

Albany Housing Implementation Plan

Housing Affordability Task Force
Meeting #2
April 13, 2022



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Agenda



1. Welcome
2. Focus Group Meetings Summary
3. Draft Menu of Housing Strategies
 - a. Overview
 - b. HATF Discussion
4. Wrap Up and Next Steps

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Focus Group Meetings Summary



- Group meetings of 5-8 participants
- Mix of stakeholders in each group
- Stakeholder groups represented:
 - Residents
 - Builders
 - Affordable housing providers
 - Lenders
 - Realtors / brokers
 - Nonprofit service providers
 - Renters & homeowners
 - Homeless advocates
 - Unhoused / housing insecure
 - Chamber of Commerce
 - Property managers
 - Latino community

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Focus Group Meetings Summary



Most Needed Housing Types:

- Homeownership options in the \$200k - \$300k price range
- Affordable rental housing
- Housing options for seniors to age in place
- Smaller homes (e.g., 1,200 SF or less; 1 or 2 bedrooms)
- Single-level homes
- Middle housing – e.g., townhomes, duplexes, triplexes
- Accessory dwelling units / granny flats
- Affordable housing with multiple bedrooms for larger families (3 and 4 bedrooms).
- Vertical housing / mixed-use development
- Housing that is close to transit, services, and employment

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Focus Group Meetings Summary



Greatest barriers to developing needed housing:

- **Cost Barriers**
 - High cost of land
 - High construction costs
 - Fees – especially system development charges (SDCs)
 - Smaller, more affordable units don't "pencil" or are less profitable than larger, higher-end units
- **Process/Regulatory Barriers**
 - Time for development and permitting process
 - Annexation and rezoning processes are lengthy and costly
 - Parking requirements add cost and may not be in sync with the market
- **Other Challenges**
 - Lack of available, vacant land
 - Local residents are competing with investors and cash buyers/flippers for home purchases
 - NIMBYism – concern about neighborhood change / different types of housing

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Focus Group Meetings Summary



Potential strategies:

- KRO** • **Financial Incentives:**
 - Reduce SDCs for affordable housing
 - Lower SDCs for smaller homes [already in the works]
 - Defer SDCs to time of purchase
 - Incentivize modular housing
 - Tax abatement for vertical housing
- **Regulatory Incentives for Affordable Housing:**
 - Expediting the permit process
 - Density bonuses
- **Zoning / Regulatory Strategies:**
 - Inclusionary zoning
 - Require a mix of homes in different price ranges
 - Remove parking requirements and separate the costs of rent and parking
 - Allow taller buildings
 - Increase density allowances
 - Allow long-term occupancy of RVs and tiny homes on wheels
- **Land Supply Strategies:**
 - City to provide surplus land for regulated affordable housing
 - Acquire and hold land for affordable housing
 - Repurpose existing, vacant buildings and land into housing
 - Rezone nonresidential land to residential
- **Programs and Partnerships:**
 - Financial Assistance:
 - Help finance infrastructure improvements.
 - Down payment assistance for homebuyers.
 - Partnerships:
 - Connect agencies to remove the gaps in pathways to housing.
 - City to partner with and assist non-profit housing developers.
 - Support land trusts like DevNW.
 - Education:
 - Programs, services, education for first-time homebuyers. Financial literacy programs.
 - Work with school district, LBCC, etc. for vocational training
 - Educate/encourage homeowners associations with restrictive CC&Rs to change bylaws and remove restrictions on middle housing, ADUs, etc.
 - Other:
 - Rent to own program
 - Strategies to give local residents the priority in purchasing homes before investors or out-of-state residents
 - Allow for consolidated rental applications to reduce application fees
- **Funding Strategies:**
 - Leverage federal funding to help reduce development fees

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Slide 6

KRO I don't think we should go through this full list, just point out that the participants threw out a lot of ideas, and many of those are captured by the draft menu.

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Draft Housing Strategies Menu



Categories:

1. Development Code / Regulatory Strategies
2. Policy and Land Supply Strategies
3. Financial and Regulatory Incentives
4. Funding Sources
5. Programs and Partnerships

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Draft Housing Strategies Menu



Table identifies:

- Brief description
- Implementing entity(ies)
- Current and past implementation efforts
- Whether recommended as part of HNA
- Typical populations or income levels served and type of units supported

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Discussion



1. What are your top 3-5 priorities from the strategies list?
2. Is anything missing from the list?
3. Can anything be removed from the list?

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Next Steps



- Refine the draft strategies menu
- Research and evaluate strategies
- Consult again with the HATF – meetings this summer (#3) and fall (#4)
- Additional community engagement

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KR0 1. Development Code / Regulatory Strategies



- 1.1 Ensure Land Zoned for Higher Density is not Developed at Lower Densities
- 1.2 Evaluate Existing Development Standards
- 1.3 (Incentivize) Smaller units with Smaller Lots/Prorate Density Calculations
- 1.4 Flexibility for Accessory Dwelling Units (ADUs)
- 1.5 Encourage Tiny Homes and Villages
- 1.6 Zoning Incentives for Affordable or Workforce Housing
- 1.7 Building Height and Density Transfers
- 1.8 Facilitate Middle Housing Types
- 1.9 Evaluate Existing Non-Residential Uses
- 1.10 Provisions for Single Room Occupancy (SRO) Housing
- 1.11 Encourage Diverse Housing Types in High- Opportunity Neighborhoods
- 1.12 Evaluate mixed use and commercial zones for housing capacity
- 1.13 Mixed Housing Types in Planned Developments
- 1.14 Inclusionary Zoning
- 1.15 Legalize Alternative Housing Types on Wheels and in Parks
- 1.16 Incentivize and Promote Accessible Design
- 1.17 Require Accessible Design for Publicly Supported Units
- 1.18 Require Visitable Units in Multi-Unit Development

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2. Policy and Land Supply Strategies



- 2.1 Rezone and Redesignate Land
- 2.2 Surplus Land for Affordable/Needed Housing
- 2.3 Land Banking
- 2.4 Annexation and Development Agreements
- 2.5 Capital Improvements Programming (CIP)
- 2.6 Public Facility Planning
- 2.7 Survey Applicants on Development Program Decision-Making

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Slide 11

KRO Including these for reference only, or if requested.

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3. Financial and Regulatory Incentives



- 3.1 Pre-Approved Plan Sets for Middle Housing Types
- 3.2 Pre-Approved Plan Sets for Accessory Dwelling Units
- 3.3 Tax Abatements
- 3.4 Delayed Tax Exemptions – for Market Rate to Affordable Conversions
- 3.5 System Development Charge (SDC) Deferrals, Exemptions or Reductions
- 3.6 Modify SDC fee methodologies/schedules
- 3.7 Connection Fees Waiver
- 3.8 Annexation Fee Waiver
- 3.9 Expedite Permitting for Affordable/Needed Housing

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4. Funding Sources



- 4.1 Construction Excise Tax (CET)
- 4.2 General Obligation Bonds for Affordable Housing
- 4.3 Tax Increment Financing (TIF)
- 4.4 Community Development Block Grant (CDBG)
- 4.5 Federal HOME Program
- 4.6 Housing Trust Fund
- 4.7 Demolition Taxes
- 4.8 Allocate Health and Public Safety Resources to Housing

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5. Programs and Partnerships



- 5.1 Financial Assistance Programs
- 5.2 Public-Private Partnerships (PPPs)
- 5.3 Community Land Trusts
- 5.4 Employer-Assisted Housing Programs
- 5.5 Preserving Low-Cost Rental Housing to Mitigate Displacement
- 5.6 Preserving Safe, Affordable Manufactured Homes
- 5.7 Providing Information and Education to Small Developers
- 5.8 Conversion of Underperforming or Distressed Commercial Assets
- 5.9 Affordable Housing Preservation Inventory
- 5.10 Fair Housing Education, Referral, and Other Services