



Local Governments Get Creative to Support Affordable Housing

The Economics of Local Government Support for Affordable Housing was a workshop at the Florida Housing Coalition’s statewide annual conference. The panelists were George Romagnoli, (left) Community Development Manager for Pasco County, Wight Greger, (right) Director of the Neighborhood and Housing Department for the City of Jacksonville, and Joe Gray, (middle) Executive Director of the Delray Beach CLT.

Local governments in Florida have become more creative in recent years with their affordable housing programs to meet the changing demands of their communities. They have reached beyond the traditional purchase assistance and rehabilitations programs to both identify their residents’ needs and to develop programs to meet those needs. The following interviews with George Romagnoli, Joe Gray, and Wight Greger, reflect the variety of programs that have been implemented in communities across the state.

assistance. We have had several different programs through the years that met that need. In 2006, Pasco County was a different place. We had become the sinkhole capital of Florida and insurance costs were going through the roof. People needed help to stay in the homes that they were in. Also, the Community Development Division had become the lead agency for the Coalition for the Homeless, so our eyes were opened up to the need of those at the bottom of the income scale.

George Romagnoli
Community Development Manager
Pasco County Community Development



WHAT CHANGES HAVE YOU SEEN IN THE PAST TWO DECADES?

In 2006, Pasco County had to write its new Local Housing Assistance Plan (LHAP) for the SHIP Program. When the first plan was written in 1993, we saw the greatest need was homebuyers who needed help with down payment

WHAT PROGRAMS DID YOU CREATE TO MEET THESE CHANGING NEEDS?

To meet those challenges, we set up several new programs. We had previously, through the Emergency Services Grant, funded our Social Service Division to help with eviction protection, utility payments, and getting very low income families into rental units. We gave them about \$30,000 a year. Every year, they would run out of money in the first few months of the fiscal year, and many people were unassisted, and many became homeless. In the new LHAP, we increased funding for this program six-fold. We funded a position in Social Services so the program can be operated.

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To meet the needs of those with insurance problems, we developed a program to pay for taxes and insurance, brilliantly named the Tax and Insurance Payment Program (TIPP). We limited the program to very low-income seniors and those that were disabled with modest homes. We gave them 0% loans that are not due for at least ten years. We assisted about 25 homeowners in the first round of awards, and are now in our second round.

You may ask, “What about next year? If they can’t afford insurance now, how will they afford it next year?” Well, the answer is probably yes. And you know, that is not all bad. For less than a few thousand dollars a year, a very low-income homeowner who is a senior or disabled stays in their home. That is a good deal.

Foreclosure Prevention is a program we have done for almost 10 years, but this is the year it has really kicked up. All the adjustable rate loans, stated income loans, and teaser rates are now coming back to haunt people that cannot afford the homes that they are in. We have completed over 124 loans in the last 36 months.

DO YOU HAVE OTHER PROGRAMS THAT ARE NOT TRADITIONALLY SEEN IN LHAP’S?

We have committed funding a different rehabilitation project with the public housing authority every year. We want to do a project with aged out foster kids, possibly renting out a foreclosed home to a non-profit that works with that group. We will rebuild a group home for developmentally disabled adults. Lots of different programs can come from SHIP funding. We do not want to fall into the down payment assistance only – housing rehab only trap, but aim to meet the needs of our county.



Joe Gray
Executive Director
Delray Beach CLT

WHY WAS THE DELRAY BEACH CLT ESTABLISHED?

The Delray Beach CLT is the result of the process begun in the late 1990s to create the City of Delray Beach's Downtown Master Plan. The Master Plan housing goals emphasize the City's commitment to cultural and economic diversity, diversity of housing stock and costs,

and to providing affordable housing in neighborhoods throughout the community. In the many meetings that occurred during the master planning process, residents expressed increasing concern about the lack of affordable housing and the need for new strategies to implement the City's housing goals. In 2000, the City, the Delray Beach Community Reinvestment Agency and other key community stakeholders commissioned the SW/NW Neighborhood Redevelopment Plan to develop strategies to improve housing, economic development, and general livability conditions in the City's core neighborhoods. Creation of a community land trust was a key recommendation of the SW/NW Neighborhood Redevelopment plan adopted by the City Commission.

HOW HAS THE CRA AND CITY SUPPORTED THE DELRAY BEACH COMMUNITY LAND TRUST (DBCLT)?

The Community Land Trust has received a lot of support from the CRA. Utilizing its TIF funds, the CRA provides operating support for the DBCLT, loans for the acquisition of the land as well as construction loans to build the houses. When a house is sold to a qualified buyer, the construction loan is repaid to the CRA but the loan to purchase the land is granted to the DBCLT. In addition, the City provides purchase assistance money with its SHIP funds for the buyers of the houses and both the City and CRA donate land and buildings to the Community Land Trust. For instance, the DBCLT is currently renovating the former France Hotel into 14 rental units for low-income seniors. This property was donated to the DBCLT.

This year was the first full year of operations for DBCLT. So far, we have sold 10 houses, have seven houses that will close by the end of November, and 11 units under construction.

WHAT ARE YOUR FUTURE GOALS FOR THE DELRAY BEACH CLT?

We hope to produce 100 units a year. We are currently enhancing our homebuyer counseling program and are using developer fees to pay for this program. Our plan is to have enough qualified homebuyers to reach our 100 units per year goal. We are also trying to cut back on using the TIF funds for operations and development costs. Within the next two years, we expect to be self-supporting and will no longer need assistance from the CRA.



Wight Greger

Director

City of Jacksonville

WHAT HAS THE CITY OF JACKSONVILLE DONE TO PROMOTE AFFORDABLE HOUSING?

In April 2006, then City Council President Kevin Hyde appointed a City Council Task Force on Affordable and Workforce Housing. The Task Force consisted of all elected officials and focused on three specific policy areas:

1. Leveraging the availability of City-owned land to spur affordable housing production
2. Furthering existing and establishing new City partnerships with both not-for-profit and for-profit developers to bring affordable housing to the market, and
3. Identifying and making recommendations about legislative and regulatory barriers to the development of affordable housing.

The Task Force held public meetings and discussions from May until December, inviting housing experts, non-profit and for-profit developers, city staff, and key stakeholders to participate and to provide information. Out of this process, the Report of Affordable and Workforce Housing Task Force was created. This Report outlines 38 policy options for Jacksonville, including suggested improvements to current City programs as well as creative and innovative new programs.

CAN YOU HIGHLIGHT A PROGRAM THAT YOU HAVE IMPLEMENTED AS A RESULT OF THE TASK FORCE RECOMMENDATIONS?

The City has created the Office of Affordable Housing Development within the Housing and Neighborhoods Department. This Office is responsible for working with affordable housing developers in the planning and permitting of developments targeted for affordable and workforce developments. The Office provides technical assistance to facilitate the progress of these developments through the necessary permitting procedures by walking the developer through the City's processes, including identifying available incentives such as expedited permitting. The office is in close contact with every City department involved in the development of affordable and workforce housing to

expedite required approvals. The idea is to streamline and coordinate the approval and permitting process by creating a one-stop shop for developers to utilize in the development process. This office is also tasked with identifying zoning and land use barriers to affordable housing in Jacksonville and while the office only started in August, staff is already working with the zoning department to re-write a specific zoning code that currently discourages the development of affordable housing.

AS A RESULT OF THE TASK FORCE RECOMMENDATIONS, WHAT HAS THE CITY OF JACKSONVILLE DONE TO ENCOURAGE AFFORDABLE HOUSING DEVELOPMENT ON CITY-OWNED PROPERTY?

The City's Housing Division staff currently reviews the surplus land list for suitability for use as affordable housing, and actively works with community-based developers to develop appropriate sites. The City of Jacksonville has an ordinance in place that allows parcels on the surplus land list to be transferred free and clear to a non-profit developer without City Council approval. This ordinance provides for the quick transfer of these properties.

In addition, with the assistance of the Shimberg Center for Affordable Housing at the University of Florida, Housing and Neighborhoods Department staff has identified 607 city owned parcels out of 37,000 parcels that are suitable for affordable housing development. Staff determined a set of criteria to identify which of the 37,000 parcels can be developed as affordable housing and used the criteria to narrow the list. This criteria included size of the parcel, proximity to infrastructure and schools, and access to streets or roads. The City is currently working on a disposition process for these properties which will need approval of the City Council.

For larger parcels, the City is planning to coordinate the due diligence on these parcels such as the environmental reports, surveys, title work and zoning before the disposition process as an additional incentive for the selected developers. This procedure was implemented for a city owned parcel on Mayport Road in Jacksonville which was just awarded through and RFP process to a developer. It ensured that the land was ready to build on and will shorten the development time needed for the project, allowing the units to be built and occupied by low-income families sooner.

