a new roof," he said.

## POPULATION AND HOUSING START GROWTH, 2000-2017




Source: U.S. Census Bureau

# Affordable Housing Federal Programs and Legislation

**By Daria Daniel**
**associate legislative director**

The housing affordability crisis is affecting counties and residents across the country. In rural, suburban and urban areas, county leaders are working to provide residents with adequate housing without overwhelming costs.

NACo supports an increase in the supply of affordable housing through increased federal appropriations for key housing and community development programs as well as the expansion of federal housing tools, such as the Low-Income Housing Tax Credit program. While federal housing funding has declined generally, many housing assistance programs received an increase in funding for FY 2018, including the Home Investment Partnerships (HOME) program, Community Development Block Grant (CDBG) program, and Homeless Assistance and Section 8 Vouchers.

**HOME:** The FY 2018 federal omnibus package includes $1.36 billion for HOME, an increase of $412 million over FY 2017 funding levels. Authorized in 1990, HOME assists state and local governments in providing affordable housing opportunities for low-income families.

**CDBG:** CDBG is funded at $3.3 billion in the FY 2018 omnibus, an increase of $300 million over FY 2017 funding levels. Counties use the flexibility of CDBG funds to support projects addressing community and economic development priorities, including housing, water, infrastructure and human service needs.

**Homelessness Assistance Grants:** Another HUD program serving families in need of affordable housing is the Homeless Assistance Grants. These grants were funded at $2.5 billion, a $130 million increase over the FY 2017 levels. The omnibus also allocates $80 million of the $2.5 billion to addressing youth homelessness.

**Housing Choice Vouchers:** The FY2018 omnibus provides $22 billion for Housing Choice Vouchers (Section 8), an increase of $1.7 billion over FY2017 levels. Section 8 vouchers help low income families obtain safe, decent affordable privately-owned housing by reimbursing landlord the difference in what a family can afford and the actual rent, known as a housing assistance payment.

**Public housing:** Both the Public Housing Capital Fund and the Operating Fund received increases in the FY 2018 omnibus. The capital fund increased by $800 million for a total of $2.7 billion and the operating fund increased by $150 million, for a total of $4.55 billion. Public housing provides decent and safe rental housing for eligible low-income families, the elderly and persons with disability. Public housing can vary from single family houses to high rise apartment buildings.

**Rental Assistance Demonstration (RAD):** RAD was created to give public housing authorities (PHAs) a tool to preserve and improve public housing properties, in particular the maintenance. It allows PHAs to leverage public and private funding in order to reinvest in the public housing stock. It is cost-neutral and does not increase HUD's budget, but rather shifts units to the Section 8 voucher program from the public housing program so that providers may leverage private capital to make improvements. The RAD program did not receive any federal funding for FY2017 or FY2018.

**National Housing Trust Fund (HTF):** Enacted under the Housing and Economic Recovery Act of 2008, HTF is a formula grant program administered by states to increase and preserve the supply of affordable housing, primarily for extremely low-income and very low-income households. It is funded through assessments from the government sponsored enterprises Fannie Mae and Freddie Mac, which provided close to $222 million for HTF in FY2017.

NACo supported programs such as HOME, CDBG, Section 8 vouchers and public housing are all HUD initiatives that provide affordable housing opportunities for low-and moderate-income families in counties throughout the United States. Another key program for affordable housing is the Low-Income Housing Tax Credit.

**Low Income Housing Tax Credit (LIHTC):** NACo supports the Low-Income Housing Tax Credit (LIHTC) which was created in 1986, and is the largest federal source of new affordable rental housing in the U.S. The program is administered by the Internal Revenue Service (IRS). The program provides tax incentives to encourage developers to create affordable housing. The tax credits are provided to each state based on population and distributed to the state's tax credit allocating agency. The state's designated agency then distributes them to developers based on each state's application process and affordable housing goals. The tax credit to developers is provided over a 10-year period.

There are two types of tax credits allocated to states: 9 percent and 4 percent. A 9 percent tax credit raises about 70 percent of the cost of development, and 4 percent raises about 30 percent. Developers can choose to either set aside 20 percent of the units for households with income at or below 50 percent of area median income (AMI), or 40 percent of the units for households with income at or below 60 percent of AMI.

In addition to increases in FY2019 T-HUD funding, lawmakers have also introduced legislation that would amend current housing assistance programs. Key legislation introduced in the 115th Congress, include the following:

**Rural Housing Preservation Act of 2018**, (S. 2574 & H.R. 5352), sponsored by Sen. Jeanne Shaheen (D-N.H.) and Rep. Ann Kuster (D-N.H.) respectively. The bills would offer several provisions to extend rental assistance for certain multi-family Rural Development rental housing programs.

**Affordable Housing Credit Improvement Act, S. 548 & H.R. 1661**, sponsored by Sen. Maria Cantwell (D-Wash.) and by Rep. Patrick Tiberi (R-Ohio) respectively. The bills would amend the Internal Revenue Code (IRS) code of 1986 to increase state allocations for the low-income housing tax credit, modify the cost-of-living adjustments, and revise tenant eligibility requirements.

**Access to Affordable Housing Act, H.R. 4185**, sponsored by Rep. Suzan DelBene (D-Wash.). The bill would amend the IRS code to increase state allocations for the low-income housing tax credit.

**Promoting Resident Opportunity through Rent Reform Act,** discussion draft sponsored by Rep. Dennis Ross (R-Fla.) and similar to the legislative proposal by U.S. Department of Housing and Urban Development Secretary Ben Carson, titled the **Making Affordable Housing Work Act**. It would raise the amount that low-income families would be expected to pay for rent, to 35 percent of the housing recipient's gross income (an individual or family's income adjusted for exclusions but not deductions) from 30 percent of adjusted gross income (an individual or family's income adjusted for the deductions they claim), and allow public housing authorities to impose work requirements. Ht

## MEDIAN HOME SALE PRICES, 2000-2017


Source: U.S. Census Bureau

# Land prices, flood of student rentals stresses central Pennsylvania county

By Charlie Ban
senior staff writer

With the state's flagship university driving population growth and housing demand, Centre County, Pa. supports a non-profit that helps homebuyers in the county who earn 60 percent – 120 percent of the area median income.

The Centre County Housing and Land Trust receives funding from the county's $11 recording fee and five hours a week of support from Linda Marshall, the county's senior planning and housing coordinator.

"It's a way for county commissioners to support this non-profit that is working towards creation of new affordable housing opportunities," she said.

Most of the rural county's 161,000 residents live in the central Pennsylvania city of State College, home to Penn State University and nearly 50,000 students.

The trust's programming includes homebuyer consulting, coordination with developers to encourage building of affordable housing and assistance with the county's municipalities in following through with affordable housing programs, including making sure buyers are qualified based on their incomes and overseeing resale of affordable housing.

"Most of our municipalities do not have the capacity to do that," Marshall said. "There are funds available for programs but none for overhead."

For qualified homebuyers, the county will make zero-interest loans of up to 10 percent of the house or $10,000 — whichever is less — to help with various expenses, such as homeowner's association fees.

"There are folks who can cover their mortgage costs, they have good credit scores but they don't have the money for closing costs or some down payment, so this really helps them get into a home," Marshall said. "For that, they are very grateful."

Affordable housing is an issue in Centre County because land value and the cost of construction are high and the demand for housing is growing. Penn State attracts thousands of new students annually, a significant number of whom remain in State College after graduation. And while in school, the students apply an outsized pressure on the real estate market, creating a ton of demand on the housing stock that would be prime for the area's workforce.

"We have seen mind-boggling growth in student housing; even though there's new student housing being built, we still have pressures in terms of high rents," Marshall said.

The trust works with developers to find ways to reduce the costs of housing to make home-buying possible for the workforce, and Marshall said some developers have been responsive. Low-hanging fruit include the material choices in interiors that can shave thousands of dollars from overall prices.

"I have seen builders who are very committed to the affordable housing component," she said. "They have done a boatload of work to try to understand how best to meet this need, to figure out how to meet the price points because that's one of the challenges," she said.

"It doesn't make a big dent in the overall cost because you're talking about projects that are in the millions of dollars, but what it shows is that there's a local commitment to support this project. I really feel that that helps." HT

**FROM 2014 TO 2016, 1,421 COUNTIES INVESTED OVER $15 BILLION OF FEDERAL FUNDING FOR HOUSING AND COMMUNITY DEVELOPMENT.**

# HOUSING AS PART OF A COUNTY'S ECONOMIC DEVELOPMENT STRATEGY

By Lisa Sturtevant, Ph.D.

When Amazon set out to look for a location for its second headquarters, HQ2, it released a detailed RFP that made clear the type of community it felt would be best for supporting the growth of its company. Amazon specifically asked communities competing for an HQ2 to clearly describe their quality of life, including information about "diversity of housing options, availability of housing near potential sites for HQ2, and pricing."

In essence, Amazon was saying that housing availability and affordability is important in attracting new businesses.

## Why housing is important to economic growth

Over the past decade, the housing affordability crisis has worsened in many counties throughout the country. Young professionals and working families alike increasingly have a hard time finding housing they can afford, particularly in neighborhoods that are well-connected to employment options, transportation and other services and amenities.

Rising housing costs, insufficient new residential construction and stagnant or slow-growing wages have led to the situation where teachers, police officers and nurses — as well as retail and restaurant workers, workers in creative industries, and entry-level technology workers — are forced to either commute long distances to find housing they can afford or double or triple up in shared housing to reduce housing costs.

When the local workforce can't find housing they can afford, the entire community suffers. It has been well-established in the research that having access to affordable and stable housing in good neighborhoods is associated with positive health, education and economic outcomes for individuals and families. But having a sufficient supply of housing affordable to households all along the income spectrum is also critical to supporting vibrant and sustainable local economies.

When the local workforce can't find housing they can afford, the entire community suffers.

There are several ways to think about how housing availability and affordability relates to a county's economic health and prosperity. Lower-wage workers in the community will be among the first to feel the pressures from higher rents and prices if there is an insufficient supply of affordable housing. This can include workers in the retail and restaurant sector, the travel and tourism industry, and in many critical community-serving occupations such as child care workers, nursing assistants and home health aides. In James City County, Va. for example, median wages in seven out of 10 of the county's largest employment sectors are neither sufficient enough to afford the typical rent in the county nor to purchase an average-priced home. The sectors include workers that are vital to the county's tourism-based economy, including retail and restaurant workers and hotel front desk staff and housekeepers.

When there is not enough housing affordable to lower-wage workers, these workers are often forced to look for housing further out which creates longer commutes for those workers and more traffic congestion for everyone. Furthermore, as workers have a harder time living in the community, businesses have a harder time finding workers to hire. In Buncombe County, N.C., restauranteurs in the Ashville community are having trouble like never before in staffing their restaurants.

Workers in higher-wage sectors have more housing choices; however, even these households will face affordability challenges if there is not a sufficient supply of housing, at the right prices or rents, and in the right locations in the community. Millennial workers are increasingly moving from high-cost counties like Los Angeles and Miami-Dade County to more affordable communities like Davidson County, Tenn. and Harris County, Texas. But even these places with more affordable housing options are beginning to see the risks of not having enough housing to support their growing workforce.

In Polk County, Iowa, home to Des Moines, which was named the 2017 Best Affordable Place to Live by *U.S. News and World Report*, elected officials and busi-

*See ECONOMY page H14*

# Rural enterprise zones help create affordable housing in Oregon county

By Mary Ann Barton
senior staff writer

Who knew making French fries could lead to affordable housing? That's what's happening in Umatilla County, Ore.

"There's a shortage of housing in general here," said George Murdock, who chairs the Umatilla County Board of Commissioners. Multiple studies have shown housing in the county is at 98 percent occupancy.

"In Pendleton for example, a town of about 17,000, there's about 4,200 people who drive in," he noted. "And this is the situation all over, there just isn't enough housing for people. And affordable housing is one of the issues."

The needle is beginning to move in the right direction though thanks to a business incentive the county is using. Available in most rural enterprise zones, the long-term zone program offers a property tax abatement of seven to 15 years, compared to the standard three to five years. Any type of business activity is eligible, but these incentives depend on local approval and minimum levels for investment size, job creation and employee compensation.

When word got out that a large corporation was looking to spend $250 million to expand its French fry-making operations in the region, a team from Umatilla County, led by Murdock, used the long-term zone program to entice the company to expand there.

The company eventually chose Umatilla County over three to five other locations and is busy constructing the expansion of its existing French fry factory in the county. Umatilla County is located about 250 miles east of Portland and has 81,000 residents. The new factory is expected to open next spring and employ 170 workers.

Murdock sees the deal as a "win-win" for all: The county receives $500,000 per year for the next 15 years and another $500,000 per year goes to the City of Hermiston.

So how did the expansion of a French fry manufacturing plant lead to new affordable housing? In addition to stabilizing the county's budget, payments from the rural enterprise zone deal will be reinvested in the community and be used to create infrastructure for 600 to 800 new units of affordable housing, Murdock said.

The county is working closely with Hermiston on plans for building the infrastructure. It's "extremely important" to work with any municipalities involved when offering incentives, Murdock said. In his case, he works closely with the Hermiston City Manager Mark Morgan.

"If I were to give somebody advice … a lot of counties say they're open for business but really aren't, because of red tape and hurdles," Murdock said. "We have to make sure that our communities and all of the departments are aligned to expedite this kind of growth and remove the barriers.

"It sounds like an incredibly simple formula but it isn't as universal as you might think. We can be as friendly and helpful and accommodating as possible but if our land use planning department or public works or public safety, for example, isn't on board, then we have a problem."

Funds generated during the first four years of the agreement — or $2 million — will fund the county's portion of the water and sewer developments "to make it attractive to builders," Murdock said. "That's strictly to make it feasible for a builder to come in."

"Build it and they will come," Murdock said with a chuckle. "That's a unique statement." Ht

**COUNTY HOUSING TRUST FUNDS GENERATED OVER $100 MILLION IN FY2015, LEVERAGING $8.50 FOR EVERY DOLLAR INVESTED.**

# DISASTERS MAKE AFFORDABLE HOUSING EVEN HARDER TO COME BY

**By Mary Ann Barton**
**senior staff writer**

A booming economy left Sevier County, Tenn. with an affordable housing problem that got even worse after a devastating fire two years ago. The Nov. 28, 2016 blaze left 14 dead and 2,449 residential buildings destroyed.

"We certainly had an issue with affordable housing before the fires — it makes our shortage even more critical," said Sevier County Mayor Larry Waters.

A study conducted by the Sevier County Economic Development Council shows that 44 percent of people who work in the county live outside the county. In addition to being a manufacturing hub, the area attracts tourists to the Great Smoky Mountains National Park, the Dollywood theme park and area hotels and restaurants.

Employees, employers and those looking for employment "are concerned" about affordable housing, Waters said. Many workers currently drive to work from other counties in the thriving tourist area. "It's sort of a domino effect," Waters said. "You move more people in, you need more housing, schools, more law enforcement ... all of these things come with a rapidly increasing population."

Adding to the problem was the fire, which charred more than 17,000 acres and caused 14,000 to flee their homes. Immediately after the disaster, the county worked to house residents by partnering with FEMA, the Tennessee Housing Development Authority, the My People Fund with the Dollywood Foundation, and grants from some local foundations. "We also utilized rental cabins and motels — we worked to find housing for people who were displaced by the fire," Waters said.

Floodwaters rise in Lake County, Ill. in July 2017. Evacuated residents lived in hotels, motels or short-term rentals.
Photo courtesy of Lake County

## Work with municipalities on affordable housing

Longer term, a year-and-a-half later, the county is working with the cities of Gatlinburg, Sevierville and Pigeon Forge to make sure that developers who plan to build affordable housing have proper infrastructure such as utilities and transportation for the projects, Waters said. "Those two things are critical." Public transportation — the region's trollies — may have to extend their routes to proposed building sites not currently served, he said.

The county was waiting to unseal bids it received from six developers who responded to an RFP to build affordable housing. The Tennessee Housing Development Agency also plans to make an announcement soon about two affordable housing projects in the county, Waters said. Some $15 million will be spent over 10 years with funding from a pool of tax credits that the state agency set aside for affordable housing.

Waters said his piece of advice for those who are also working to bring more affordable housing to their counties: "Make sure you work in a cooperative manner with the municipalities in your county," he said. "It's an issue we all face together. You should be able to sit down and move forward with a solution together. It makes more economic sense and makes it better for the citizens if we're working together."

## Lake County, Ill.

In July 2017, torrential rains over several days created flooding in Lake County, Ill., and triggered evacuations across the area. Some of the flooding was created by sewer backups.

In the township of Mundelein, 35 miles northwest of Chicago, 24 older residents were evacuated in the middle of the night by police after floodwaters seeped up over their beds, said Jodi Gingiss, community development administrator for Lake County. The seniors were taken to the police department and the township, which declared the seniors' home uninhabitable, contacted the county for help.

*See DISASTER page H16*

LEADERSHIP EDGE

# Triumph over NIMBY attitudes is not only possible, but necessary

**By Tiffany Manuel, PhD**
**Enterprise Community Partners**

Across the nation, communities of all shapes and sizes are literally waking up to the reality that finding a home that is affordable is more difficult than ever before. This is in part because the nation's housing stock has not kept up with the demand. According to data shared by *The Wall Street Journal* last month, we are simply not building enough housing to keep up with economic growth, and the lack of housing (especially housing that is affordable to low- and moderate-income families), is stifling. Some reports suggest that we have a national shortage of 7.3 million units to meet that demand.

With supply so low but demand so high, we are seeing fierce battles playing out in counties all across the country over who gets to live where and why. Where do we add density? Where can we rezone to support the creation of new housing? And in high-cost housing cities, where can we preserve what little affordable housing is left to ensure that we do not edge out all but the wealthiest residents?

Those battles — often between local community residents and housing developers (especially those trying to create or preserve affordable housing) often land at the feet of public officials (county commissioners, executives, their staffs and other local policymakers). With tensions running high, housing advocates have had to get much more creative in ameliorating the concerns of residents — often expressed in terms of parking needs, traffic congestion caused by increased density, community growth that is out of sync with the character of the neighborhood or the view of the skyline that may be impacted by the new housing development across the street.

The good news is that over the last few decades, as these conflicts have gotten much more fierce and frequent, and we've seen many primers on community opposition emerge with a long litany of recommendations mostly aimed at helping developers overcome NIMBY — not in my backyard — sentiments. Most of those recommendations center on a couple simple ideas.

— **Engage** the community early and often, as the development plans emerge and get refined.

— **Recruit** and mobilize community champions who will help to "sell" the idea to their friends and neighbors.

— **Develop** materials that highlight the shared benefits that the community will enjoy because of the development but be careful not to over-promise.

— **Address** legitimate concerns that community residents make (things like the location of the entrance driveway or the design of the building to better fit in with the existing community).

— **Share** the plans for the development and provide examples of past projects so that residents can appreciate the quality.

— **Establish** a point of contact on your development team and make that person visible and available to the community.

— **Know** when to give up; simply put, some communities have the resources to slow the pace of the development for years — grinding any potential profits into the ground.

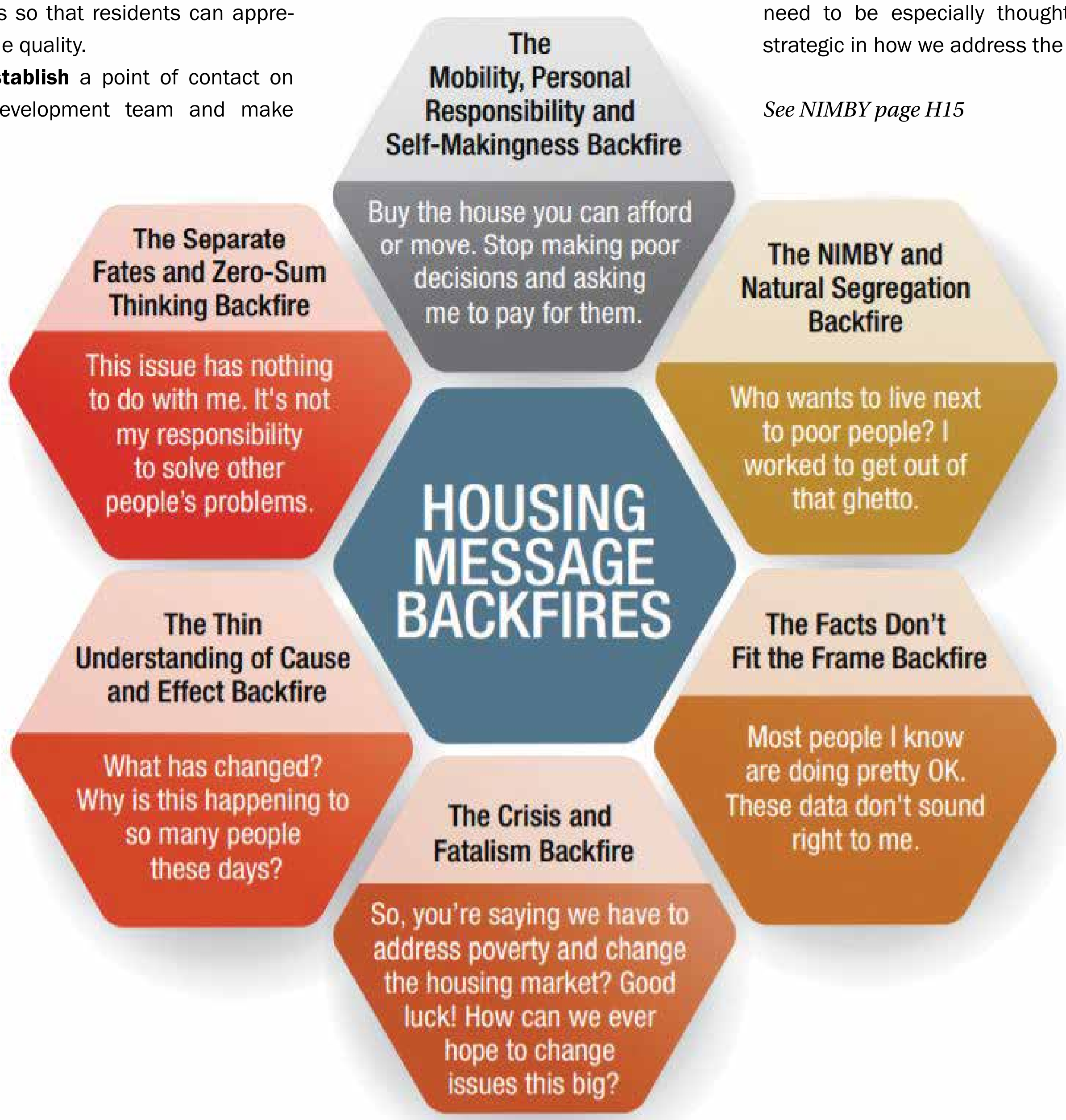
This is not an exhaustive list of recommendations but it represents those in heaviest rotation in the playbooks circulated to help developers successfully navigate the challenges of community opposition.

When communities oppose affordable housing developments, it means that much of the housing stock that needs to be replenished, updated or expanded — housing that would help ease the cost burdens being deeply felt in our counties — simply never gets built. And it never gets built even when developers have taken the steps to engage the surrounding communities early in the planning process.

The siting of affordable housing represents a particularly tough roadblock for county officials who must also navigate the community clashes that ensue as well as attempt to garner public support for county programs that are geared toward creating housing options for low- and moderate-income families. Despite the severe shortage of housing in many of our communities, it can be a tough task to enlist the public's support and to help county leadership stay committed.

To change these circumstances, we need to be especially thoughtful and strategic in how we address the locus of

*See NIMBY page H15*



# HISTORIC REHAB ADDS MORE HOUSING STOCK

By Mary Ann Barton
senior staff writer

Hennepin County, Minn. Commissioner Peter McLaughlin remembers how rundown the Hiawatha-Longfellow neighborhood not far from his home was before light rail was added. The once industrial area on the other side of Hiawatha Avenue had stood dormant for years, since 1960, after houses were razed to make way for an interstate highway that was eventually scrapped for the light rail system.

"I live about five blocks from this place — a cloud had been hanging over this whole corridor," he said. The addition of the light rail system's Blue Line to the area changed all that and "has blown the doors off ridership projections."

Today the area is thriving with the addition of new affordable housing and retail. "These transit lines are following an evolution of the economy," McLaughlin said. "Employers need access to more people. New people are gaining access to employment. We're increasing the size of the labor market."

With the light rail able to whisk residents to jobs 30 minutes away — north into downtown Minneapolis or south to the Mall of America and the airport — came developers who eyed the area looking to build housing near the rail line.

In 2016, a Minnesota-based developer purchased a building that dated back to 1926 in McLaughlin's district, not far from the Blue Line. Hennepin County provided $25 million in housing revenue bonds to help finance the project. The building, once home to the Lake Street Sash and Door Company, had stood empty since the company shut its doors in 1964.

In just one year, by 2017, the developer was welcoming new tenants into a transformed building that now houses 78 affordable apartments. Total household income for one occupant cannot be more than $39,660. Rents at the 100 percent-leased building are $1,000 for a one-bedroom and $1,200 for a two-bedroom.

Called Millworks Lofts, all of the apartments were snatched up within a month of opening last summer. In addition to being within walking distance of the light rail system, residents enjoy amenities including a rooftop deck, a community room with fireplace, a fitness center, a parking garage and a community patio.

### Historic tax credits

After the developer purchased the building in April 2016 it worked to get the building listed on the National Register of Historic Places to make it eligible for state and federal historic tax credits that eventually totaled $12.6 million in all.

"These are complicated deals to get together," McLaughlin said. It helped that Dominium [the developer] had tackled other historic properties in the region, including the Schmidt Brewery, turning it into artist apartments and studios and the Pillsbury A Mill complex, turning that into loft living as well.

The site also required some cleanup before construction began. An environmental response fund grant from Hennepin County for $130,135 was partly used to help clean up the site, which was contaminated with lead-based paint and asbestos.

McLaughlin's advice to other county officials eager to add affordable housing? "Keep an open mind — it's hard for people to imagine," he said. But with the right architect and developer, it's possible. He also noted that it's important to get the surrounding neighborhoods involved. "It's not a one-sided conversation."


Lake Street Sash and Door Company (right photo), built in 1926 in Hennepin County, Minn. closed its doors in the '60s. It was recently renovated and turned into affordable housing.
Photos courtesy of Millworks Lofts

## *Housing tied to economic health*

*From ECONOMY page H11*

ness leaders alike are beginning to recognize that the competitive advantage that their lower cost of living provides is not guaranteed. If the millennials who have flocked to Iowa in recent years cannot find appropriate and affordable homeownership options, they are apt to leave to find the next best place to settle. And businesses will likely follow.

Even if workers do not leave the community, there will still be implications for the local economy of a lack of housing that is affordable to workers at all income levels. As workers are forced to spend more on housing, they spend less on goods and services in the local economy. As a result, the county economy is less able to support diverse retail, restaurant, recreation and other amenity options.

As the Amazon HQ2 process illuminates, businesses are increasingly saying that they are looking at quality of life, economic diversity and cultural tolerance as they seek to locate or expand. A key component of that quality of life is housing availability and affordability for workers from the CEO all the way to the line worker or entry level salesperson.

This link is increasingly evident at the local county level. Counties compete with other counties and other cities for economic development and offer incentives to attract businesses and a "talented" workforce. In places where high housing costs are already beginning to strangle opportunity, though, there is an urgent need to create the right environment to build more housing. In counties that are relatively more affordable, there is an opportunity to get ahead of the curve and to sustain a high quality of life and a low cost of living that creates a comparative economic advantage for the community.

### What can counties do?

There are specific strategies counties can adopt to support the development of a sufficient supply of housing to meet its workforce housing needs. Some of these strategies are limited by state statutory authority but a range of tools often are necessarily to facilitate the development and preservation of the right kinds of workforce housing. Property tax exemptions and abatements can be used to make it easier to build lower-cost housing.

Changes to zoning to allow smaller homes on smaller lots is a critical tool for promoting attainable housing options. Using publicly-owned land and public-private partnerships is increasingly an important way for localities to build housing affordable to lower-wage workers. Finally, regulatory approaches, including inclusionary zoning, can be an important part of a county's housing toolbox.

But beyond tools, an essential step for county elected officials and staff is to engage with the local business community to get them involved in housing issues. Supporting housing for the workforce is not only good for their communities, but also for their bottom lines.

# Tourism counties get innovative to create affordable housing for workers

*From TOURISM page H2*

Million Dollar Trailer Park, for 30 years.

She purchased her trailer and land in the heart of the skiing mecca of Aspen years ago for $40,000 and it's now valued at between $500,000 to $600,000, she said. "If I sell it, where do I go? I have to live in my district. It's an amazing community to live in."

The soaring price tells the tale of real estate in the county, where the median home price is $1.2 million (for Aspen proper it's $2.2 million). Sixty-one percent of the workforce lives outside the county.

But you don't have to have purchased a mobile home years ago in order to find affordable housing in the county today.

"We have an amazing program established 40 years ago, APCHA (Aspen/Pitkin County Housing Authority) and it's a joint venture between the City of Aspen and Pitkin County," Clapper said. About 3,500 rental and for-sale units are in the program in the city and throughout the county. There are requirements for renting or buying the homes including the length of time someone has worked in the area. The county portion of the program is funded through a development mitigation fee. Smaller homes are exempt from the fee as an incentive to build small. The funds go to create new affordable housing units.

APCHA and the development mitigation fees are "far from" a total solution, Clapper said.

Affordable housing is a hot topic in the entire region, she said. As a member of the Northwest Colorado Council of Governments, which includes five counties in the mountain region, Clapper said there is "not a meeting that goes by where there's not a discussion about lack of affordable housing for employees, especially in light of recent growth of businesses, retail and hotels and the demand for employees. We fall beyond short. Most commute significant distances."

Many companies in the area pay employee transportation costs such as bus fees, she said. "It keeps the traffic down and makes it less expensive for employees to get to work."

Pitkin County is also looking at public-private partnerships. "We are currently doing something pretty phenomenal," Clapper said. The county is working with the Roaring Forks School District and Habitat for Humanity to create a small community of 27 affordable homes next to the local high school, for teachers and those who work in the county.

The county is funding the basic infrastructure, the school district is donating the land and Habitat for Humanity is raising the money to build the houses. Pitkin County dipped into a fund dedicated to affordable housing to contribute $2.75 million. In return, 12 of the condos will be reserved for sale to people who work in the county.

"It's not an easy thing to do, working with three partners and three separate pools of funds, but we are in the final stages of the negotiations, and we're getting ready to break ground." Clapper said.

Private affordable housing options are also popping up in the county. The Aspen Ski Company, one of the major employers there, has created a tiny home development; it rents the homes to their employees.

Since the 1980s, the county has also helped mobile home residents purchase their homes and all five mobile home parks in the county are preserved.

The county itself purchased, for $7.5 million, a 76-acre mobile home park recently after the family that owned the property said they planned to sell, possibly putting homes in jeopardy. The county is in the process of improving the infrastructure. "The county stepped up to the plate," Clapper said, "and saved homes for 60 families."

### WHEN IS $65,000 A YEAR TOO LITTLE TO AFFORD A ROOF OVER YOUR HEAD?

**In Honolulu you can qualify for low-income housing if you make less than $65,350 a year, according to HUD. That number is creeping up. Last year, it was $58,600. "Very low income" is anything below $40,850 a year for a single person.**

**The City and County of Honolulu isn't purchasing and renovating hotels like Osceola County, Fla. but it did recently purchase an eight-story building for $7.5 million for affordable housing. The apartments will be available to those earning less than 60 percent of the Area Median Income.**

# Reframing the conversation helps ease NIMBYism's worse elements

*From NIMBY page H13*

these conflicts. In a paper that I co-authored last fall on housing messaging, we presented research showing how housing advocates' attempts to lift policy solutions — especially those solutions that require local government support, intervention, mandates or funding — often backfire with public audiences.

My co-author and I outlined a series of other common backfires and made specific recommendations for communications practice to build public support. As we state in that paper: "The work to build the public will to address housing challenges may be even tougher than many realize.

Our experience and research show that, while advocates are lifting up policy and programmatic solutions, we are missing the opportunity to change the narrative about why housing matters; what "affordable housing" means; why housing is a shared public concern; and what needs to be done to fix this problem."

Reframing the conversation about housing means changing the way that we invite a more thoughtful public conversation. Of these 10 recommendations that we make in the paper, three are briefly introduced here.

Tiffany Manuel, PhD,
Enterprise Community Partners

**1. Help people to see how support for affordable housing benefits them.** Our task is to widen the public's understanding of who benefits from affordable housing and to help people see how they benefit from such developments. Useful to this effort is building a case for inclusion, based on clear messages about the economic benefits to the whole community, the negative impacts from restrictive local housing policies on all home values and regional economic growth, as well as the talent communities are excluding when they limit access to opportunity.

**2. Help people to see their stake in prioritizing this issue.** Our task is to develop messaging that emphasizes how policies such as low-density zoning (which communities often use to exclude affordable housing developments from their neighborhoods) hurts the regional economy by limiting population growth, restricting the growth of the workforce, limiting the development of the necessary infrastructure to grow economic capacity, and pushing out firms who want (and need to) grow. In essence, we need to help people see that affordable housing helps us meet the needs of the economy that is coming and is the smart thing to do to ensure that our cities prosper, in addition to being the "right" thing to do.

**3. Connect housing to the wide range of other social issues that are priorities for residents in your county.** Connecting the expansion of housing to other issues allows fair housing advocates to align with advocates in education, health, labor and other issues for stronger advocacy efforts. The latter is incredibly important if we are to raise the salience of housing on the agenda of your county and to create a more favorable climate for expanding support for affordable housing developments, policies, and funding.

Taken together these efforts help us to re-position affordable housing as a shared public concern with collective benefits for a wide range of people who may not have been able to see themselves as clear beneficiaries. Most of all, reframing our messaging in this way allows us to tell a bigger story about how affordable housing affects all of us and to widen the circle of support in our counties.

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*Tiffany Manuel, Ph.D., is vice president of knowledge, impact and strategy at Enterprise Community Partners, Inc. and co-author of You Don't Have to Live Here: Why Housing Messaging is Backfiring and 10 Things You Can Do About It. She lives in Columbia, Md. and writes about community development, inequality, social exclusion and racial equity. She is a frequent writer and speaker on these issues and has been featured by numerous national outlets such as C-SPAN, Shelter Force, CityLab and the Stanford Social Innovation Review.*

# Disasters add extra sense of urgency to affordable housing crisis

*From DISASTER page H12*

Gingiss' department helped the Lake County Board invest temporary housing funds from HUD "into agencies we knew could help with housing services, such as Catholic Charities," she said. After the American Red Cross shut down its shelters a few days after the flooding, the county stepped in with the help of Catholic Charities — which had existing contracts with local hotels for discounted rates — to hand out hotel and motel vouchers for other displaced residents for up to 90 days.

Meanwhile the county had to find short-term housing for the next six months for the displaced seniors while their housing was being repaired. "The pickle we were in was we had just a low enough need for temporary housing but the need didn't trigger any larger response," Gingiss said, noting a piece of advice to other counties: Plan for varying degrees of need.

So instead of setting up FEMA trailers, Gingiss and her staff found themselves hunting for short-term temporary housing for nine of the 24 senior residents; others made do with friends and family. They came up with a mish-mash of solutions. "It was so hard, we were on the phone for days," Gingiss said, noting that Lake County, as a wealthy suburb, does not have many rental communities, especially short-term rentals.

Gingiss teamed up with a HUD representative she had worked with previously who helped everyone understand that the senior center's landlord could use her HUD subsidy for short-term rentals after a disaster. The county stepped in to help the landlord to make sure that payments were made to the short-term rental companies. Gingiss said any counties out there trying to plan ahead for a similar situation could use an app called PolicyMap to locate HUD properties in their county.

### Northern California wildfires

The deadly October 2017 wildfires that burned at least 245,000 acres in and around Sonoma County, Calif. also burned 5,100 homes in the county, turning a "chronic issue" of a lack of housing into a "full-blown crisis," said Board of Supervisors Chair James Gore who also chairs NACo's Resilient Counties Advisory Board.

The fire "was indiscriminate," he said. It burned down multi-million-dollar places in the hills and also burned down subsidized housing.

"Fires are indiscriminate but … recovery is not so indiscriminate," he said. "It's almost the epitome of an aggressive free market rushing toward any available house. Whether price gouging is controlled from a legal perspective or not it's a huge issue. With this kind of loss, you start to see where the flaws in the system are." As much as the disaster brings heartache, it also brings opportunity, Gore said. "We have set a bold goal that we need a minimum of 25,000 to 30,000 homes or places for people to sleep to get back to a functional level for our area." With an unemployment rate under 5 percent coupled with its affordable housing crisis, Sonoma County "does not have a workforce," Gore said. "We're competing for workers and we don't have housing to deal with this."

The county is exploring a number of initiatives including looking at approving the addition of "granny flats," creating a construction apprenticeship program, exploring farmworker housing on agriculture lands, working with the governor's office to streamline environmental issues that hold up development and putting a housing bond on the ballot in November.

Dealing with the housing crisis after a disaster has "blown up political fault lines," Gore said. "If you can imagine, in the liberal community, which is very strong out here — they're slow growth, they want environmental protection. And then there are others who are also liberal who say 'This is an equity issue — the workforce can't live here.'

If you can make the issue a clear mandate from the people — overwhelmingly backed by residents — rather than a back-and-forth policy discussion, Gore advised, "that's where it needs to be." The wildfire disaster has given the affordable housing issue an added sense of urgency in the region that wasn't there before, he said.

"We're going to squeeze every bit of juice we can out of this," Gore said. "Number one, we're going to take care of people who lost everything. Number two, we are going to use the shock to our system to shock the system. It's 'go time.' If we don't hold onto the urgency, then we fail."

## AFFORDABLE HOUSING RESOURCES FOR COUNTIES

**U.S. Department of Housing and Urban Development (HUD)**

*https://www.hud.gov/*

Community Development Block Grants (CDBG), HOME Investment Partnerships (HOME), Housing Trust Fund

**U.S. Department of the Treasury**

*www.treasury.gov/initiatives/Documents/LIH_fact-sheet.pdf*

**Low-Income Housing Tax Credits (LIHTC)** creates market incentives for the acquisition and development, rehabilitation of affordable rental housing.

**U.S. Department of Agriculture (USDA)**

*www.rd.usda.gov/about-rd/agencies/rural-housing-service*

**Rural Housing Service** offers a variety of programs to build or improve housing and essential community facilities in rural areas. USDA offers loans, grants and loan guarantees for single- and multi-family housing, nursing homes, housing for farm laborers and much more.

**National Council of State Housing Agencies (NCSHA)**

*www.ncsha.org/*

Non-profit, non-partisan organization created by the nation's state Housing Finance Agencies to coordinate and leverage their federal advocacy efforts for affordable housing.

**List of Housing Finance Agencies, by state**

*www.ncsha.org/housing-finance-agencies-list/*

**National Association of Affordable Housing Lenders (NAAHL)**

*www.naahl.org*

NAAHL's mission is to expand economic opportunity through responsible private financing for affordable housing and inclusive neighborhood revitalization.

**National Low-Income Housing Coalition (NLIHC)**

*http://nlihc.org/*

NLIHC is dedicated solely to achieving socially-just public policy that assures that people with the lowest incomes in the United States have affordable and decent homes.

**National Association of Local Housing Finance Agencies (NALHFA)**

*https://www.nalhfa.org*

National association of professionals working to finance affordable housing in the broader community development context at the local level. Non-profit that focuses on advocacy and provides technical assistance to city and county agencies, non-profits and private firms.

**National Association of Home Builders (NAHB)**

*http://nahbnow.com/*

A federation of more than 700 state and local associations, NAHB represents more than 140,000 members and is the voice of America's housing industry. They work to ensure that housing is a national priority and that all Americans have access to safe, decent and affordable housing, whether they choose to buy or rent.

**Housing Assistance Council (HAC)**

*www.ruralhome.org*

National non-profit organization that helps build homes and communities across rural America.