



# Building Blocks for Affordable Housing Work Plan in Development

**JULY 2022** 

OFFICE OF THE CITY MANAGER

## **CONTENTS**



Introduction

HOUSING NEEDS AND CHALLENGES

FUNDING FOR HOUSING INITIATIVES

WORK PLAN
RECOMMENDATIONS

APPENDIX

## OFFICE OF THE CITY MANAGER CITY OF GAINESVILLE, FL

### **EXECUTIVE SUMMARY**

On March 17, 2022, the Affordable Housing Framework for Discussion was presented to the City Commission. After that presentation, the City of Gainesville began the process of building a new foundation for an innovative, collaborative and strategic path forward to develop a work plan to address the issues highlighted in the Framework.

The City of Gainesville is setting the foundation necessary to succeed in achieving its housing goals through four core components for developing a work plan: (1) planning and research, (2) funding resources, (3) incentives and regulation, and (4) strategic relationships and community engagement. The components will drive focused tasks that will assist in facilitating the development of single family and multifamily homes for low to moderate income households in areas where there are adequate infrastructure and public services available. The work plan will also be applied in a manner that preserves and protects community identity and culture.

The Building Blocks for Affordable Housing -Work Plan in Development (Work Plan) includes: neighbor feedback on the Affordable Housing Workshops conducted in partnership with the City and community stakeholders, the City's enhanced approach to housing and community development, additional data regarding Gainesville's demographics and housing distribution, an update to the Multipart Motion from August 31, 2020, and an overview of funding available for affordable housing initiatives. The Work Plan also includes nine recommendations for a path forward, five of which are focused on a recommended spend plan for the \$8 million American Rescue Plan Act Affordable Housing Earmark approved by the City Commission on June 16, 2022 (Agenda #210267). These recommendations are crafted to move the needle towards the creation of new homes and rental units and allow for an increase in financial support services to encourage



homeownership.

The City's path towards equitable affordable housing solutions is not solitary; we will need to pursue public-private partnerships, as well as federal and state funding to assist the City in addressing housing affordability.

Our housing challenges are more urgent now than ever. Record pandemic-related job losses, coupled with a tight housing market and skyrocketing home prices have exacerbated limited access to housing and its affordability. Now is the time for strategic implementation to support the growth and housing needs of our neighbors and workforce – this Work Plan is the first of many steps in that direction.

# AFFORDABLE HOUSING WORKSHOP SUMMARY

The City of Gainesville and community partners, including the Alachua County Housing Authority, Bright Community Trust, Gainesville Housing Authority, HR&A Advisors, Neighborhood Housing and Development Corporation, and Rebuilding Together North Central Florida, worked together to plan, organize and successfully execute three community workshops designed to generate feedback from participants about strategies to improve affordable housing in Gainesville. Topics discussed during these meetings included: affordable housing basics, affordable housing preservation, development and management of a community land trust, first-time homebuyer programs, funding priorities for affordable housing, housing vouchers, infill housing, rental housing programs, inclusionary zoning, exclusionary zoning, information on housing resources and programs offered by the City and other partners. The three community workshops were held on May 9th, June 2nd and June 4th.

Due to the heightened community interest in the discussion around affordable housing, especially on the topic of Exclusionary Zoning, the City Commission directed staff to organize neighborhood workshops to continue the discussion and information sharing. Through the date of this report, staff has facilitated four neighborhood workshops in the following communities: Springhill (June 9th), Azalea Trails (June 14th), Porters (June 16th) and 5th Avenue (July 12th). In total, approximately 200 neighbors attended these meetings and more neighborhood workshops are in process of being scheduled.

The community and neighborhood workshops allowed for robust discussions on affordable housing needs and approaches to addressing housing challenges. The main points of feedback received from the community were:













Neighbors acknowledged the need for affordable housing in our communities and the need to create more housing units together with community partners.

Neighbors expressed their love for the vibrancy of their neighborhoods and want to live in peace and harmony with other neighbors in the city, and expressed a desire to see more community engagement opportunities with the City.

Neighbors expressed concerns about protecting and preserving the culture and ethnic fiber of neighborhoods and expressed concerns about the lack of investment in their neighborhoods by the City.

Neighbors would like for the City to explore leveraging intellectual capital that exists locally to resolve some of the affordable housing issues.

Many neighbors are concerned that the proposed changes to the comprehensive plan (including elimination of exclusionary zoning, amending the occupancy limits, etc.) would not result in the production of affordable housing units, and are concerned changes would reduce the quality of life in the city's neighborhoods.

In an effort to provide more opportunity for community engagement, two Commission sponsored Town Hall meetings focused on affordable housing were scheduled. One was held on June 30, 2022 at City Hall (sponsored by Commissioner Arreola) and the second will be held on August 8, 2022 at Mt. Pleasant United Methodist Church (sponsored by Commissioner Chestnut).

## **EVALUATING THE CITY'S** AFFORDABLE HOUSING CHALLENGE



Housing affordability and availability are driven by a variety of different factors and in order to prepare for a path forward to address these issues, a review of the diverse elements that define current and future operations or strategies for housing and community development in the city was conducted. A Strengths, Weaknesses, Opportunities and Threats situational analysis, otherwise referred to as "SWOT" reveals the following:



protecting and preserving green

S

 $\vdash$ 

C

Z

ш

œ

- Commitment to affordable housing programs (more than 20 affordable housing initiatives)
- Availability of
- City-owned land available for development is
- Relationships with local housing providers
- Community is engaged and
- High quality organizations (private, public, for profits and nonprofits) supporting affordable housing

- Compared to other cities, housing is generally pricier in the City of Gainesville
- · High utility rates and property taxes
- Financing for to come by
- Limited development experience of City staff
  • Lack of visible
- "wins"
- affordable housing
- Funding in housing program areas are small compared to other cities in Florida

#### Ш Z œ 0 1 1

S

ш

S

S

ш

Z

4

 Existing Assets: City owns lands that could be developed into affordable housing Public involvement

· Ability to learn from the previous development

missteps
• Increased opportunities to improve financial

literacy of neighbors Continue to promote energy efficiency

- · Collaborate with UF, SFC, SBAC, UF Health, Veteran Administration, Chamber of Commerce and Alachua County to promote affordable housing efforts
- · Data collection specific to Gainesville

- mortgage interest
- · Increases in soft and hard costs for construction and materials
- Affordability index · Cost of land

S 4 · Labor shortage ш œ I

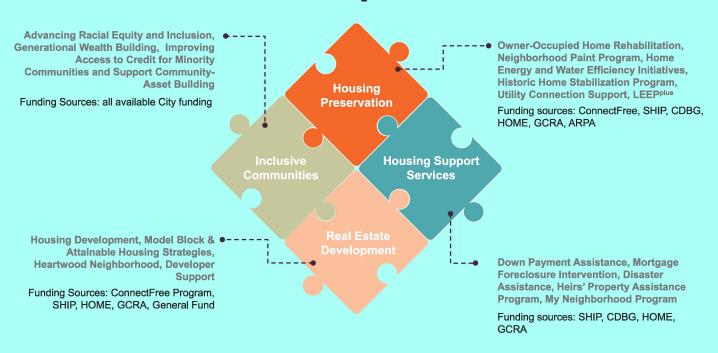
# ENHANCED APPROACH TO HOUSING & COMMUNITY DEVELOPMENT

Addressing Housing is a Top Priority in the City's Strategic Plan and this focus area requires a cohesive and collaborative approach. In order to promote streamlined communication and direction as the City moves forward with addressing affordable housing initiatives and preparing the Work Plan:

- Effective August 1, 2022, the City has organized all housing and community development activities under the Department of Housing and Community Development to foster cross functional planning and management under one umbrella.
- Housing initiative programs within the Gainesville Community Reinvestment Area (GCRA),
   will transition to the Department of Housing and Community Development. This includes:
  - Heartwood
  - Heirs Property Program
  - Neighborhood Paint Program
  - My Neighborhood Grant Program
  - Model Block and Attainable Housing Strategies
  - Residential Improvement Programs (Consists of CWC Partnership with GRU & Historic Home Stabilization).

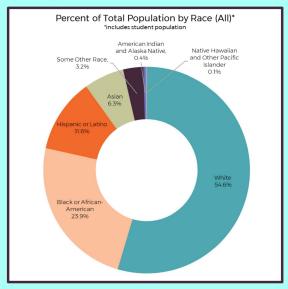
These changes will promote structured planning and coordination as the City works with external stakeholders and leverage multiple funding streams to address housing program activities across the City.

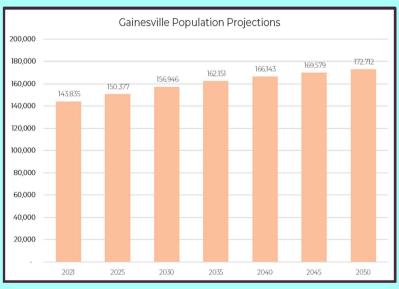
# Department of Housing & Community Development



## GAINESVILLE POPULATION DEMOGRAPHICS AND PROJECTIONS

Gainesville's population is predominantly White (54.6%). Black or African American is the next largest racial group, making up 23.9% of the population. The city's population is projected to grow from 143,835 to 172,712 neighbors from 2021 to 2050, a projected increase of 20.1% or 28,877 new neighbors.



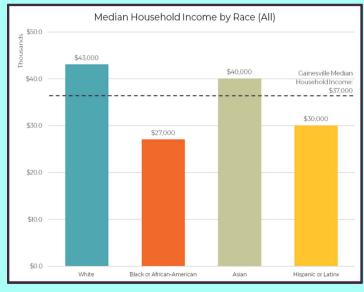


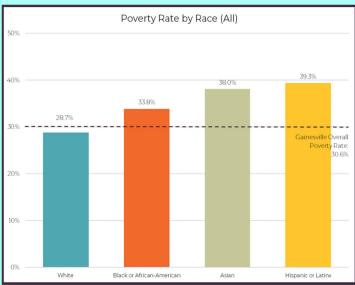
Source: Social Explorer - ACS 2019 (5-Year Estimates)

## 2.

### GAINESVILLE INCOME AND POVERTY LEVELS

Gainesville's median household income is \$37,000. Only White and Asian households earn above the median. The overall poverty rate in Gainesville is 30.6%, of which only White households are below that threshold.

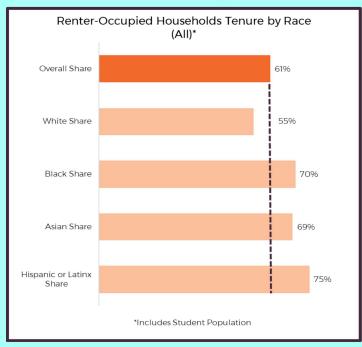


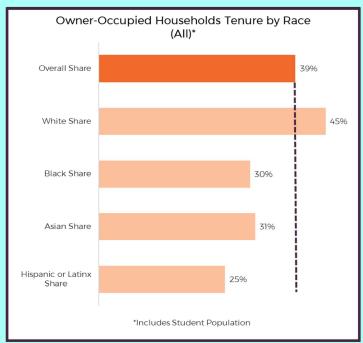


Source: Social Explorer - ACS 2019 (5-Year Estimates)

#### RENTER VS. OWNER-OCCUPIED HOUSEHOLDS TENURE BY RACE

White households are more likely to own homes and less likely to rent, cementing a disparity in generational wealth building.

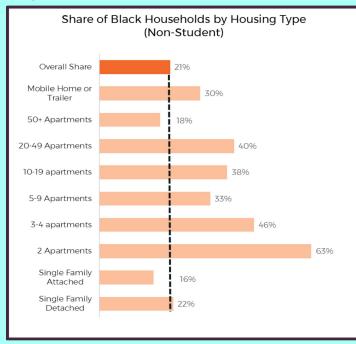


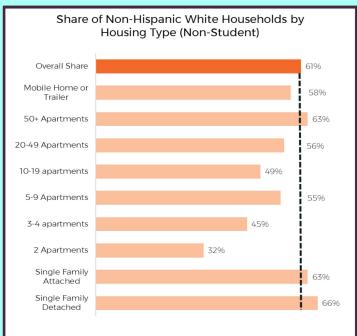


Source: Social Explorer - ACS 2019 (5-Year Estimates)

## SHARE OF MINORITY HOUSEHOLDS BY HOUSING TYPE

Race determines not only where people live in Gainesville, but also the type of housing in which they live.

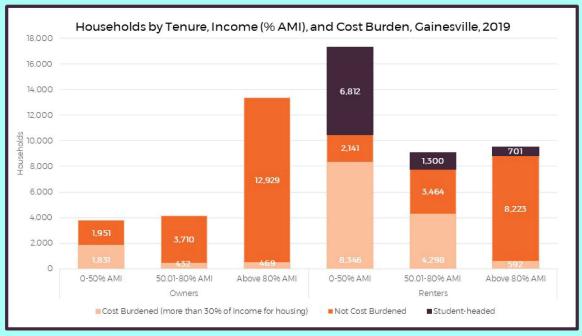




Source: Social Explorer - ACS 2019 (5-Year Estimates)

## 5. COST BURDENED HOUSEHOLDS

Very low-income renters earning less than 50% AMI make up the largest group of cost-burdened households (8,346) in Gainesville.

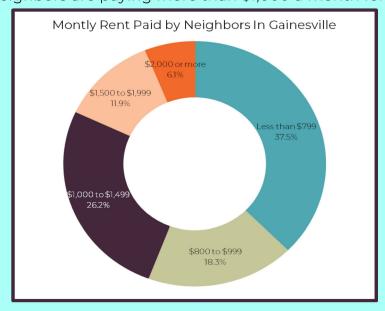


Note: "Student-headed" refers to non-family renter households headed by a full-time student. Counts of owner households headed by students are not statistically significantly different from zero.

Source: Shimberg Center tabulation of U.S. Census Bureau, 2019 American Community Survey. Results are for Alachua County (Central) – Gainesville City Central Public Use Microdata Area (PUMA), which approximates city limits.

## 6. MONTHLY RENT PAID BY NEIGHBORS IN GAINESVILLE

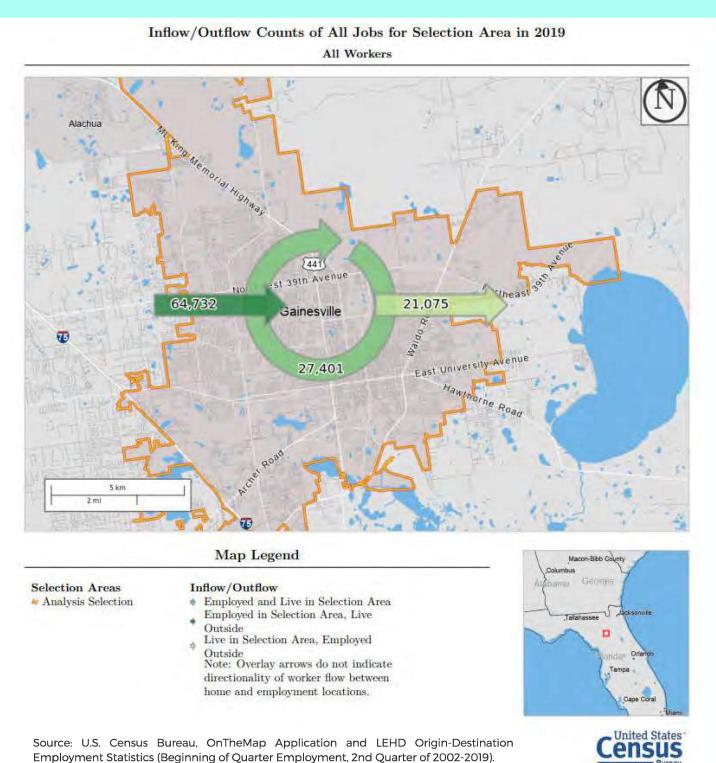
44.2% of Gainesville neighbors are paying more than \$1,000 a month for rent.



Source: US Census Bureau 2020 Data

## **7.** EMPLOYMENT IN GAINESVILLE

Significantly more neighbors who live outside of the City of Gainesville commute into the City for work than those who travel outside of the City for employment.



## **MULTIPART HOUSING MOTION**

#### **UPDATE FROM AUGUST 31, 2020 CITY COMMISSION MEETING**

Description	Last Update	Status
Moratorium	City Commission discontinued Moratorium discussion at 11/5/2020 meeting.	Complete
Property Taxes: prepare whitepaper on options	The HR&A Advisors Exclusionary Zoning & Inclusionary Zoning Study for City of Gainesville evaluated a variety of options for local funding mechanisms to support affordable housing programs and included analysis/recommendations including the establishment of an affordable housing trust fund, synthetic TIF funding, etc.	Complete
Heritage Overlay	City Commission discussion/referral: 11/5/2020, 11/19/2020. City Plan Board worked on several iterations of the draft regulations during a series of meetings in 2021 and ultimately recommended eliminating the Heritage Overlay. zoning district from the Land Development Code. Staff is actively applying for grants to update historic structure surveys for 5th Avenue and Pleasant Street neighborhoods.	Ongoing
Predatory Practices Education	The City of Gainesville and Three Rivers Legal Services executed an agreement on March 16, 2022. The first quarterly workshop was held on June 9, 2022.	Complete
Legal Assistance for Eviction/Displacement Prevention	The City of Gainesville and Three Rivers Legal Services executed an agreement on November 9, 2021. To date, 67 households have been provided with legal assistance and/or counseling service to prevent eviction.	Complete
Neighborhood Compatibility Measures: Create a list of potential/ideas regarding compatibility	Completed analysis of exclusionary zoning elements and presented findings to City Commission on 1/6/2022. First reading of Ordinance is scheduled for 08/04/2022.	Ongoing
Welcome Back Program/Relocation Program	During the first application period (1/3/22-3/31/22), 4 application were accepted. As of 7/11/22, 1 applicant has closed on a home.	Complete
All in the Family (clear title for heirs property)	Since its inception, there have been 27 recipients accepted into the program.	Complete
The Price is Right Program (Distribution of city-owned property for AH)	As a part of the Duval Land Donation Pilot Program, the first 4 lots have been transferred to Alachua Habitat for Humanity. Once some infrastructure improvements have been completed, the remaining 7 lots will be transferred.	Ongoing
Community Neighborhood Narrative Program	Neighborhood narrative concept has been incorporated into the goals of the ImagineGNV plan (designating neighborhoods, working with neighborhoods on planning efforts, possible grant funding).	Complete
Community Land Trust	City Commission approved staff to begin contract negotiations on March 17, 2022 with Bright Community Trust. Contract negotiations are underway.	Ongoing
Short Term Rentals	Replaced landlord license program which included short term rentals with Rental Housing Inspection Program on 9/16/2021. Alachua County Tax Collector's Office maintains a registry of short-term vacation rentals for purposes of collecting Tourist Development Tax. State pre-emption does not allow for short-term rental regulations.	Complete
Inclusionary Housing Program	1/6/2022: Inclusionary housing study has been completed. City Attorney's Office is drafting ordinance and the City Manager's Office is reviewing internal processes for implementing the potential Inclusionary Zoning changes. An update will be provided to the General Policy Committee in August 2022.	Ongoing
Exclusionary Zoning Amendments	1/6/2022: Exclusionary zoning analysis has been completed. First Reading of Ordinance is scheduled for 08/04/2022.	Ongoing
Vacant Property Fees	Under the current ordinance, vacant properties do not pay the stormwater management fee. The fee is based on developed impervious area and the impact that impervious area has on the natural and built environment. Vacant property taxes are impermissible in Florida.	Complete

## **AVAILABLE CITY FUNDING**

The City of Gainesville's housing initiatives will now be managed under the umbrella of the Department of Housing and Community Development. As of July 2022, the City has \$27.2 million budgeted or earmarked for housing initiatives.



The Gainesville Citv of was awarded \$32,408,804 from the American Rescue Plan Act (ARPA) Coronavirus State and Local Fiscal Recovery Funds program. On June 16, 2022 (Agenda #210267), the City Commission approved an \$8 million Earmark for affordable housing initiatives in addition to other housing projects previously approved: Energy Rehabilitation (\$1.9 million), Community Land Trust (\$1 million) and Utility Debt Forgiveness (\$250,000) for a total of \$11.15 million. In addition, several local nonprofit organizations, including the Neighborhood Housing & Development Corporation, Rebuilding Together Central Florida, and GRACE Marketplace, have been approved for grants under the City's ARPA Aid to Nonprofit Organizations program to provide a variety of housing development, stabilization and other support services.

The next largest funding category totals \$5.1 million and is comprised of funding received from the Gainesville Community Reinvestment Area (GCRA) per an interlocal agreement with Alachua County, in addition to the previously established Tax Increment Financing Areas. These funds support projects such as Heartwood, the Heirs Property Program, the Neighborhood Paint Program, the My Neighborhood Grant Program, the

Historic Home Stabilization Program, Model Block and Attainable Housing Strategies and other residential improvement programs.

The City also receives funding from federal grant programs such as CDBG, H.O.M.E., and SHIP, totaling \$6.9 million and includes CARES Act funding (\$1,261,440) and H.O.M.E. ARPA funding (\$1,968,639) for housing support services for vulnerable populations. These funds support programs such as owner-occupied rehabilitation, down payment assistance, mortgage foreclosure prevention, homeless assistance, job training and employment assistance, and housing development.

The last two funding sources, ConnectFree and the General Fund, provide an additional \$4 million in funding for other affordable housing projects throughout the City including housing related public health, safety and environmental projects.

# GENERAL OBLIGATION BOND ANALYSIS

There are three main ways for state and local governments to finance capital projects: 1. Pay As-You-Go financing, 2. using intergovernmental revenues such as federal and state grants, and 3. Issuing bonds or securing other financing. Borrowing, or debt financing, is accomplished by issuing bonds to pay for specific projects or services. If issued, the bonds are repaid from general fund or a dedicated tax. In most cases, bonds are structured with a 20-30 year term to coincide with the useful life of the projects the debt is financing.

Municipal governments that issue this type of debt need the support of their communities when pursing a bond measure. This allows for the decisions on public infrastructure and capital improvement needs to be made at the level where the project impacts the end-user directly (e.g., libraries, schools, roads and road improvements, water systems, mass transit, affordable housing, public and nonprofit hospitals, and other government owned facilities). General obligation bonds are the best way to implement the infrastructure needs of each community effectively, as the decision to issue bonds for various projects is determined and approved of by either the neighbors themselves through bond referenda or by their elected legislative bodies directly or through appointed boards.

On May 19, 2022 (Agenda #211192), the City Commission directed staff to analyze the feasibility and impact of an affordable housing general obligation bond ranging from \$30-\$50 million. Staff researched several local governments that successfully passed a general obligation bond referendum for affordable housing and these cities ranged from the Pacific Northwest to South Florida, with the success of the implementation of their affordable housing general obligation plans varying in success.

The following expenditure categories are recommended for the City of Gainesville:

75%	for Public-Private Partnerships: support scalable, multifamily and other small scale rental projects
15%	for Low-Income Housing Financing for developers to build new affordable housing for low to moderate income neighbors
5%	for Owner-Occupied Home Rehabilitation: financial assistance for major repairs so neighbors can stay in their homes
5%	for Homebuyer Assistance: down-payment assistance to eligible first-time homebuyers

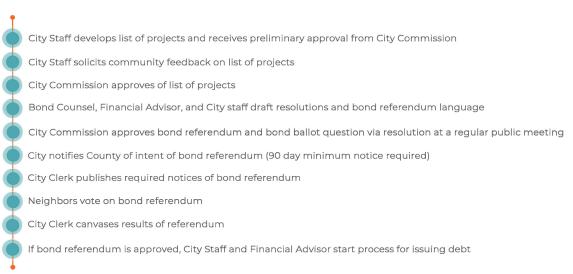
Should the City Commission decide to move forward with this type of financing initiative, there will need to be further research and analysis conducted to assess the City's capacity to implement and commit funds at this level.

# GENERAL OBLIGATION BOND SCENARIOS

A breakout of the different funding scenarios ranging from \$25 million to \$50 million and their potential impact on affordable housing initiatives is shown in the following table:

Scenario 1: \$25 million	Scenario 2: \$30 million	Scenario 3: \$35 million
Real Estate Development:	Real Estate Development:	Real Estate Development:
• Rental (\$35k/Unit) - \$18,750,000	• Rental (\$35k/Unit) - \$22,500,000	• Rental (\$35k/Unit) - \$26,250,000
• Homeownership (\$50k/Unit) - \$3,750,000	<ul> <li>Homeownership (\$50k/Unit) - \$4,500,000</li> </ul>	<ul> <li>Homeownership (\$50k/Unit) - \$5,250,000</li> </ul>
Rehabilitation:	Rehabilitation:	Rehabilitation:
• Owner-Occupied (\$50k/HH) - \$1,250,000	<ul> <li>Owner-Occupied (\$50k/HH) - \$1,500,000</li> </ul>	<ul> <li>Owner-Occupied (\$50k/HH) - \$1,750,000</li> </ul>
Down Payment Assistance:	Down Payment Assistance:	Down Payment Assistance:
• Homeownership (\$15k/HH) - \$1,250,000	• Homeownership (\$15k/HH) - \$1,500,000	• Homeownership (\$15k/HH) - \$1,750,000
CREATE	CREATE	CREATE
611 Residential Units	<b>733</b> Residential Units	<b>855</b> Residential Units
A COLOT	A 0.0107	
ASSIST 108	ASSIST 130	ASSIST 152
Households	Households	Households
Scenario 4: \$40 million	Scenario 5: \$45 million	Scenario 6: \$50 million
Scenario 4: \$40 million  Real Estate Development:	Scenario 5: \$45 million  Real Estate Development:	Scenario 6: \$50 million  Real Estate Development:
Real Estate Development:	Real Estate Development:	Real Estate Development:
Real Estate Development:  • Rental (\$35k/Unit) - \$30,000,000	Real Estate Development: • Rental (\$35k/Unit) - \$33,750,000	Real Estate Development: • Rental (\$35k/Unit) - \$37,500,000
Real Estate Development:  Rental (\$35k/Unit) - \$30,000,000  Homeownership (\$50k/Unit) - \$6,000,000	Real Estate Development:  Rental (\$35k/Unit) - \$33,750,000  Homeownership (\$50k/Unit) - \$6,750,000	Real Estate Development:  Rental (\$35k/Unit) - \$37,500,000  Homeownership (\$50k/Unit) - \$7,500,000
Real Estate Development:  Rental (\$35k/Unit) - \$30,000,000  Homeownership (\$50k/Unit) - \$6,000,000  Rehabilitation:	Real Estate Development:  Rental (\$35k/Unit) - \$33,750,000  Homeownership (\$50k/Unit) - \$6,750,000  Rehabilitation:	Real Estate Development:  Rental (\$35k/Unit) - \$37,500,000  Homeownership (\$50k/Unit) - \$7,500,000  Rehabilitation:
Real Estate Development:  Rental (\$35k/Unit) - \$30,000,000  Homeownership (\$50k/Unit) - \$6,000,000  Rehabilitation:  Owner-Occupied (\$50k/HH) - \$2,000,000	Real Estate Development:  Rental (\$35k/Unit) - \$33,750,000  Homeownership (\$50k/Unit) - \$6,750,000  Rehabilitation:  Owner-Occupied (\$50k/HH) - \$2,250,000	Real Estate Development:  Rental (\$35k/Unit) - \$37,500,000  Homeownership (\$50k/Unit) - \$7,500,000  Rehabilitation:  Owner-Occupied (\$50k/HH) - \$2,500,000
Real Estate Development:  Rental (\$35k/Unit) - \$30,000,000  Homeownership (\$50k/Unit) - \$6,000,000  Rehabilitation:  Owner-Occupied (\$50k/HH) - \$2,000,000  Down Payment Assistance:  Homeownership (\$15k/HH) - \$2,000,000	Real Estate Development:  Rental (\$35k/Unit) - \$33,750,000  Homeownership (\$50k/Unit) - \$6,750,000  Rehabilitation:  Owner-Occupied (\$50k/HH) - \$2,250,000  Down Payment Assistance:  Homeownership (\$15k/HH) - \$2,250,000  CREATE	Real Estate Development:  Rental (\$35k/Unit) - \$37,500,000  Homeownership (\$50k/Unit) - \$7,500,000  Rehabilitation:  Owner-Occupied (\$50k/HH) - \$2,500,000  Down Payment Assistance:  Homeownership (\$15k/HH) - \$2,500,000
Real Estate Development:  Rental (\$35k/Unit) - \$30,000,000  Homeownership (\$50k/Unit) - \$6,000,000  Rehabilitation:  Owner-Occupied (\$50k/HH) - \$2,000,000  Down Payment Assistance:  Homeownership (\$15k/HH) - \$2,000,000	Real Estate Development:  Rental (\$35k/Unit) - \$33,750,000  Homeownership (\$50k/Unit) - \$6,750,000  Rehabilitation:  Owner-Occupied (\$50k/HH) - \$2,250,000  Down Payment Assistance:  Homeownership (\$15k/HH) - \$2,250,000	Real Estate Development:  Rental (\$35k/Unit) - \$37,500,000  Homeownership (\$50k/Unit) - \$7,500,000  Rehabilitation:  Owner-Occupied (\$50k/HH) - \$2,500,000  Down Payment Assistance:  Homeownership (\$15k/HH) - \$2,500,000
Real Estate Development:  Rental (\$35k/Unit) - \$30,000,000  Homeownership (\$50k/Unit) - \$6,000,000  Rehabilitation:  Owner-Occupied (\$50k/HH) - \$2,000,000  Down Payment Assistance:  Homeownership (\$15k/HH) - \$2,000,000  CREATE 977	Real Estate Development:  Rental (\$35k/Unit) - \$33,750,000  Homeownership (\$50k/Unit) - \$6,750,000  Rehabilitation:  Owner-Occupied (\$50k/HH) - \$2,250,000  Down Payment Assistance:  Homeownership (\$15k/HH) - \$2,250,000  CREATE 1,099	Real Estate Development:  Rental (\$35k/Unit) - \$37,500,000  Homeownership (\$50k/Unit) - \$7,500,000  Rehabilitation:  Owner-Occupied (\$50k/HH) - \$2,500,000  Down Payment Assistance:  Homeownership (\$15k/HH) - \$2,500,000  CREATE 1,221
Real Estate Development:  Rental (\$35k/Unit) - \$30,000,000  Homeownership (\$50k/Unit) - \$6,000,000  Rehabilitation:  Owner-Occupied (\$50k/HH) - \$2,000,000  Down Payment Assistance:  Homeownership (\$15k/HH) - \$2,000,000  CREATE 977  Residential Units	Real Estate Development:  Rental (\$35k/Unit) - \$33,750,000  Homeownership (\$50k/Unit) - \$6,750,000  Rehabilitation:  Owner-Occupied (\$50k/HH) - \$2,250,000  Down Payment Assistance:  Homeownership (\$15k/HH) - \$2,250,000  CREATE 1,099 Residential Units	Real Estate Development:  Rental (\$35k/Unit) - \$37,500,000  Homeownership (\$50k/Unit) - \$7,500,000  Rehabilitation:  Owner-Occupied (\$50k/HH) - \$2,500,000  Down Payment Assistance:  Homeownership (\$15k/HH) - \$2,500,000  CREATE  1,221  Residential Units

A general illustrative timeline, if the City Commission were to move forward with an affordable housing general obligation bond issuance, includes:



# HOUSING PROGRAM WORK PLAN COMPONENTS

The City of Gainesville is setting the foundation necessary to succeed in achieving its Affordable Housing goals through four core components for the development of the *Building Blocks for Affordable Housing – Work Plan*:



The components will drive focused tasks led by the Department of Housing and Community Development that will assist in facilitating the development of single family and multifamily homes for low to moderate income earners in areas where there are adequate infrastructure and public services available, and will be applied in a manner that preserves and protects community identity and culture.

#### **COMPONENT 1: PLANNING & RESEARCH**

**I. Task**: Analyze the internal and external institutional structure of delivering housing services and programs.

Estimated Timeline: December 2022

**II. Task**: Partner with the Department of Sustainable Development to review and recommend changes to regulations and comprehensive plans to reduce restrictions on the development of affordable housing.

Estimated Timeline: December 2022

**III. Task**: Assist with the development of an RFP for services related to repurposing Cityowned property that may be beyond the scope set forth with the current disposition ordinance.

**Estimated Timeline**: February 2023

**IV. Task**: Monitor, track and provide assistance as needed to expedite current affordable housing projects, existing deed restricted units and real estate projects in pre-development stage.

**Estimated Timeline**: Ongoing Review

# HOUSING PROGRAM WORK PLAN COMPONENTS

#### **COMPONENT 2: FUNDING RESOURCES**

**Task**: Evaluate design standards for new construction to allow maximum flexibility to support affordable housing unit construction, while still meeting other important City objectives (conservation, historical identity and character, etc.).

**Estimated Timeline**: Ongoing Review

**II. Task**: Review policies, ordinances, regulations and procedures to confirm that the City is not indirectly adding to the cost of or creating delays in the housing development process.

Estimated Timeline: December 2022

**III. Task**: Review and update affordable housing development fees and available fee waivers for new housing construction.

Estimated Timeline: January 2023

#### **COMPONENT 3: INCENTIVES & REGULATIONS**

**I. Task**: Develop an affordable housing financing and investment strategy that identifies acceptable criteria for funding and thresholds required to be met by applicants.

Estimated Timeline: June 2023

**II. Task**: Continue to implement the City's First Time Homebuyer, Housing Rehabilitation and other related housing support programs.

**Estimated Timeline: Ongoing** 

**III. Task**: Assist nonprofit and for profit agencies with attaining local, state, federal and private funding necessary for gap financing to produce more affordable housing units.

Estimated Timeline: Ongoing

## COMPONENT 4: STRATEGIC RELATIONSHIPS & COMMUNITY ENGAGEMENT

**I. Task**: Create a public awareness campaign to support local housing organization providing services to City of Gainesville neighbors, specifically targeting organizations that receive funding from the City.

**Estimated Timeline**: February 2023

**II. Task**: Map housing opportunity sites/areas to promote the construction of affordable housing.

**Estimated Timeline**: February 2023

**III. Task**: Map housing opportunity sites/areas to promote the construction of affordable housing.

Estimated Timeline: March 2023

**IV.Task**: Work with regional stakeholders (University of Florida, Santa Fe College, Alachua County, Veteran Administrations, North Florida Hospital) to encourage relationship building and collaboration in addressing the City's affordable housing challenges.

**Estimated Timeline**: July 2023

## RECOMMENDATION 1: \$6 million of ARPA Affordable Housing Earmark to underwrite the development of new rental housing units.

Goal: Produce at least 171 rental units which will remain affordable for at least 30 years.

Use 75% of the \$8 million ARPA Affordable Housing Earmark allocation for real estate development activities designed to provide new single-family and multi-family rental housing units to neighbors whose income does not exceed 50% AMI. Funds will be administered by the Department of Housing and Community Development in partnership with non-profit and for profit entities focused on affordable housing development. A \$35k cap per unit will encourage efforts to produce more units. Staff will work with developers and local housing authority in an effort to secure voucher for eligible tenants. Funding will be distributed on an application basis. Will leverage ConnectFree funding.

Timeline: Application process begins in August 2022, application period closes in October 2022, staff review by November 2022 and Commission recommendation presented by December 2022.

**Implementation Partners**: Department of Housing and Community Development, nonprofit and for profit builders and developers.



## RECOMMENDATION 2: \$1.2 million of ARPA Affordable Housing Earmark to underwrite the development of new single family homes.

Goal: Produce at least 24 units which will remain affordable for at least 15 years.

Use 15% of the \$8 million ARPA Affordable Housing Earmark allocation for the development of single family homes for first time home buyers whose income does not exceed 80% AMI. The Department Housing and Community Development will work to identify eligible persons/ households and will work in partnership with nonprofit and for profit builders/developers on the construction. Deed restrictions will be placed on the newly developed properties to ensure the property is not resold within the 15 years to a nonqualified buyer. A \$50k cap per unit will encourage efforts to produce more units. Will leverage ConnectFree, SHIP and H.O.M.E. funding.

Timeline: Application process begins in August 2022, application period closes in October 2022, staff review by November 2022 and Commission recommendation presented by December 2022.

**Implementation Partners**: Department of Housing and Community Development, nonprofit and for profit builders and developers.

CREATE
24
Residential Units

## RECOMMENDATION 3: \$320,000 for an owner-occupied rehabilitation program.

Goal: Provide home repair services to six families whose income does not exceed 60% AMI.

Use 4% of the \$8 million ARPA Affordable Housing Earmark allocation to assist homeowners with making repairs and renovations (such as weatherization, accessibility, maintenance, etc.) to their homes to increase housing stability. The Department Housing and Community Development will evaluate whether the City can conduct the work or if it should contract with a community partner.

Timeline: Application process begins in August 2022, application period closes in October 2022, staff review by November 2022 and Commission recommendation presented by December 2022.

**Implementation Partners**: Department of Housing and Community Development, local nonprofits and contractors.



## RECOMMENDATION 4: \$320,000 for down payment assistance for first time home buyers.

Goal: Provide down payment assistance to first time home buyers whose income does not exceed 80% AMI.

Use 4% of the \$8 million ARPA Affordable Housing Earmark allocation to expand the City's funding allocated towards down payment assistance for Gainesville neighbors in order to help reduce the cost of entry barrier for a new home purchase. Assistance will be capped at \$15,000 per household. Will leverage ConnectFree, SHIP and H.O.M.E. funding.

**Timeline: Application process begins in September 2022.** 

**Implementation Partners**: Department of Housing and Community Development



#### **RECOMMENDATION 5: \$160,000 for land acquisition.**

Goal: Purchase a tract of land or infill lots to produce at least eight affordable housing units.

Use 2% of the \$8 million ARPA Affordable Housing Earmark allocation to purchase land suitable for affordable housing and leverage other funding to support land acquisition. Land should be close to shopping, transit and an employment center. The land could be developed by the City or the option can be offered to a nonprofit developer. Will leverage GCRA and ConnectFree funding.

**Timeline: To be determined** 

**Implementation Partners**: Department of Housing and Community Development and the Department of Sustainable Development.

CREATE 8 Residential Units

## RECOMMENDATION 6: Develop robust redevelopment strategy for all City-owned land.

Goal: Create affordable housing units and return the parcel's to the City's tax roll.

Florida Statutes (FLA. STAT. 125.379, FLA. STAT 166.0451) requires City and County governments to prepare a listing of government-owned, surplus properties that are suitable for affordable housing, describing the property and specifying whether the land is vacant or improved. There are approximately 50 parcels of City-owned land that could support the development of over 2,500 units based on current zoning. The Department of Housing and Community Development will work with the Department of Sustainable Development to confirm the parcel's eligibility for this type of development. See Appendix.

Timeline: City Commission recommendation for use of parcels presented in November 2022.

**Implementation Partners**: Department of Housing and Community Development and the Department of Sustainable Development.



## RECOMMENDATION 7: Engage community partners to bolster creation of new affordable housing units.

Goal: Establish and enhance one new project with community implementation partners within the next 18 months.

Continue the community partner engagement process to create synergy and a meaningful development strategy that produces units or makes affordable housing sustainable for Gainesville neighbors.

#### **Timeline: January 2024**

**Implementation Partners**: Department of Housing and Community Development, Department of Strategy, Planning and Innovation, University of Florida, Santa Fe College, UF Health, School Board of Alachua County, local Veteran Affairs Administration, North Florida Hospital and Alachua County.

## RECOMMENDATION 8: Provide financial and technical assistance to Gainesville neighbors for the construction of Accessory Dwelling Units (ADUs).

Goal: Increase the understanding and creation of ADUs in the city to increase the stock of affordable housing units.

Many cities that successfully adopted and championed ADU policies also provide funding support to help encourage the creation of ADUs and their use for low income families. This recommendation allows for the additional research to be conducted on the feasibility of this type of program.

Timeline: Present a pilot program to the City Commission by June 2023.

**Implementation Partners**: Department of Housing and Community Development, Department of Sustainable Development.

## RECOMMENDATION 9: Increase capacity of nonprofit housing entities.

Goal: Increase the capacity of nonprofits in an effort to increase the number of housing units produced and increase the impact of housing support services.

Coordinate with private and public nonprofit housing entities to provide the requisite resources for nonprofits help direct resources in a more strategic manner and leverage existing funding in effort to advance housing projects. Will leverage ConnectFree, CDBG, H.O.M.E. and GCRA funding.

**Timeline: January 2024** 

**Implementation Partners**: Department of Housing and Community Development, Department of Sustainable Development, local housing developers and nonprofits.





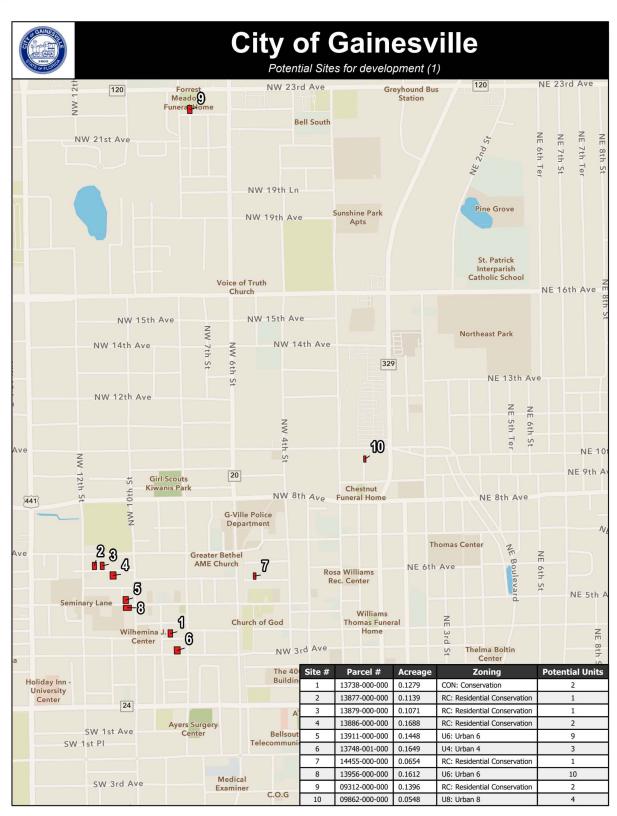
## **Work Plan Appendix**

JULY 2022
OFFICE OF THE CITY MANAGER

### **APPENDIX:**

#### CITY-OWNED PROPERTIES AVAILABLE FOR DEVELOPMENT

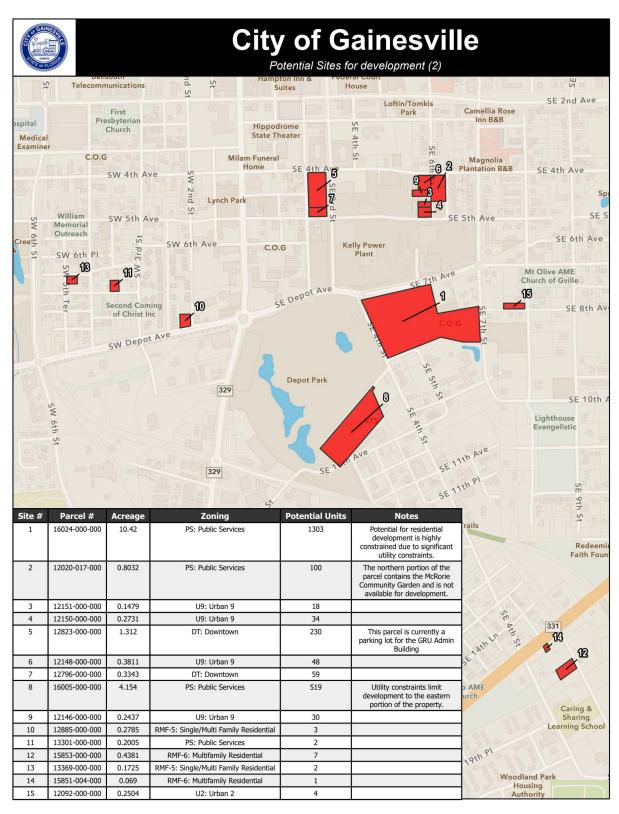
## RECOMMENDATION 6 ADDITIONAL INFORMATION: SEMINARY LANE AREA



### **APPENDIX:**

#### CITY-OWNED PROPERTIES AVAILABLE FOR DEVELOPMENT

## RECOMMENDATION 6 ADDITIONAL INFORMATION: AREA AROUND DEPOT PARK



### **APPENDIX:**

#### CITY-OWNED PROPERTIES AVAILABLE FOR DEVELOPMENT

## RECOMMENDATION 6 ADDITIONAL INFORMATION: AREA EAST OF WALDO ROAD

