



Affordable Housing Plan

Presentation Draft 2-22-18

Vision: Everyone in our community lives in safe, affordable housing

Mission: To close Greensboro's housing affordability gap through collaborative community action

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Co-convened by:

City of Greensboro

Community Foundation of Greater Greensboro





Contents

Executive Summary

The Housing Our Community Action Plan

- A. Background: Taking Action on Greensboro's Affordability Gap
- B. Goals and Strategies
- C. Conclusion: Moving Forward
- D. Acknowledgements

Attachments

- A. Definitions
- B. Policy Recommendation Details
- C. Example of Collaborative Service Provision

Executive Summary



Affordable Housing Plan

Vision: Everyone in our community lives in safe, affordable housing

Mission: To close Greensboro's housing affordability gap through collaborative community action

Imagine a community where everyone has access to safe, affordable housing. That is what the people of Greensboro imagined, in Community Conversations that took place throughout the city in 2016. They imagined everyone having a good place to live—with the right location, right price, and right design for accessibility. They envisioned home construction and maintenance promoting health, creating jobs, and improving property values.

How far away is Greensboro from this vision? Data from HUD used by the City of Greensboro to target affordable housing needs indicates that there is a gap of more than 20,000 households who are housing cost burdened (pay more than 30% of their income for housing). Estimates of population trends based on NC Office of State Budget and Management projections indicate that this gap will continue to grow if we do not act. Much of the housing that the lowest income families and individuals live in and struggle to pay for is substandard and sometimes dangerous. The shortage of safe affordable housing results in a downward spiral for families and economic disparities between distressed and prosperous neighborhoods.

In response to the large gap between our community's vision and our actuality, the people of Greensboro came together to push for new funding for affordable housing. City voters approved a \$25 million bond to increase our efforts to build and repair affordable housing. The City and The Community Foundation of Greater Greensboro (CFGG) then worked with community members to create a Housing Our Community Task Force to explore how we could best move forward toward our community's vision using this and other resources.

This Housing Our Community Task Force is comprised of more than 90 members who have been deeply engaged in housing, health, education, private industry, community services, finance, philanthropy, government, and other major sectors of our community. Together, we have considered the needs and ideas expressed in the Community Conversations, reviewed national best practices, considered conditions in Greensboro, and created the recommendations of this *Housing Our Community* Plan to reflect the voices of our community. We are recommending that Greensboro implement this path forward toward our vision that *everyone in our community lives in safe, affordable housing*.



I: Support: Create a public-private partnership to raise and leverage substantial, sustainable new investment for affordable housing in Greensboro

Even if we continue our current level of City work and investment we would only reduce the affordability gap by 1,200 units after five years of effort. Adding the new City bond funding will be a much-needed boost, (which will be largely spent down after five years) but even that will help us reduce the gap by just another 775 units. That is why it is critical that we engage the private sector to bring additional resources to the table that will help double our current capacity for affordable housing production, repair and assistance on a continuing, long term basis. If we combine the efforts of public and private resources, we can reduce the affordability gap by 3,200 units in five years and by 5,625 units in ten years, and gain the economic, health, and education benefits of affordable housing development and stable neighborhoods.

A. Create the “Housing Our Community Partnership” - a public-private entity that will coordinate and accelerate our collective community action by building community will, leveraging new private and external funding, and nurturing collaborations

1. Short-term: Continue working collaboratively over a two-year start up period to fine-tune details of structure and develop the Housing Our Community Partnership

- The Task Force recommends that the City and CFGG continue to work collaboratively over the next two years to develop the structure and business plan for a long-term public-private partnership such as those other communities are using to increase and sustain collaborative community action on affordable housing.
- The Task Force recommends that the City and CFGG share the responsibility and cost of this start-up period (estimated at approximately \$200,000 annually), and that CFGG be responsible, in coordination with the City, for day to day administration of this work, including staffing/contracting to develop the partnerships and assist in transitioning the HOC implementation work to it. During this time, initial advocacy and fundraising should also take place.

2. Long-term: Work collaboratively through the Housing Our Community Partnership to raise substantial new private investment, provide advocacy and foster collaborative efforts

The Task Force recommends that this collaborative Housing Our Community Partnership be charged with the following responsibilities.

- Advocate and build public support for affordable housing and initiatives that support production, maintenance, and access to affordable housing.
- Raise and leverage substantial new private and philanthropic funding to supplement and coordinate with the use of existing funding to implement the targeted strategies of this *Housing Our Community* plan, as described further below.
- Foster collaborations among housing developers, service providers, funding partners, community stakeholders, and anchor institutions such as hospitals and universities to maximize leveraging and outside investment.
- Set annual community goals for collaborative public and private housing production, repair, subsidy, service provision, advocacy, and fundraising. Track results and disseminate to the larger community for accountability.

B. *Provide public and private funding to support the building, rehab, repair and services recommendations of this HOC plan*

1. Short-Term: *Align existing public and new private funding for initial five-year costs of building, rehab, repair and services*

- Utilize approximately \$21 million of the \$25 million City bond funding over the next five years as targeted by the City for eligible housing activities. (Bond spending on projects will actually spread over 4 to 8 years for various projects.)
- Raise private funding of approximately \$1.5 million annually for immediate spending to leverage other capital for work to increase housing and services over the next five years

2. Long-term: *Develop new sustainable long-term funding sources to support affordable housing and services*

- Create a permanent Housing Our Community Fund to include a variety of endowment funds for long-term support of these HOC Plan affordable housing initiatives. The Task Force recommends that the existing Community Foundation housing funds of approximately \$1 million be used to support these housing initiatives. It is also recommended that additional private funds be raised to grow these funds or create additional housing funds, targeting an aspirational goal of \$30 million to generate approximately \$1.5 million annually in local investment that will leverage other capital to support affordable housing and services. CFGG can take the lead in designing and implementing the initial fundraising campaign. Fundraising, as noted above, will become the responsibility of the new HOC Partnership once it is constituted.
- Increase long-term funding through the City Nussbaum Trust Fund. The Nussbaum Fund was created in 1989 to provide one cent of annual ad valorem taxes for affordable housing. Currently, the Nussbaum Fund is allocated a lesser amount of approximately .69 cent ad valorem funding annually, which was \$1.9 million in 2017. For 2018, the value of this funding at the full one cent ad valorem would be \$2.7 million, or \$800,000 more than the 2017 funding. The Task Force requests City Council to consider restoring the Nussbaum Fund to the full one cent ad valorem funding, with the additional amount thus generated (e.g. \$800,000 in 2018) applied to the implementation of the HOC Affordable Housing Plan. The Task Force supports continuing the City's current housing activities funded through the Nussbaum Fund, and recommends that the City work to

allocate increasing percentages of the Nussbaum Fund annual funding to direct affordable housing development, repair, rehabilitation, and services.

C. *Incentivize building, repair and rehabilitation of affordable housing through public policy changes*

- The Task Force recommends that public policy changes highlighted as best practices in other communities to alleviate the housing affordability gap be considered to allow and encourage new types of building product, higher densities, more geographic diversity, and innovative programs to incentivize building and repair by private developers.

If we successfully create this strong framework for affordable housing, we can achieve the following goals to assist households struggling with affordability.

II. Build: Increase the inventory of affordable housing through new development, repair and renovation

A. *Develop an average of 290 new units of affordable housing annually*

The Task Force estimates that local public and private investment can leverage additional funding resources to create approximately 190 new units of affordable rental housing and approximately 100 new units of affordable homeownership housing annually.

B. *Preserve an average of 350 existing units of affordable housing annually*

The task Force estimates that local public and private funding and additional leveraged resources will enable total rehabilitation of approximately 50 substandard units annually, limited scope rehabilitation and repair to approximately 250 units annually, and increased geographic diversity of affordable housing by providing mortgage assistance to an average of 50 homebuyers annually.

III. Serve: Increase access and affordability through service and subsidies, and commitment to Fair Housing principles

A. *Expand the level of wrap around services utilizing innovative, collaborative service delivery models to more efficiently and effectively provide services*

The Task Force encourages enhancing and increasing intra-sector and cross-sector collaborations for service provision to increase the efficiency and scope of services that support access to safe, affordable housing.

B. Expand eviction prevention initiatives

The Task Force encourages the expansion of services such as landlord-tenant mediation, counseling and education, and emergency assistance to increase stability in affordable housing.

C. Provide rental assistance vouchers to approximately 70 households annually

Recognizing the critical need for voucher assistance, the Task Force recommends the utilization of existing City resources and new HOC funds to provide rental subsidy vouchers to an average of 70 families annually.

D. Commit to Fair Housing principles and equitable geographic distribution of affordable housing and community assets

The Task Force recommends that all housing initiatives and development undertaken intentionally support Fair Housing principles and work toward equitable geographic distribution of housing and community assets.



Affordable Housing Plan

Vision: Everyone in our community lives in safe, affordable housing

Mission: To close Greensboro's housing affordability gap through collaborative community action

A. Background: Taking action on Greensboro's affordability gap

More than 20,000 households in Greensboro struggle to pay for their housing. And Greensboro's longstanding need for more affordable housing has seen a striking increase in this decade even while national and state levels of needs have decreased. Despite many strong efforts by numerous individual entities to increase the supply of affordable housing over the years, economic and demographic trends have opened serious new gaps in affordability.

Greensboro's affordable housing gap: more than 20,000 households

Those members of our community who are considered by federal standards to be “housing cost burdened” pay more than 30% of their income for housing costs. This burden is especially heavy for those with lower incomes: over half of extremely low income households pay more than 50% of their income for housing. And much of the housing that these lower income families and individuals live in and struggle to pay for is substandard and sometimes dangerous to their health.

In the late 1980's, Greensboro began working actively to address housing affordability. Through the Visions community assessment and planning process, housing was identified as a top community issue. A City Department of Housing and Community Development was created, and one cent of every tax dollar annually was dedicated to a housing trust fund (the Nussbaum Fund) to develop affordable housing. This was a highly innovative idea at the time, positioning Greensboro on the leading edge of affordable housing development in the nation.

Over the past two decades, the City and community partners including affordable housing developers, service providers, and private funders have worked diligently to increase our inventory of safe, affordable housing.

However, due to economic and demographic trends, we have now fallen behind the state and the nation in addressing our housing affordability gap.

What does a strong, resilient community do when its efforts are overwhelmed by economic and demographic trends? It jumpstarts new innovation and strengthens collaboration to increase its capacity to make a difference.

In early 2016, the City of Greensboro (the City) and The Community Foundation of Greater Greensboro (CFGG) partnered to begin convening community members for a collective effort at closing Greensboro's housing affordability gap. Work began with community conversations that took place:

January 7, 2016, at Community Foundation of Greater Greensboro

January 25, 2016, at McGirt-Horton Branch Library

January 26, 2016, at Hemphill Branch Library

January 28, 2016, at Shiloh Baptist Church

February 4, 2016, at St. John's Methodist Church

Qualitative data from these community conversations on housing in Greensboro indicated strong support for a wide range of more affordable housing options in Greensboro, including supportive housing, special needs housing, affordable rental housing, and homeowner assistance and repair programs. Community suggested strategies included many innovative ideas for types of affordable housing (mixed income units, auxiliary dwelling units, shared housing) and also for increased income and other family and community supports to increase affordability. Suggestions also included a mix of funding options to support affordable housing including public funding, private funding, and public-private partnerships.

The City and CFGG then commissioned two white papers, *Affordable Housing in Greensboro: The Challenge and the Benefits* (Debbage, 2016) and *Economic and Community Impact of Affordable Housing Investment: A Report for the City of Greensboro* (North Carolina Housing Coalition, 2016), which both confirmed and further defined the need for additional affordable housing. The reports also highlighted the economic benefits of building and repairing housing. The two reports were summarized in *The Need for*

and Benefits of Affordable Housing in Greensboro NC (NPH Consulting 2016). All reports are available at <http://www.greensboro-nc.gov/index.aspx?page=4970>

The Challenge: A large gap in housing affordability

Effects of the 2008 recession as well as long term economic trends shifting away from manufacturing industries toward higher skilled service sectors continue to affect Greensboro. The number of families in poverty has doubled over the past decade, unemployment rates are still above the national average (<https://data.bls.gov/timeseries/LNS14000000>), and the slow housing market recovery has impacted affordable housing. New data on poverty indicates that Greensboro's poverty rate has decreased from its peak following the recession but remains higher than that of the U.S., state, and similar sized cities within the state (<https://census.gov/content/dam/Census/library/publications/2017/demo/P60-259.pdf>).

Based on available verified data, the affordable housing reports commissioned by the City and CFGG found that more than 38% of all households in Greensboro, renters and homeowners, are housing cost burdened. This number has increased by 8.6% since 2012, while state and national figures have gone down (to 31.3% in NC and 33.3% nationally). The 2016 Debbage report charted the trends in affordable housing gaps.

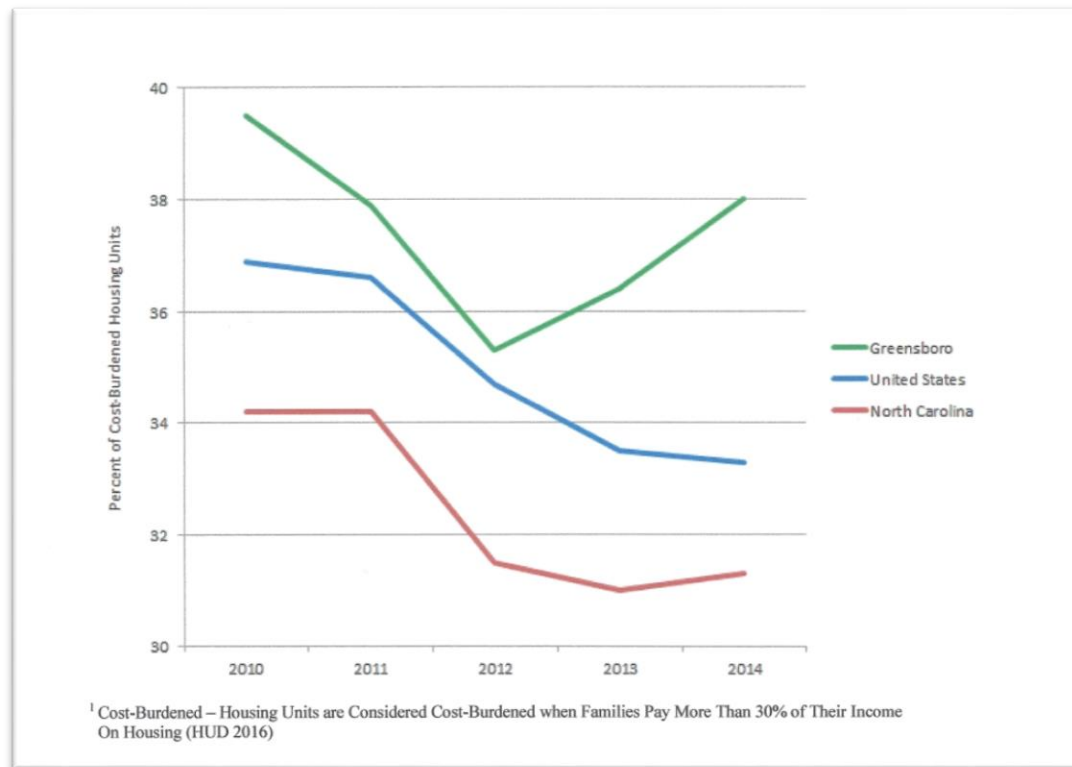


Figure 1: National, State and Local Trends in Affordable Housing Need

From *Affordable Housing in Greensboro: The Challenge and the Benefits* (Debbage, 2016)

The commissioned reports further show that in Greensboro, 49% of renter households are cost burdened. In addition to housing cost burden, many lower income renters face substandard housing conditions and overcrowding.

Greensboro's housing affordability gap is now more than 20,000 households (see the ***Housing Affordability Gap Matrix*** below). This need will continue to grow as our population grows and ages. NC Office of State Budget and Management estimates (<https://www.osbm.nc.gov/demog/county-projections>) indicate the Greensboro population could reach 302,521 by 2025 (a 12% increase since 2010). City of Greensboro Planning Department data indicate that our local population growth trends are relatively

stable with regard to racial and ethnic proportions (about 51% non-white in 2016), but trending proportionately older (a 7.7% increase in proportion of population 65 and older, compared to decreases in the proportion of working age population (ages 20-64)). So while median income for workers in Greensboro has increased since 2010 (with a slight decline between 2015 and 2016), the largest growth group in our population is among those most likely to be out of the workforce and on a fixed income. (<https://www.greensboro-nc.gov/Modules/ShowDocument.aspx?documentid=36574> .)

Across the nation, there is a growing gap between the rates at which wages are rising and the rates at which rental costs are rising (http://nlihc.org/sites/default/files/oor/OOR_2017.pdf). The increasing preference of younger populations, particularly Millennials, toward rental rather than homeownership also impacts the supply of housing, tightening rental markets and driving up rents. Rapidly growing communities such as Raleigh NC and Greenville SC are now seeing the effects of this trend in increasing gentrification and affordability gaps. (See, for example, Wake County's Affordable Housing Report <http://www.wakegov.com/humanservices/social/Documents/Wake%20County%20Affordable%20Housing%20Plan.pdf> (recently accepted for implementation by the Wake County Board of Commissioners) and Greenville's Affordable Housing Report at <https://www.greenvillesc.gov/DocumentCenter/View/9304> (accepted and now being implemented by the City of Greenville)). So while it is to be hoped that recent economic trends will increase wages and employment in Greensboro, that alone will not solve the affordability crisis. There will remain critical needs for more affordable units, and for services and supports to enable lower income families to access and remain in affordable housing.

As with national market trends, the overall rental market (houses and apartments) in Greensboro is tightening. Rental rates are increasing. Opportunities for homeownership among lower income and younger families are constrained. Homeownership rates reached a 5 year low of 47.9% in 2014 and have remained low at 48.9% according to the latest US Census American Community Survey 2016 1-Year Estimate.

Much of the housing unit construction that has begun to revive since 2009 has been of higher cost units. From 2009-2014, the number of rental units in the \$1,000 – \$1,249 rent level increased by 137%, while units in the \$300-\$349 rent level decreased by 29%. Unit bedroom size in the current housing stock does not meet the changing trends in population needs. Currently 24% of existing units are studio or one-bedroom apartments while more than 70% of renters are 1 or 2 person households.

More than 13,000 families are on the waiting list at the Greensboro Housing Authority for public housing units or vouchers, with approximately 9,000 of those having a local preference (meaning that they already live within Greensboro). The Housing Authority serves those in the lowest income ranges.

Despite gains in addressing homelessness, the local 2017 Point in Time Count of Homelessness showed 573 homeless individuals, including 47 families with children.

The Benefits: Housing, economic, health and education

In addition to providing safe and affordable housing for families and individuals who need it, building new affordable housing and rehabbing existing housing provides economic benefits to a community, creating jobs and a ripple effect on the local economy.

Economic Benefits: The National Association of Home Builders estimates that each 100 units of affordable housing development generates:

80 direct and indirect jobs related to construction;
42 induced jobs from spending of locally earned wages;
30 jobs that support the ongoing consumer activity of the new development's residents;
\$827,000 in one-time local tax/fee revenue; and
local wage and business earnings of \$2 million annually.

North Carolina Housing Finance Agency estimates that every \$1 million in State Housing Trust Fund dollars generates \$5 million in real estate value, \$455,000 in state and local revenue, and assists 108 households.

Health benefits arise from the housing itself being safe and healthy, avoiding issues such as lead poisoning, asthma, and accidental injury. Emergency and admission data from Cone Health System documented that emergency department visits and hospital admissions for respiratory illnesses are significantly higher in neighborhoods where substandard housing conditions

Each 100 units of affordable housing development generates:

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- **42 induced jobs from spending of locally earned wages**
- **\$827,000 in one-time local tax/fee revenue**
- **local wage and business earnings of \$2 million annually.**

have also been documented. Remediating moisture problems, improving ventilation, and providing pest control can substantially reduce asthma risks, while turning around deterioration of housing stock. Other housing repairs and renovations can reduce the risk of lead poisoning for children, and reduce the risks of falls and other accidents for older adults.

Health benefits also accrue from family resources being freed up to pay for health care and healthy food. A Center for Outcomes Research and Education report showed a 12% decrease in Medicaid costs for families moving into affordable housing. Several studies cited showed that increases in rent correlated with increased rates of food insecurity, an issue pertinent to Greensboro since in 2015 it was ranked first in the nation in food insecurity by the Food Research and Action Center, with 27.9% of Greensboro families lacking funds to buy food (compared to the national average of 17%).

Improved academic performance was shown in several studies cited that indicated that a more stable home environment leads to higher student achievement by reducing the stress and negative impacts of overcrowded home situations and frequent moves.

Environmental benefits are increased energy efficiency and environmental sustainability, as well as lower monthly energy costs for families in housing built with green building techniques.

[Data summarized from *Affordable Housing in Greensboro: The Challenge and the Benefits* (Debbage, 2016) and *Economic and Community Impact of Affordable Housing Development* (NC Housing Coalition 2016). See <http://www.greensboro-nc.gov/index.aspx?page=4970>

Breakdown of Need – Capacity –Gap by Income Ranges

In looking at need, it is helpful to consider the different needs at various household income levels and types of housing (rental or homeownership). Rental and homeownership needs can be very different, and the resources available (particularly federal and state funding) are typically targeted toward, and only available for, meeting needs within particular income ranges. The table below estimates the gap of affordable units based on household incomes and available vacant housing units at income affordability level. It is based on the most currently available American Community Survey (U.S. Census) data, and Comprehensive Housing Affordability Strategy (CHAS) data published by the U.S. Department of Housing and Urban Development. The first column names the income level. The “2013 Maximum Income” column shows the maximum income for a household of 4 people within the given income range. “Households in Income Range” gives the total number of Greensboro households within that range. “Maximum Affordable Price” is

the highest monthly rent or mortgage payment that such a household can afford. “Households in Affordable Units” shows the number of households in the given income range that can afford the units they live in (i.e., pay no more than 30% of their income for housing costs). “Households in more costly units” shows the number of households in that income range who are paying more than 30% of their income for housing costs. (These households are considered *Housing Cost Burdened*.) “Affordable Units Vacant” shows the number of vacant units that are within the cost range of households at the given income range. The “Surplus/Gap” column shows the gap in affordability that would remain even if housing cost burdened households were able to move into every affordable unit available to free themselves of their housing cost burden.

Greensboro Housing Affordability Gap Matrix

	2013 Maximum Income (4 person)	Households in Income Range	Maximum Affordable Price	Households in Affordable Units	Households in More Costly Units	Affordable Units Vacant	Surplus (+)/ Gap (-)
Renters							
Very Low Income	\$27,250	20,715	\$681	4,790	15,925	5,491	-10,434
Low Income	\$43,600	11,775	\$1,090	5,380	6,395	1,580	-4,815
Moderate Income	\$54,500	5,945	\$1,363	4,695	1,250	279	-971
Total		38,435		14,865	23,570	7,350	-16,220
Owners							
Very Low Income	\$27,250	7,230	\$115,292	2,080	5,150	1,146	-4,004
Low Income	\$43,600	7,765	\$184,467	3,655	4,110	358	-3,752
Moderate Income	\$54,500	5,640	\$230,584	3,085	2,555	248	-2,307
Total		20,635		8,820	11,815	1,752	-10,063
All Households							
Very Low Income	\$27,250	27,945		6,870	21,075	6,637	-14,438
Low Income	\$43,600	19,540		9,035	10,505	1,938	-8,567
Moderate Income	\$54,500	11,585		7,780	3,805	527	-3,278
Total		59,070		23,685	35,385	9,102	-26,283

2008-2013 ACS data and 2009-2013 HUD CHAS data

Greensboro Responds

In response to the identified need for affordable housing and potential benefits to the community of providing more affordable housing, Greensboro voters approved a bond referendum which authorized \$25 million in bonds in 2016 to support housing development and maintenance. As a follow-up to the 2016 Community Conversations, the City and CFGG worked with community representatives to develop the *Housing Our Community* Task Force to prepare a plan of action for developing, maintaining, and increasing access to affordable housing in Greensboro.

This Housing Our Community Task Force is comprised of more than 90 members who have been deeply engaged in housing, real estate, health, education, safety, community services, finance, philanthropy, government, and other major sectors of our community. (See *D. Acknowledgements* for HOC Task Force membership.)

Through numerous meetings from January 2017 to January 2018, our HOC Task Force has continued the work of the Community Conversations. We have considered the needs and ideas expressed in the Community Conversations, reviewed national best practices, considered conditions in Greensboro, and created the recommendations of this Housing Our Community Plan to reflect the voices of our community. We are recommending that Greensboro implement this path forward toward our vision.

In assessing the gaps, it became clear to the HOC Task Force that a combination of strategies is needed to target the gaps at various income levels with differing housing cost burden issues. Maintaining and increasing the inventory of affordable housing units is a major component of addressing the gap, but other strategies such as providing services or rental subsidies can also help.

One clear message that recurred through the planning process was that affordability is at heart a function of household income. Obviously, if households in the lower income ranges had higher incomes, the affordability gap would decrease. The United Way of Greater Greensboro commissioned a report on income levels required for self-sufficiency, *The Self-Sufficiency Standard for North Carolina 2017* (Center for Women's Welfare, University of Washington School of Social Work 2017) which showed how difficult it is for lower income families to meet basic needs even on an income considered above "poverty" level by federal guidelines (which do not include many major expenses such as child or senior care). Addressing this key issue is extremely important, and the HOC Task Force supports the work of others in addressing it.

However, demographic trends nationally and locally, as noted above, indicate that wage growth is likely to continue to lag behind rental cost growth. In addition, locally we will continue to have high numbers of young workers who need and want affordable rental

housing and a growing number of older adults on fixed incomes. The number of applicants on the Housing Authority's waiting list continues to grow. Therefore, it remains imperative that, while supporting work to increase incomes, we must address the immediate need to maximize the amount of, and access to, housing units that are affordable. To close the affordability gap that is being exacerbated by current economic and demographic trends, we need to build and preserve more units of different sizes and locations, at affordable housing costs, and provide the services that help people access and maintain stability in those units.

Through the Community Conversations, the city bond referendum vote, and the many hours of work of the members of the Housing Our Community Task Force, Greensboro as a community has articulated a bold new vision of collaboration for impact. The goals and strategies detailed below, based on best practices, are our HOC Task Force's recommendations of actions to build a pathway toward the community's vision of making Greensboro a community of robust housing diversity and affordability where *everyone in our community lives in safe, affordable housing*.

B. Goals and Strategies

The *Housing Our Community* Task Force considered community needs and opportunities, barriers to affordable housing development and access, and best practices nationwide. Recognizing that it is not feasible to attempt to address the full affordability gap of more than 20,000 units at one time, the Task Force developed the plan that follows to immediately begin addressing the need, starting with five-year goals, while putting in place a permanent framework for ongoing work.

That permanent framework of ongoing support for our collaborative community work that will engage key stakeholders and new funding resources and monitor and communicate results will be the keystone of this effort. With this framework in place, we will be able to increase our inventory of affordable housing through new development and repair and rehabilitation, and increase access and affordability through services, subsidies, and commitment to Fair Housing principles.

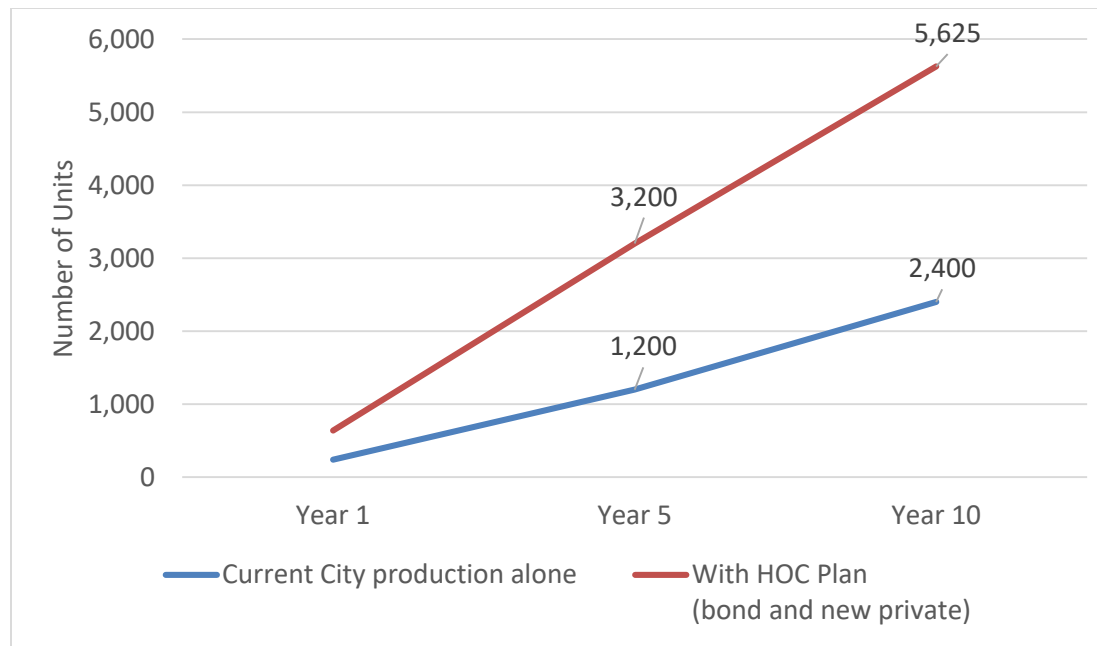
The following narrative details our strategies in these three areas and provides our aspirational goals and projected costs. The projections and numerical estimates are based on historical trends and anticipated future funding and should be considered as a “GPS” for our collaborative work, reviewed and updated frequently to accommodate changing trends and resources.

I. Support

- Create a public-private partnership to raise and leverage substantial, sustainable new investment for affordable housing in Greensboro

Even if we continue our current level of City work and investment we would only reduce the affordability gap by 1,200 units after five years of effort. Adding the new City bond funding will be a much-needed boost (which will be largely spent down after five years), but even that will help us reduce the gap by just another 775 units. That is why it is critical that we engage the private sector to bring additional resources to the table that will help double our current capacity for affordable housing production, repair and assistance on a continuing, long term basis. If we combine the efforts of public and private resources, we can reduce the affordability gap by 3,200 units in five years and by 5,625 units in ten years, and gain the economic, health, and education benefits of affordable housing development and stable neighborhoods. This impact is shown graphically below.

Housing Our Community Housing Production Impact



Strategy A: Create the “Housing Our Community Partnership” - a public-private entity that will coordinate and accelerate our collective community action by building community will, leveraging new private and external funding, and nurturing collaborations

1. Short-term: Continue working collaboratively over a two-year start-up period to fine-tune details of structure and develop the Housing Our Community Partnership

- The Task Force recommends that the City and CFGG continue to work collaboratively over the next two years to develop the structure and business plan for a long-term public-private partnership such as those other communities are using to increase and sustain collaborative community action on affordable housing.
- The Task Force recommends that the City and CFGG share the responsibility and cost of this start-up period (estimated at approximately \$200,000 annually), and that CFGG be responsible, in coordination with the City, for day to day administration of this work, including staffing/contracting to develop the partnerships and assist in transitioning the HOC implementation work to it. During this time, initial advocacy and fundraising should also take place.

2. Long-term: Work collaboratively through the Housing Our Community Partnership to raise substantial new private investment, provide advocacy and foster collaborative efforts

The Task Force recommends that this collaborative Housing Our Community Partnership be charged with the following responsibilities.

- Advocate and build public support for affordable housing and initiatives that support production, maintenance, and access to affordable housing.
- Raise and leverage substantial new private and philanthropic funding to supplement and coordinate with the use of existing funding to implement the targeted strategies of this *Housing Our Community* plan, as described further below.

- Foster collaborations among housing developers, service providers, funding partners, community stakeholders, and anchor institutions such as hospitals and universities to maximize leveraging and outside investment.
- Set annual community goals for collaborative public and private housing production, repair, subsidy, service provision, advocacy, and fundraising. Track results and disseminate to the larger community for accountability.

Strategy B: Provide public and private funding to support the building, rehab, repair and services recommendations of this HOC plan

1. Short-Term: Align existing public and new private funding for initial five-year costs of building, rehab, repair and services

- Utilize approximately \$21 million of the \$25 million City bond funding over the next five years as targeted by the City for eligible housing activities. (Bond spending on projects will actually spread over 4 to 8 years for various projects.)
- Raise private funding of approximately \$1.5 million annually for immediate spending to leverage other capital for work to increase housing and services over the next five years

2. Long-term: Develop new sustainable long-term funding sources to support affordable housing and services

- Create a permanent Housing Our Community Fund to include a variety of endowment funds for long-term support of these HOC Plan affordable housing initiatives. The Task Force recommends that the existing Community Foundation housing funds of approximately \$1 million be used to support these housing initiatives. It is also recommended that additional private funds be raised to grow these funds or create additional housing funds, targeting an aspirational goal of \$30 million to generate approximately \$1.5 million annually in local investment that will leverage other capital to support affordable housing

and services. CFGG can take the lead in designing and implementing the initial fundraising campaign. Fundraising, as noted above, will become the responsibility of the new HOC Partnership once it is constituted.

- Increase long-term funding through the City Nussbaum Trust Fund. The Nussbaum Fund was created in 1989 to provide one cent of annual ad valorem taxes for affordable housing. Currently, the Nussbaum Fund is allocated a lesser amount of approximately .69 cent ad valorem funding annually, which was \$1.9 million in 2017. For 2018, the value of this funding at the full one cent ad valorem would be \$2.7 million, or \$800,000 more than the 2017 funding. The Task Force requests City Council to consider restoring the Nussbaum Fund to the full one cent ad valorem funding, with the additional amount thus generated (e.g., \$800,000 in 2018) applied to the implementation of the HOC Affordable Housing Plan. The Task Force supports continuing the City's current housing activities funded through the Nussbaum Fund, and recommends that the City work to allocate increasing percentages of the Nussbaum Fund annual funding to direct affordable housing development, repair, rehabilitation, and services.

Short-term Sources	Average Annual Local Investment
City Bond	4,200,000
HOC Partnership funds	1,500,000
Sources Total	5,700,000

The \$25 million City housing bond passed in 2016 should provide approximately \$21 million in spending to support the initiatives of this HOC plan during the initial five years of implementation. (Bond spending on projects will actually spread over 4 to 8 years for various projects.). This provides an annual average of \$4.2 million in support.

The additional private funding to be raised for short term spending would provide another \$7.5 million over the initial five-year implementation period, or an annual average of \$1.5 million.

The local investment from both these sources should total approximately \$28.5 million over the five-year period, or approximately \$5.7 million annually. This local investment is expected to leverage additional funding of an estimated average of \$2.1 per each local dollar invested for development, rehabilitation, and repair of affordable housing, for a total of approximately \$58 million in leveraging over the five-year period to support these activities. This estimate is based on historical Greensboro leveraging averages. Actual leverage will vary depending on program, project and source.

Short-term Uses	Average Annual Uses
<i>Goal II: Build</i>	
<i>Strategy A: Develop new affordable housing</i>	
New Rental Units	2,855,000
New homeownership units	400,000
<i>Strategy B: Preserve existing affordable housing</i>	
Total rehab of substandard units	910,000
Limited scope rehab/repairs	850,000
Buyer incentives/mortgage assistance	550,000
<i>Goal III: Serve</i>	
Expand wrap-around services	35,000
Expand eviction prevention	40,000
Provide rental assistance vouchers	60,000
Uses Total	5,700,000

See details of recommended strategies and uses below under ***GOAL II: BUILD*** and ***GOAL III: SERVE***.

Long-term Support and Uses:

By developing the HOC Partnership and growing the HOC funds as described above, we can generate sustainable long-term funding to continue supporting this work. The Task Force recommends a goal of raising \$30 million in HOC funds to generate an average annual return on investment of \$1.5 million that can leverage additional funding for use on housing and services. By continuing to invest and

leverage new private funding, and by implementing the recommendations below to incentivize private development, we can continue to nearly double our current capacity for production, rehab, and repair and increase our collaborative services and subsidies. This would result in reducing our gap by more than 5,000 units over the next ten years, while sustaining the community benefits of housing development, repair, and household and neighborhood stabilization.

Strategy C: Incentivize development of affordable housing through public policy changes

As in many communities, there is a tension in Greensboro between zoning, building codes, and policies that enhance community vitality and safety and the costs associated with these policies which ultimately drive up the cost of developing and maintaining housing. Nationwide, many communities (including, most recently, Raleigh, NC) have targeted making policy changes as a tool to increase affordable housing. Many of the opportunities identified by the HOC Task Force for developing more affordable housing in Greensboro, particularly by private developers, are related to, or could be alleviated by, our public policies, zoning, and building codes. Currently, some zoning and building codes lack the flexibility to encourage new types of housing products, high density, and mixed product/mixed income development, since the codes do not treat the development of affordable housing any differently than other housing development. The Task Force recommends changes to these policies to encourage more affordable housing development.

Ultimately, policy is a reflection of community will. In order to make policy changes, community will must change toward a greater acceptance of affordable housing. If the community maintains the same prejudices against “affordable,” “new and different,” or “dense,” Greensboro will continue to have housing affordability gaps. A strong and comprehensive public education campaign to build community support for changes that advance affordable housing will be a cornerstone of achieving successful outcomes in closing the affordability gap. The HOC Partnership will take a leading role in advocacy and education.

The Task Force recommends that the following changes be considered.

1. Incorporate HOC affordable housing strategies into Long Range Planning.

The upcoming Comprehensive Plan update should have housing affordability as a major focus area and include HOC Strategies in land use planning.

2. *Implement policy, zoning, and building code changes that will lower housing cost burdens and incentivize new development, repair, and rehabilitation*

For development of new stock:

The following are examples of recommended policy changes that will decrease building costs and incentivize development of new rental and homeownership stock to add to the inventory of affordable housing.

- Explore new alternative ways to support innovative new small and affordable product types, such as tiny houses, “missing middle” infill housing, and others. (See ***Attachment B: Policy Recommendation Details*** for suggestions of specific alternatives and products.)
- Strategically target programs and incentives to rental or owner-occupancy to mix incomes within geographic areas to stabilize and revitalize neighborhoods.
- Offer a mortgage assistance program for properties with lower value which may not meet conventional financing standards (for example, those with market values less than \$50,000).
- Explore alternative avenues of City participation to support development of new affordable housing through mechanisms such as land banking and strategic water and sewer extension. (See ***Attachment B.***)
- Explore offering incentives for for-profit and not-for-profit private-sector builder/developers to include affordable housing and workforce housing in projects of higher price/rent ranges, such as density bonuses for voluntarily including affordable/workforce housing units, participation in infrastructure costs, waiving of permit and zoning fees, and providing fast-track permitting processes.
- Leverage new product promotion and construction workforce development programs to create innovative housing while providing construction workforce training.

For repair and rehabilitation of existing stock:

The following are examples of recommended policy changes that will decrease building costs and incentivize repair and rehabilitation to preserve our existing inventory of affordable housing.

- Raise the allowed number of unrelated persons in a dwelling to 6 from the current 4 (one of the lowest in the state) to allow fuller use of existing affordable housing.

- Ensure that the Residential Building Inspections program increases the types of violations that would be probable cause for inspection of the buildings, so that Code Compliance can ensure that buildings remain habitable.
- Map and target certain areas for existing housing stock rehabilitation. Identify areas where housing stock is beginning to decline by particular blocks, streets, or neighborhoods for **rehabilitation** to arrest the downward decline while it is still possible and cost effective. Identify areas where major decline has already taken place for **redevelopment** for the wisest use of resources. Identify “Quick Start” opportunities for the momentum-building potential of “quick” wins. Prioritize areas with transit and other ancillary services needed by residents of affordable and workforce housing.
- As units become available, prioritize selling city-owned or controlled dwelling units for rehab or redevelopment. To the extent possible, sell in batches for efficiency of rehabilitation.
- Offer incentives to buy and rehab distressed properties for owner-occupancy, resale or rental, through such mechanisms as: forgiveness of (or leeway on) satisfying tax liens, assessments, and code violation fines when acquired by new owner for rehab/redevelopment, and other mechanisms detailed in *Attachment B: Policy Recommendation Details*;
- Hold a design competition with a monetary prize to transform existing stock to stimulate innovation in affordable, habitable housing.
- Support state policy changes such as the HB573 Receivership Bill (which allows judges in cities of a certain population to appoint receivers for rehab) that incentivize rehabilitation.

See *Attachment B: Policy Recommendation Details* for more on these recommendations to incentivize the building, repairing and rehabilitating of affordable housing

II. Build

- **Increase the inventory of affordable housing through new development, repair and rehabilitation**

Essential to addressing the affordable housing gap is increasing the inventory of affordable units. This includes both the production of new housing and the repair and rehabilitation of existing housing, which may include weatherization, energy efficiency upfits (to decrease utility costs), aging in place and handicap modifications (to enable older adults and disabled individuals to remain in their homes and avoid having to move to more costly accommodations), or moisture control and pest control to remediate asthma triggers. The development and renovation of physical units of housing not only increases the supply of affordable housing but also provides the economic benefits of creating jobs and impacting the local economy, as well as improving health and education outcomes, and stabilizing neighborhoods, as detailed above in *Section A: Background*.

The City of Greensboro, The Community Foundation of Greater Greensboro, and housing partners already have made proactive efforts to expand our affordable housing supply. Yet the larger economic and demographic trends defined in *Section A. Background* have held our community back from achieving the level of affordable stock we need to really impact the problem.

The Task Force has set our goal for building and repair, to increase Greensboro's supply of affordable housing and reap the associated economic benefits, as working collaboratively to at least double our current capacity for building production and repair.

We will do this through the addition of City Housing Bond resources approved by voters in the 2016 Bond Referendum, and through the development of private funding resources to ensure that our community is able to continue to produce and maintain an adequate supply of affordable housing. We will also spur private development through targeted public policy changes such as those listed above. See *GOAL I: SUPPORT* for more on the use and development of resources for affordable housing.

To develop housing goals, Housing Our Community Task Force community members worked with City staff and other partners to determine historical trends in housing development, including patterns of previous leveraging of funds, to estimate how many units of affordable housing new dollars invested might create or preserve. Numbers have been averaged and rounded, so do not necessarily

translate directly to per unit development costs, but present an overall framework for what our housing production and repair could look like with current City bond funding and new Housing Our Community funds dollars.

Strategy A: Develop an average of 290 new units of affordable housing annually over the next 5 years

1. Develop an average of 190 new units of affordable rental housing annually using Low Income Housing Tax Credits or other subsidies to leverage local public and private investment to decrease development and operating costs to make units affordable at lower income levels.

Development of new affordable rental housing to increase our inventory is critical to closing the affordability gap. Using currently available funding and leveraging through the Low Income Housing Tax Credit (LIHTC), Home Investment Partnerships Program (HOME), and Supportive Housing Development Program (SHDP), the City and housing development partners are able to develop an average of about 50 units annually. By utilizing the new City bond funding and projected private funding to leverage additional dollars, and incentivizing additional private development through new policy changes, our average annual development capacity could more than double to approximately 190 new affordable rental units.

These units will primarily target the large affordability gap for households with low and very low income. The very low income level has the highest affordability gap and that high level is an indicator of the difficulty of serving households at lower incomes; the reality is that the cost of building and maintaining a physical housing unit is often much greater than can be supported by rents that are affordable to very low income households. A typical very low income household of four persons cannot afford to pay more than about \$681 in monthly rent; at the very lowest income levels, even that amount is too much. HUD's projected 2018 Fair Market Rent (considered a reasonable rent based on community averages) for a two-bedroom apartment in Greensboro is \$806. Leveraging public and other subsidies to decrease the cost of development and the amount of debt carried by the developer is the primary way to bring the cost of these units to an affordable level.

Even with these subsidies to developers to defray the cost of development, households at the very lowest income levels are often unable to pay the monthly rent without additional help. A national report on serving those with extremely low income detailed the challenges. *Aligning Federal Low Income Housing Programs with Housing Need* (National Low Income Housing Coalition, 2014), based on an analysis of Low Income Housing Tax Credit properties, found that even with public subsidies such as tax credit funding

to reduce the cost of development, a majority of affordable housing developments could not sustain units for the lowest income households without additional ongoing subsidy to the household.

The depth of subsidy assistance required for the very lowest income households means that federal rental subsidy remains the most viable option for serving renters at that income level. It is one reason that federal rental subsidy through public housing and rental vouchers was implemented decades ago.

The Greensboro Housing Authority (GHA), which administers that federal subsidy locally, is the key entity currently serving over 6,000 Greensboro very low income households, representing over 12,000 individuals, through federally subsidized public housing units, Project Based Vouchers, Housing Choice Vouchers, and other voucher programs such as Veterans Affairs Supportive Housing and Housing Opportunities for Persons with AIDS (HOPWA). However, the waiting list for GHA rental units/vouchers is over 13,000 families (with 9,000 of these families currently living in Greensboro).

As the largest affordable housing provider in Greensboro, GHA will continue to be a major partner in closing the affordability gap for Greensboro's very lowest income households.

Having experienced decades of decreased federal operating subsidy and capital funding, GHA has emerged as one of the national leaders in converting its public housing funding sources into Project Based Voucher funding through HUD's Rental Assistance Demonstration Program. This program enables GHA to better access funding for capital improvements to maintain and rehabilitate its housing units. To date, GHA has accessed funding through this program for needed repairs and upfits for most of its housing units. However, GHA still has an estimated shortfall of approximately \$9 million to rehabilitate or replace its remaining 430 public housing units. It is vital that our community support GHA in preserving this key resource for Greensboro's lowest income households.

Households at lower income levels are also likely to need and benefit from the other strategies detailed below under ***GOAL III: SERVE.***

Moderate income families, with household incomes of \$54,500 and above for a family of four, often face an affordability gap but do not qualify for most federally funded subsidy programs, which are targeted to lower income households. These moderate income households are working class families who are our community's teachers, firefighters, police officers, health care aides, and other

critically needed workers who struggle to meet the cost of their housing. Currently, due to federal funding targeting restrictions, no rental units are being produced for moderate income households through the City's federally funded housing production programs.

The City bond funding will provide the resources for producing an average of 60 new rental units annually. The HOC funds will provide the resources for producing another 50 new rental units annually. The exact mix of units will depend on the specific projects developed but it is projected, based on historical local development trends, that a majority of the units would be targeted to the Very Low and Low Income levels.

It is projected that private for-profit developers will build approximately 30 new rental units annually, targeted primarily toward moderate income renters, if policy and regulatory updates are made to facilitate development as described above in ***Goal I. Support.***

In total, these new resources are projected to produce an average of 140 new affordable rental units annually. When added to our current production of approximately 50 units annually, they will bring our average annual production up to 190 new affordable rental units over the next five years.

2. *Develop an average of 100 new units annually of homeownership housing* through City bond funding, HOC funding, leveraging of public funds such as HOME, and private development to make units affordable at various income levels.

Some low and moderate income families who wish to become homeowners will require the development of new affordable homeownership units.

As with renter households, households at moderate income levels who wish to become owners face an affordability gap but often do not qualify for federally funded subsidy programs, which are targeted to lower income levels. Only a few homes, targeted toward the upper low income levels, are currently built annually through the City's housing production and rehabilitation programs in targeted redevelopment areas.

The production of additional affordable homes will enable more of these low and moderate income households to access the benefits of home equity and become property owners who contribute to the community's tax base. The City bond is expected to provide funding to build an average of 10 additional homeowner units annually for low income and moderate income households. New HOC

funds are expected to also enable average annual development of another 5 new homeownership units for low and moderate income households.

Key partners in increasing our affordable homeownership housing production capacity will be private sector developers, who are expected to build an average of 80 additional affordable homeownership units annually if policy and regulatory updates are made to facilitate and incentivize development at lower prices.

When added to our current production capacity, these new resources and the leveraging they can produce, will bring our average annual production capacity to 100 new homeownership units annually.

<i>Strategy B: Preserve an average of 350 existing units of affordable housing annually over the next 5 years</i>
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1. Totally rehabilitate an average of 50 substandard units annually working with code compliance/abandoned properties.

Targeted total rehabilitation of existing housing that has deteriorated to the point of not being habitable provides an opportunity to restore these units to the inventory of available affordable housing. Currently, City-funded programs assist in total rehabilitation of approximately 10 units annually, primarily for homeowner housing units. It is anticipated that with the current City bond funding, and private HOC funds, 30 additional units could be targeted for total rehab, serving both owners and renters at various income levels.

Private sector rental investors are also expected to contribute to increasing housing rehabilitation. These investors can request to receive a list of housing units on the code enforcement demolition list so that they can contact owners to discuss interest in selling. In the past four years, this has resulted in total rehabilitation of over 100 housing units previously deemed uninhabitable, with the purchasers' own resources rather than public or philanthropic funds. Continued and expanded communication and coordination will further leverage this resource. We expect an average of at least 10 units annually will be rehabilitated by private developers

Together, these resources will bring our average annual capacity for total rehabilitation to approximately 50 units.

2. *Provide limited scope rehabilitation and repair to an average of 250 units annually*

Rehabilitation, repairs, and upfitting of more limited scope are essential tools in maintaining the current inventory of affordable housing. These kinds of rehab and repairs may include weatherization, energy efficiency upfits (to decrease utility costs), and aging in place and handicap modifications (to enable older adults and disabled individuals to remain in their homes and avoid having to move to more costly accommodations). Asthma remediation measures often include plumbing, heating and ventilation, pest management, sealing holes in walls and floors, and replacing worn carpet with smooth cleanable floors.

Lower income renters benefit from rehabilitation and repairs to landlord-owned properties that maintain and increase the inventory of safe, affordable rental housing. Because city ordinances and state law require that property owners maintain rental housing to minimum safety standards, code enforcement can be a tool to motivate repairs that prevent housing from becoming uninhabitable.

Lower income owner households once had the financial means or assistance to become homeowners but now struggle with the cost of maintaining their homes. Their needs are different from renters in that they must bear the cost burden of repair or rehabilitation to the property (as well as any ongoing mortgage payments and property taxes). If they are older adults and facing mobility challenges, they may need housing renovations to remain in their homes and avoid moving to more costly assisted housing. At any age, they may face needed repairs to avoid housing code violations or need renovations to improve energy efficiency and decrease high utility costs.

Community agencies working with the City's Community Development Block Grant (CDBG) rehabilitation program and the Nussbaum Home Repair Operations program currently provide limited scope rehab or repair services to approximately 150 units annually, primarily for very low and low income households. The City Bond is expected to provide funding for an average of 40 additional units to be repaired/rehabbed annually for households at very low, low, and moderate income levels. HOC funds are expected to enable an average of another 40 additional units to be rehabbed or repaired annually for low, very low, and moderate income households.

Private developers are expected to do limited scope repairs and rehabilitations to an average of 20 additional units annually.

Added to our current annual production, these new resources will bring our average annual number of units repaired annually to 250 units.

3. *Provide buyer incentives/mortgage assistance for existing housing to an average of 50 buyers annually to create a better geographical mix of income diversity*

The City currently provides mortgage assistance to approximately 25 low income households annually, and the City bond is expected to provide mortgage assistance to an average of additional 20 households at low and moderate incomes. Through projected HOC funds, an average of 5 additional households will be provided mortgage subsidies. These subsidies can be targeted to help incentivize a better mix of incomes within geographic areas.

Summary of building and repair targets: The table below shows our approximate current annual capacity for producing additional affordable housing through new development and rehabilitation/repair, and our projected average annual targeted increases in available affordable housing units in Greensboro using these new City bond, HOC funds, and private sector resources. The table projects an annual average based on total projected production over five years; the actual annual numbers will vary depending on the availability of funding, tax credit financing, and other factors. These estimates were developed by Task Force members including City and CFGG staff and other partners based on historical trends in local housing development, including patterns of previous leveraging of funds. Estimated production numbers have been averaged and rounded, and so do not necessarily translate directly to per unit development costs.

GOAL II: Increase the inventory of affordable housing through new development, repair, and rehabilitation							
Strategy	Baseline Annual Capacity	Projected Additional Annual Capacity – Bond Funds	Projected Additional Annual Capacity – HOC Funds	Projected Additional Annual Capacity – Private Market	Projected Total Additional Annual Capacity	Total Annual Production (Baseline + New)	Projected New Funding (City Bond + HOC Funds)
Strategy A: Develop New Affordable Housing							
New rental units	50	60	50	30	140	190	2,855,000
New homeownership units	5	10	5	80	95	100	400,000
Strategy B: Preserve existing affordable units							
Total rehab of substandard	10	25	5	10	40	50	910,000
Limited scope rehab/repairs	150	40	40	20	100	250	850,000
Buyer incentives/ mortgage assistance	25	20	5	0	25	50	550,000
Total Units	240	155	105	140	400	640	
Total annual average new local investment for Goal II							5,565,000*
Five-Year total new local investment							27,825,000*

*Local investment is based on an average of bond spending of \$4.2 million per year over the five-year period and an average of \$1.5 million of new private investment over the five-year period. This local public and private funding is expected to leverage additional funding of an estimated average of \$2.1 per each local dollar invested to generate funding for development, rehabilitation, and repair of affordable housing. For the five-year period, the total local investment of approximately \$27,825,000 should generate approximately \$58 million in leveraging. Estimates based on historical Greensboro leveraging averages. Actual leverage will vary depending on program, project, and source.

III. Serve

- **Increase access and affordability through services, subsidies, and commitment to Fair Housing principles**

Approximately 5 – 10% of the new HOC Fund annual spending should be targeted toward boosting supportive services initiatives and collaborations to assist primarily the lowest income households in accessing and maintaining affordable housing. This funding will supplement ongoing funding from City and public and private nonprofit service agencies that already supports service provision. The HOC funds will focus on assisting agencies in accessing available funding, providing matching funding where needed, and helping to build collaborations that can increase efficiency and impact.

Strategy A: Expand the level of wrap around services utilizing innovative, collaborative service delivery models to more efficiently and effectively provide services.

Crucial to ensuring better housing access and stability, particularly for the lowest income renters, are services such as outreach, education, housing counseling, and system navigation. Pre-purchase homebuyer education is also crucial to prepare those readying for the responsibilities of homeownership. These services should be expanded to ensure that lower income families are able to find appropriate affordable housing and to achieve housing stability.

Increased impact can be achieved through innovative and collaborative new options for service delivery such as the models provided by the Greensboro Housing Hub, InvestHealth, and others that maximize efficiency of staff and space and enable a broad scale of community service.

The Housing Hub concept provides an intra-sector collaboration of affordable housing service providers under one roof as a “one-stop shop” for affordable housing services and solutions, creating economic efficiencies for the partnering agencies and easier access to a wide range of services for people in need of help with housing. Housing Hub partners include Habitat, Greensboro Housing Coalition,

Community Housing Solutions, Housing Consulting Group, Partnership Homes, and Tiny Homes. The Servant Center, while not co-located is also a Hub partner. The City and CFGG provided funding to support the Housing Hub.

InvestHealth is a cross-sector collaboration model aligning Cone Health, UNCG, the City of Greensboro, East Greensboro Now, and Greensboro Housing Coalition that is focused on assisting residents in remediating substandard housing to create improved health outcomes in identified “Health Impact Communities.” These communities have been identified through Cone Health System data as having have higher incidences of emergency department visits and hospital admissions for respiratory illnesses, and they are the same communities that have also been identified in studies as having higher rates of substandard housing. The InvestHealth project combines services (outreach, health education, resource navigation, and home repair skills training) with repair and rehabilitation work to empower residents and landlords to make their properties healthier and safer. It has leveraged substantial funding through Robert Wood Johnson Foundation, and brought in over \$5 million of Community Development Financial Institution (CDFI) funding to help preserve affordable housing. This type of cross-sector collaboration maximizes existing resources and attracts additional external resources to increase service provision, and also incorporates one of the key policy recommendations of **GOAL I: SUPPORT** in targeting specific geographic areas of need or opportunity.

See *Attachment C: Example of Collaborative Service Provision* for more details.

These types of innovative collaborations can help ensure successful access to and sustainability of housing while maximizing efficiency of resource usage.

Building on and strengthening collaborations between health and housing, neighborhoods, workforce development and housing initiatives, and other community asset networks to improve access to and stability in safe, affordable housing will be key to successfully closing the affordable housing gap.

Approximately \$35,000 of the HOC funds should be allocated annually toward increasing collaborations for extended provision of wraparound services which target primarily the lowest income households.

Strategy B: Expand eviction prevention and household stability initiatives.

Among the most crucial ways to ensure housing stability is the provision of eviction prevention services to minimize the trauma and disruption to families and the economic costs to landlords of evictions, and to maximize the utilization of existing affordable housing. Emergency financial assistance to avoid evictions due to inability to pay utilities or rent owed in a crisis situation, Landlord-Tenant mediation to defuse situations potentially leading to eviction, and Landlord and Tenant Education services to help both parties understand obligations and ensure that people remain successfully housed are among these critical types of services. In addition, very short-term rental subsidy is needed to stabilize households in crisis while they are assisted in regaining their stability.

In one current collaborative effort, the Greensboro Housing Coalition is working to develop a pilot program that would involve collaboration with UNCG for research and with rental owners and other partners to develop an intervention model to divert potential eviction cases from adjudication into mediation and case management, keeping tenants in their homes while addressing both landlord and tenant concerns.

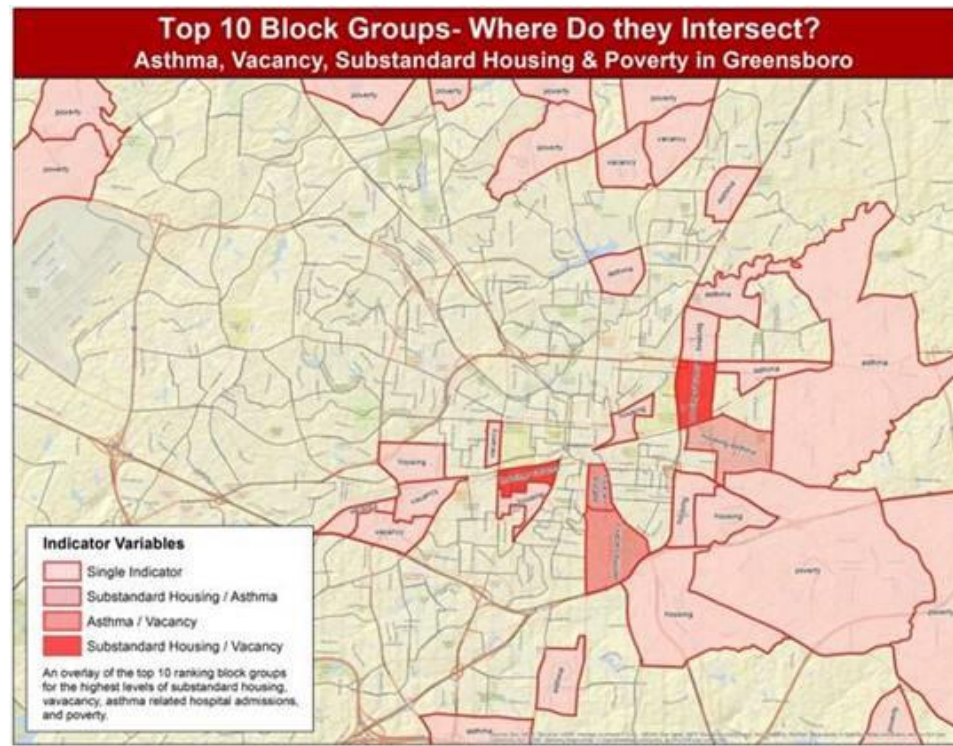
Approximately \$40,000 annually of HOC funds should be targeted toward extended provision of eviction prevention and household stability services which target primary the lowest income households, again prioritizing service provision through collaborations and partnerships.

Strategy C: Provide rental assistance vouchers to approximately 70 households annually

In addition to the Greensboro Housing Authority vouchers described above in **GOAL II: BUILD**, the City provides federally subsidized rental assistance vouchers through the HOPWA program (an average of 30 vouchers annually) for persons with HIV/AIDS, and locally subsidized rental assistance vouchers through the Nussbaum Fund (an average of 20 vouchers annually). These vouchers make existing units affordable to lower income households. Recognizing the critical need for voucher assistance, the Task Force recommends utilizing HOC funds to provide rental subsidy vouchers to an average of 20 low to very low income families annually at an estimated cost of \$60,000 annually.

Strategy D: Commit to Fair Housing Principles

Greensboro's historical housing patterns of segregation and red-lining have led to wide disparities between neighborhoods in different geographic location within the city. The bulk of our housing challenges, including household poverty and substandard dwelling conditions, are concentrated in a crescent that roughly covers parts of northeast Greensboro to south central Greensboro. See Map below prepared by UNCG's Center for Housing and Community Studies: **Top 10 Block Groups –Where Do They Intersect?** This map shows visually the areas of our community that are most impacted by one or more of the issues of poverty, substandard housing, vacancies, and high incidence of asthma. See **GOAL I: SUPPORT** and **Attachment B** for recommendations of policy solutions to incentivize investment in these areas and to incentivize better mixing of households of all incomes across the city. In all our work through this HOC plan, we must be committed to supporting Fair Housing principles and prioritizing solutions that work toward more equitable geographic distribution of good housing and community assets.



C. Conclusion: Moving Forward

Through our Community Conversations, the citywide bond referendum vote, and the many dedicated hours of work of the members of the Housing Our Community Task Force, Greensboro as a community has articulated a bold new vision of collaboratively wrapping our community resources around the affordability gap in Greensboro. Public and private agencies, nonprofit and for-profit developers, affordable housing consumers, providers, and other community stakeholders have come together to develop and support this plan of action.

By providing a strong framework of ongoing support through the establishment of the Housing Our Community public-private partnership, we will ensure that we have the resources for sustainable long-term solutions. With those resources, as well as the City bond funding, and policy incentives to private developers in place, we will build, rehabilitate and repair units to increase our inventory of affordable housing, and we will provide services to increase access, affordability, and stability in housing. We will provide continuous reporting and accountability to the community as we move forward.

With acceptance by the Community Foundation of Greater Greensboro Board, and the City Council, implementation of this plan will begin. A two-year start-up period will be initiated to create the ongoing Housing Our Community partnership and carry out initial advocacy and fundraising campaigns, with support to be provided by Community Foundation of Greater Greensboro and the City of Greensboro. Once the Housing Our Community partnership structure is in place, the partnership will become progressively more responsible for operations and fundraising of new investments, as well as nurturing community partnerships and reporting to the community. No one entity alone can solve our affordability crisis. But together, our community can work collaboratively to implement this *Housing Our Community* plan and assure that we move toward our vision of making Greensboro a place where *everyone in our community lives in safe, affordable housing*.

Implementation Timeline and Responsibilities

Implementation Action	Date	Responsible Parties
CFGG Board Acceptance	February 27, 2018	CFGG Board
City Council Acceptance	March 20, 2018	City Council
Presentation to Community	March 28, 2018 (Housing Summit)	HOC Steering Committee
2-Year start Up	2018 – 2020	CFGG, City

D. Acknowledgements

Steering Committee		Company/Affiliation	Title
<i>Co-chairs:</i>			
Nancy	Vaughan	City of Greensboro	Mayor
Anita	Bachmann	United Healthcare/CFGG	Vice President, Business Development/CFGG Board Chair
		-	-
Tina	Akers-Brown	Greensboro Housing Authority	CEO
Jana	Barrett	Lincoln Financial Foundation	Regional Director, Corporate Giving
Cynthia	Blue	City of Greensboro	Housing Services Division Manager
Chester	Brown	Brown Investment Properties	President
Catherine	Burnett	Phillips Foundation	COO & CIO
Ken	Carter	Guilford County DSS	Assistant Health Director
Love	Crossling	City of Greensboro	Director, Human Relations
Eunice	Dudley	Dudley Cosmetology / CFGG Housing Committee	Director/Committee Member
Michelle	Gethers-Clark	United Way of Greater Greensboro	President and CEO
Frank	Gilliam	UNC-Greensboro	Chancellor
Barbara	Harris	City of Greensboro	Assistant City Manager
Beth	McKee-Huger	Episcopal Diocese of NC/CFGG Housing Committee	Deacon/ Committee Member
Robert	Niegelsky	Housing Advocate	Housing Advocate
Elaine	Ostrowski	CFGG Housing Committee	Committee Chair
Bob	Powell	NC A&T CFGG	Assoc. Professor/Housing Committee Member
Marsh	Prause	Attorney/Greensboro Neighborhood Congress	Attorney
David	Ramsey	Greensboro Partnership	Executive VP
Gloria	Rankin	Smith Homes Resident Council	CEO
Walker	Sanders	CFGG Staff	President
Marlene	Sanford	Triad Real Estate and Building Industry Coalition	President

Wayne	Scott	Greensboro Police Department	Chief of Police
Jeff	Thigpen	Guilford County	Register of Deeds
Jim	Westmoreland	City of Greensboro	City Manager
Myron	Wilkins	Greensboro Urban Ministry	Executive Director
Stan	Wilson	City of Greensboro	Director, Neighborhood Development
Staff: Tara	Sandercock	CFGG	Senior VP, Foundation & Community Relations
Donna	Newton	CFGG	Director, Workforce & Housing
Kevin	Lundy	CFGG	Director, Grants & Scholarships
Connie	Leeper	CFGG	Coordinator, Grants & Scholarships
Nancy	Hunter	NPH Consulting LLC	Consultant

Group 1-Housing Stock		Company/Affiliation	Title
Co-chairs:			
Eunice	Dudley	Dudley Cosmetology	Director
Marlene	Sanford	TREBIC	President
		-	-
Tina	Akers-Brown	Greensboro Housing Authority	CEO
Beth	Benton	City of Greensboro	Manager, Code Compliance Division
Cynthia	Blue	City of Greensboro	Manager, Housing Services Division
Chester	Brown	Brown Investment Properties	President
Gene	Brown	Community Housing Solutions	Executive Director
Dawn	Chaney	Chaney Properties	President
Dana	Clukey	City of Greensboro	Planner
Cheryl	Collins	Greensboro Builders Association/ CFGG Housing Committee	Executive Officer/Committee Member
Cameron	Cooke	Housing Advocate	Attorney
Mike	Cooke	Partnership Homes	President
James	Cox	Greensboro Housing Authority	COO
Skip	Crowe	Cottage Grove Initiative	Executive Director

Julie	Curry	Preservation Solutions	Planner
Jennifer	Freeman	City of Greensboro	Support Staff
Scott	Gardner	Golden Wolf LLC	CEO
Paul	Gilmer	Greensboro Zoning Commission/ CFGG Housing Committee	Former Vice Chair/Committee Member
Maria	Hanlin	Habitat for Humanity Greensboro	Executive Director
Charlie	Heritage	South Creek Development	Managing Partner
Scott	Jones	Tiny Houses Greensboro	Executive Board Chair
John	Kavanagh	KMW Builders	President
Leonard	Lawson	CFGG	Manager, Information Technology
David	Levy	Affordable Housing Management, Inc.	Executive Director
John	Lomax	Lomax Construction	President
Jon	Lowder	Piedmont Triad Apartment Association	Executive Director
Craig	Nygard	Consultant	Consultant
Shanna	Reece	The Servant Center	Executive Director
Maida	Renson	Carolina Community Developers	Owner
Sue	Schwartz	City of Greensboro	Director, Planning
Mac	Sims	East Greensboro Now	President
Betty	Smith	Allen Tate	Director, Smith Marketing
Ben	Uwakweh	NC A&T/ CFGG Housing Committee	Professor/Committee Member
Jim	Westmoreland	City of Greensboro	City Manager

Group 2 - Housing Access and Services		Company/Affiliation	Title
Co-chairs:			
Jana	Barrett	Lincoln Financial Foundation	Regional Director, Corporate Giving
Love	Crossling	City of Greensboro	Director of Human Relations
		-	-
Michael	Barr	Greensboro Realtors Assoc.	CEO

Blair	Barton-Percival	Piedmont Triad Regional Council	Area Agency on Aging Director
Carolyn	Biggerstaff	Community Volunteer	Community Volunteer
Cynthia	Blue	City of Greensboro	Manager, Housing Services Division
Gene	Brown	Community Housing Solutions	Executive Director
Brett	Byerly	Greensboro Housing Coalition	Executive Director
Ken	Carter	Guilford County Department of Social Services	Assistant Health Director
Sofia	Crisp	Housing Consultants Group	Executive Director
Maseta	Dorley	Turning Point 180	Executive Director
Rhonda	Enoch	City of Greensboro	Housing Counselor
David	Fraccaro	FaithAction International House	Executive Director
Lindy	Garnette	YWCA	CEO
Michelle	Gethers-Clark	United Way of Greater Greensboro	President
Diane	Givens Moffett	St. James Presbyterian Church	Senior Pastor
Tina	Gray	GHA	VP Assisted Housing
Brian	Hahne	Partners Ending Homelessness	ED
Steve	Hayes	Guilford NP Consortium	Director
Sharon	Hightower	City of Greensboro	City Council Member – District 1 Representative
Randal	Hoover	Guilford County DSS	SW Supervisor
Sarah	Hutchinson	Consumer Credit Counseling	Program Manager
Leslie	Isakoff	A Simple Gesture	Executive Director
Michelle	Kennedy	City of Greensboro/Interactive Resource Center	City Council Member – At Large Representative/Executive Director
Gail	Murphy	Women's Resource Center	Director of Programs
Robin	Lane	Greensboro Housing Coalition	Board Member
Jackie	Lucas	Salvation Army Center of Hope	Executive Director
Beth	McKee-Huger	Episcopal Diocese of NC/CFGG Housing Committee	Deacon/Committee member
Valerie	Moore	City of Greensboro	Senior housing Planner
Sherrell	Newman	Greensboro Housing Authority	VP Operations
Gloria	Rankin	Smith Homes Resident Council	President
Antonia	Monk Richburg	Cone Health Foundation	VP, Senior Program Officer

Shanna	Reece	The Servant Center	Executive Director
Calvin	Riley	Nehemiah Leadership/CFGG Housing Committee	President CEO /Committee Member/ CFGG Board Member
Wayne	Scott	Greensboro Police Department	Chief
Ellen	Sheridan	Minimum Housing Standards Comm.	Chair
Stephen	Sills	UNC-Greensboro Center for Housing and Comm. Studies	Director
Gustavo	Smith	C.L.O.U.D. Inc.	Executive Director
Ernie	Thompson	Westminster Presbyterian Church	Senior Pastor
Ellen	Whitlock	Senior Resources of Guilford	Executive Director
Myron	Wilkins	Greensboro Urban Ministry	Executive Director
Linda	Yurko	Arc of Greensboro	Executive Director

Group 3 – Long-term Structure and Resources		Company/Affiliation	Title
<i>Co-chairs:</i>			
Barbara	Harris	City of Greensboro	Assistant City Manager
Elaine	Ostrowski	CFGG Housing Committee	Chair/CFGG Board Member
		-	-
Tina	Akers-Brown	Greensboro Housing Authority	CEO
Jana	Barrett	Lincoln Financial Foundation	Regional Director, Corporate Giving
Sohnie	Black	Fund for Democratic Communities	Community Organizer
Cynthia	Blue	City of Greensboro	Housing Services Division Manager
Elizabeth	Bostian	First Bank	Senior Counsel
Caitlin	Bowers	City of Greensboro	Grants Administrator, Neighborhood Development
Catherine	Burnett	Phillips Foundation	COO & CIO
George	Carr	Beacon Management	President

Suresh	Chandra	NC A&T/ CFGG Housing Committee	Professor Emeritus and Former Dean/Committee Member/CFGG Board Member
Cheryl	Collins	Greensboro Builders Association	Executive Officer
Kathy	Colville	Cone Health	Healthy Communities Director
Hank	Cunningham	Cunningham & Company	President
Keith	Debbage	UNC-Greensboro	Professor
Maseta	Dorley	Turning Point 180	Executive Director
Frank	Gilliam	UNC-Greensboro	Chancellor
Charlie	Heritage	South Creek Development	Managing Partner
Bob	Kelley	Partnership Homes	Board Chair
Micah	Kordsmeir	Revolution Mill	Development Manager
John	Lomax	Lomax Construction	President
Jon	Lowder	Piedmont Triad Apartment Association	Executive Director
Mark	Morgan	MC Morgan & Associates	President
Bob	Newton	Community Volunteer	Community Volunteer
Robert	Niegelsky	Housing Advocate	Housing Advocate
Bob	Powell	NC A&T /CFGG Housing Committee	Associate Professor/Committee Member
David	Ramsey	Greensboro Partnership	Executive VP
Walker	Sanders	CFGG	President
Andy	Scott	Housing Consultant	Housing Consultant
Lamont	Taylor	City of Greensboro	Manager, Finance and Administrative Services, Neighborhood Development
Stan	Wilson	City of Greensboro	Director, Neighborhood Development
Anne	Zuraw	Zuraw Financial Advisors	President

ATTACHMENTS

Attachment A: Definitions

Attachment B: Policy Recommendations Detail

Attachment C: Example of Collaborative Service Provision

A. Definitions

Affordable Housing – Housing for which the occupants are paying no more than 30% of their income for gross housing costs, including utilities.

Area Median Income (AMI) - The median family income in the metropolitan or nonmetropolitan statistical area

Very Low Income (VLI) – Households with income of no more than 50% of the AMI

Low Income (LI) – Households with income from 51% to 80% of AMI

Moderate Income (MI) – Households with income from 81% to 120% of AMI

Housing Cost Burdened – Households which are paying more than 30% of their income for gross housing costs including utilities

Home Investment Partnerships Program (HOME) : Provides formula grants to states and localities that communities use — often in partnership with local nonprofit groups — to fund a wide range of activities that build, buy, and/or rehabilitate affordable housing for rent or homeownership, or to provide direct rental assistance to low-income people.

Housing Opportunities for Persons With AIDS (HOPWA): Provides housing assistance and supportive services to low-income people with HIV/AIDS and their families. HOPWA funds may also be used for health care and mental health services, chemical dependency treatment, nutritional services, case management, assistance with daily living, and other supportive services.

Low-Income Housing Tax Credit (LIHTC): A tax incentive intended to increase the availability of low-income housing. The program provides an income tax credit to owners of newly constructed or substantially rehabilitated low-

income rental housing projects.

Community Development Block Grant (CDBG): Created under the Housing and Community Development Act of 1974, this program provides grant funds to local and state governments to develop viable urban communities by providing decent housing with a suitable living environment and expanding economic opportunities to assist low- and moderate-income residents. CDBG replaced several categorical grant programs, such as the Model Cities program, the Urban Renewal program, and the Housing Rehabilitation Loan and Grant program.

Link to HUD User Glossary of Terms:

https://www.huduser.gov/portal/glossary/glossary_all.html

B. Policy Recommendations Detail

**Housing Our Community
Housing Stock Subcommittee
Recommendations**

Overarching Truths That Inform These Recommendations:

- **Opportunity Crescent** – The bulk of our housing challenges - like housing-cost-burden and dwelling condition - maps out as a crescent roughly from northeast Greensboro to south central Greensboro. This holds true even when a high “rental to owner-occupied” ratio is removed from consideration as a negative. We termed this our Opportunity Crescent.
- **Infill** - A majority of the land throughout the city limits is developed as low-density residential. This offers an extraordinary opportunity to create significant numbers of affordable infill housing units, often only by policy, without public subsidy.
- **Fear** of “those people”, “that project” or simply “change”, while human nature, is an intensely difficult barrier to meeting the affordable and workforce housing needs of our citizens and economy.
- Successful economic development efforts should result in rising median incomes that will in turn reduce housing-cost-burdened rates. However, **even regaining our full-economic potential will by no means fully mitigate the certainty of ever-rising production costs and costs of living.**
- The recommendations below **primarily involve political will policy decisions, directions and changes.** Recommendations that also involve, or could involve, public sector funding are denoted by (\$).

A. CHANGE MINDS, SHIFT PARADIGMS:

1. **Adopt a compelling mantra. “If nothing changes, nothing changes.”**

Recognize that if we cannot stride past old prejudices and fears surrounding “affordable”, “mixed-income or uses”, “density”, “those people” or even simply “new” or “different”, we are doomed to continue to grow housing affordability problems and the social ills that result from shelter insecurity.

2. **Conduct a Pro-Change, “Yes, In My Backyard” (YIMBY) Public Education/Marketing/PR Campaign that (\$):**
 - a. Is a professional and sustained campaign – Just 2 examples include Charlotte’s “Souls of our neighbors” campaign, NAHB’s “The Face of Affordable Housing” campaign
 - b. Targets the public and decision-makers
 - c. Is pro- affordable housing, density, multifamily, new/different products, and mixing of incomes and product types geographically
 - d. Makes customers relatable (“the face of affordable housing”)
 - e. Communicates the affordability crisis
 - f. Re-sells the community on the value of affordable and workforce housing projects...next door
 - g. Promotes acceptance of new products, mixed uses and higher densities, e.g., tiny houses, skinny houses, micro-houses, missing middle/gentle/“low-impact”/“quiet”/“soft” infill density
2. Hold **“New Product” Inter-city Tours** for Public Decision-makers and Community Influencers (\$)
3. Consider bringing in a **national consultant to do a “new affordable products” plan** for the city, similar to the Duane study done for High Point’s Core City Revitalization Plan (cost was \$400K) (\$)
4. Do **appraisal studies** to show affordable housing does not devalue neighboring properties (\$)

B. EXISTING STOCK Priority Solutions for Preservation, Rehabilitation and Redevelopment:

1. Map/prioritize/target key areas for preservation/rehabilitation/redevelopment of existing housing stock:
 - a. **In the “Opportunity Crescent”, specifically:**
 - i. East Greensboro
 - ii. City Redevelopment areas
 - iii. Glenwood neighborhood
 - b. **Make a “Tipping Point” Promise** - areas/blocks/streets/neighborhoods for **rehab** (to arrest downward-spiral while it is still *possible and cost effective*)
 - c. **Map and choose targets by evaluating such factors as (areas that have/still have):**
 - i. Good physical assets & infrastructure

- ii. transit and other ancillary services needed by residents of affordable and workforce housing
 - iii. Good social fabric
 - iv. Good location
 - v. Good values
 - d. **Induce demand** – The City can take catalytic action to turn potential demand into actual demand and eventually the private sector will take over. (\$)
 - e. Begin with **“Quick Start” opportunities for the momentum-building** potential of “quick” wins
 - f. Target **“Code delinquent”** stock
 - g. **Consider “synthetic TIF” approach to fund programming** in target areas.
 - h. **“Beyond Tipping Point”** areas/blocks/streets/neighborhoods for **redevelopment** (for wisest use of resources.)
2. Offer **incentives to buy and rehab** for owner-occupancy, resale or rental (\$)
- a. Offer forgiveness of (or leeway on) satisfying **tax liens, assessments and code violation fines** when acquired by new owner for rehab/redevelopment
 - b. **Create “≤\$50K sale price” mortgage loan coalition/fund** for owner occupancy anywhere in the city (to boost Owner Occupancy stock in Opportunity Crescent, and to mix incomes elsewhere)
 - c. Offer **down-payment assistance and rent-to-own program** for owner-occupation of rehabbed units.
 - i. Copy High Point’s incentive program to assist owner-occupants in “high-percent rental” neighborhoods (to mix incomes and increase mortgagability of properties)
 - d. Establish a **revolving renovation loan fund** of \$2 million for affordable/workforce housing
 - i. E.g., **Revive Better Buildings** program for energy efficiency upgrades (because lower utilities costs relieves housing cost burden)
 - e. If allowable under state law: develop program to **acquire and resell boarded-up housing**:
 - i. for renovation and re-use;
 - ii. offer 2 years of property tax “exemption” (rebate);
 - iii. require code compliance for 5 years and if property then falls out of code compliance within that window,
 - iv. require pre-payment of 4 years taxes in advance.
 - v. Waive permit fees, fast-track permitting processes
3. **Fund and support code inspections based on “reasonable cause” and “repeat offender” options** (as allowed by statute), **not just complaints.** (\$)
- a. Target geographic areas of “blight” as allowed by statute.

4. **Incentive Programs should:**

- a. **Set deadlines** for acquiring CO (certificate of occupancy)
- b. **Vet investors and buyers** receiving city assistance for capabilities and expertise.
- c. **Prioritize:**
 - i. curing obsolescence, e.g., “add a half-bath” program for 1 bath dwellings (would make them more mortgageable)
 - ii. curing Safety and health risk problems
 - iii. Aging-In-Place(AIP)/Accessible
 - iv. Energy efficiency
- d. **Strategically Target programs and incentives**
 - i. in Opportunity Crescent to owner- occupancy (to increase mortgagability issues),
 - ii. and rental or owner-occupancy elsewhere (to mix incomes.)
- e. Offer needs-tested down payment assistance programs for owner-occupation, rent-to-own program in targeted areas or redevelopments, “up to \$50K” mortgage fund (\$)

5. **Sell city-owned or -controlled dwelling units for rehab or redevelopment** (To the extent possible, sell in batches for efficiency’s sake)

6. Hold **design competition to transform existing stock(\$)**:

- a. rules should include consideration of a range of budgets and the targeted priorities
- b. with monetary prize
- c. From submittals, create catalog of potential renovations based on buyer budgets.

7. Hold **design competition** with monetary prize for new, small product types (\$)

- a. rules should include consideration of a range of budgets and the targeted priorities listed above.
- b. From submittals, create catalog based on various budgets.

8. Continue support of, and reliance on, **Housing Hub** participants and their efforts to be a central resource for renter, home buyer, builder investor, and landlord.

9. **Support HB573 Receivership Bill** in 2018 session and use if passed (It allows - after much due process and with owner protections - judges to appoint receivers for rehab in cities of a certain population.)

TO ADDRESS THESE IDENTIFIED KEY BARRIERS

The Preservation/Rehab subgroup expanded on the list of **barriers** identified by the Housing Stock group:

- Mortgages for \$50K and below are nearly non-existent, and mortgages in “high-rental ratio” areas are harder to get.
- City/County wants back property taxes paid up front when run-down property is purchased for rehab.
- As Owner-occupied neighborhoods convert to rental, values can decline
- Depressed market values spiral down from neglect and declining owner-occupied rates
- Lien and title issues
- Vacant housing: 7-10% in certain neighborhoods
 - Rising vacancy impacts surrounding housing values, health, crime, arson, and fire
 - Poor code compliance maps are similar to vacancy and crime maps
 - Fewer building permits are pulled in higher vacancy areas
 - Decreasing tax values of vacant houses
 - Lack of accessible human services and amenities (schools, grocery, medical, etc.) contributes to neighborhood instability
 - Greensboro has approximately 100-150 boarded units at any given time.

C. NEW STOCK Priority Solutions:

1. Prioritize current and growing affordable and workforce market needs:

- a. In planning, zoning, programming and various approval processes
- b. new, small, and affordable product types, (e.g. tiny houses, pocket neighborhoods, skinny houses, micro houses and missing middle/gentle/“low-impact”/“quiet”/“soft”-density infill product, etc.)
- c. Aging-In-Place(AIP)/Accessibility
- d. energy efficiency
- e. Gentle/soft/quiet density
- f. Projects that are near, or include, transit and other ancillary services needed by residents of affordable and workforce housing

2. Strategically Target programs and incentives

- a. in Opportunity Crescent to owner- occupancy (to increase mortgagability issues)
- b. and rental or owner-occupancy elsewhere (to mix incomes.)
- c. Offer needs-tested down payment assistance programs for owner-occupation, rent-to-own program in targeted areas or redevelopments, “up to \$50K” mortgage fund (\$)

3. City Participation in New Stock Projects

- a. **Assembling land or vacant lots for resale to builders/developers, with varying levels of subsidy depending on price range and buyer’s commitment to City priorities (\$).**
- b. Strategic and aggressive **extension of Water and Sewer** utilities into new basins, and to the limits of identified future growth areas (along with other city services, especially transit service) (\$)
- c. Consider **land banking** for future affordable and workforce housing projects (\$)
- d. Amend City Water and Sewer Extension Policy to(\$):
 - i. include Affordable and Workforce Housing to list of land uses the City will consider for cost participation in extension costs for private projects,
 - ii. state Affordable and Workforce Housing as a preference for Mixed-Use project participation.
 - iii. Base cost-participation percentages on how well the projects address City priorities.

4. All city development projects (e.g., Ole Asheboro, Southside, etc.) should include new product types for the demonstration/catalyst value (e.g., tiny houses, pocket neighborhoods, skinny houses, micro houses and missing middle/gentle/“low-impact”/”quiet”/”soft”-density infill product, etc.)

5. Create **sustainable Equity Subsidies** for new affordable & workforce housing units, e.g. (\$):

- a. Bonds and/or Charitable funds
- b. Gap financing for both single-family and multi-family units
- c. expanded tax credit program to spur more units
- d. participation in land acquisition/costs,
- e. sell City and County-owned property for affordable and workforce housing development,
- f. Market the Redevelopment Commission’s list of properties for affordable and workforce housing

6. Amend Zoning process to:

- a. assume preference for any rezoning for affordable or workforce housing
- b. assume preference for new product and land use styles
- c. in staff reports, call out impact to numerical annual goals for approving new Aff/WF DUs

- d. Adopt “rhetoric of acceptance” for new product types and affordable or workforce housing
- e. be aggressive in accommodating new product and land use styles e.g., pocket neighborhoods, micro-lots, tiny houses, skinny houses, micro-housing, etc.
- f. streamline processes for affordable housing, new product types and mixed-product projects
- g. support projects of higher density and mixed uses within existing neighborhoods
- h. do appraisal study of affordable housing’s impact on neighboring property values

7. **Amend the Land Development Ordinance (LDO) to:**

- a. **Wholeheartedly accommodate – even seek/incentivize/build - new product types** (e.g. tiny houses, pocket neighborhoods, skinny houses, micro houses and missing middle/gentle/“low-impact”/“quiet”/“soft”-density infill product, etc.)
- b. Build density and small-product capabilities into the code by-right
- c. **Restore the historical allowance of twin homes and duplexes to single family zoning districts** (removed during the 2013 LDO adoption hearings.) Add allowance of tri- and quadraplexes, so-called “gentle” density.
- d. Incentivize/build-in preference for new products (e.g., waive fees, fast track permitting, city participate in costs/infrastructure, etc.), especially if it can be a pilot/catalyst project.
- e. **Accommodate gentle/soft infill density increases in existing neighborhoods by-right**
- f. **Relax accessory dwelling unit regulations** to encourage more of them (both in existing structures and in detached or attached structures). Setback and size restrictions limit the utility of the current ADU code, and only about 10 ADUs are added per year now.
- g. **Allow existing Accessory Structures to be converted to Accessory Dwelling Units** by grandfathering existing setbacks, etc. (With ADU front doors oriented primarily into the lot and/or toward streets and alleys, not toward neighboring properties.)

8. Offer incentives to private-sector builder/developers of Affordable housing and workforce housing in projects, such as:

- a. **by-right density bonuses as an**
- b. **participation in infrastructure costs**
- c. Waive permit and zoning fees and fast-track permitting processes

9. **Waive permit and zoning fees, and fast-track permitting processes** for projects meeting City priorities.

10. As they arise, **always expedite land development ordinance and policy text amendments that will decrease construction costs.**

11. **Increase Water Resources Capacity Use Fee exemption** from for single family dwellings from “1,200 square feet or less” to “1400 square feet or less.” In recent years larger families and smaller lots have necessitated that more “affordable” homes be two-story, so additional space is needed to accommodate stairs. These homes have, out of necessity, consistently exceeded 1,200 SF.
12. Support statewide effort to initiate and pass **HELP legislation**
 - a. Housing Equity Leveraging Program (HELP) leverages federal bond proceeds and 4% federal credits to build potentially hundreds more affordable housing units in NC each year.
13. **Partner with NCDOT to clear building and fire code obstacles to new product and development types, such as:**
 - a. Allow “student rental” configuration (SRO/Single Room Occupancy) for non-student housing – lockable bedroom and bath opening onto common kitchen and living room. (State building code issue primarily?)
 - b. Allow “2 or more detached dwellings on one single lot” in the residential codes

D. FOR BOTH NEW AND EXISTING STOCK

1. **Raise the City’s allowed # of unrelated persons** in a dwelling to 6 from current 4 (one of the lowest in the state.)
2. **Long Range Planning** – The upcoming **Connections 2025 Comprehensive Plan update** should have housing affordability as a major focus area, and should include these recommendations.
3. **Create combination “New product promotion” and “construction workforce development” program (\$):**
 - a. with GTCC, GCS, Nussbaum Center, GBA, etc.
 - b. Focus on building new “small/tiny/micro” product;
 - c. a site that targets various priorities listed in these Housing Stock recommendations.
 - i. Perhaps turn an abandoned warehouse/factory into community center/training facility/business incubator for this
 - d. Participate in construction workforce development efforts, such as:
 - i. Create a hands-on “mobile construction site” training vehicle to take a worksite to the students at schools.
 - ii. City inspectors and engineers participate in workforce development demonstrations (as they did at the Construction Careers Day during the 2017 “Raising Roofs” Habitat for Humanity blitz-build by the Greensboro Builders Association)

TO ADDRESS THESE IDENTIFIED KEY BARRIERS

- Need for public infrastructure and services where land is available and affordable
- Low-density zoning dominates the city
- “Not In My Backyard” (NIMBY)/public rejection of Affordable housing, density, new housing products, rental housing – affects policy and zoning cases
- The base development & building costs (such as foundations, framing lumber, water & sewer infrastructure, streets, etc.) for affordable housing is the same as for luxury housing
- Zoning processes and codes, and building codes discourage new product, density, mixed product/mixed income and pricing and affordability.

C. Example of Collaborative Service Provision

In 2016, Greensboro was one of 50 cities selected to take part in a new, national community health focused initiative. *Invest Health*, a collaboration of the Reinvestment Fund and the Robert Wood Johnson Foundation, aims to transform how leaders from mid-size American cities work together to help low-income communities thrive, with specific attention to community features that drive health, such as access to safe and affordable housing.

A team representing The University of North Carolina at Greensboro (UNCG), Cone Health, East Market Street Development Corporation, Greensboro Housing Coalition and The City of Greensboro applied for grant funding to improve the availability of safe, affordable housing for families living with asthma. As part of the *InvestHealth* program, the Greensboro team is addressing the city's pediatric asthma rate, which disproportionately affects low-income children, particularly those living in substandard housing.

Data from the Cone Health hospital system has identified hotspots of asthma hospitalizations including the Cottage Grove community on South English Street. The *InvestHealth* team is working with the Cottage Grove neighborhood to identify asthma triggering housing conditions, provide referrals and resources, and improve the health of the neighborhood.

