

Regional Strategy For Housing Affordability

Truckee Meadows, NV

Presentation to the Regional Planning Commission

May 9, 2018



Presentation overview

- Project overview & approach
- Why a regional housing strategy?
- Snapshot of regional housing trends & potential new or expanded tools
- Discussion / Q&A

Project overview and approach

Project overview

Phase 1

Conditions Analysis & Planning Structure

Phase 2

Housing Strategy Roadmap

Phase 3

Housing Plan Development & Delivery

Project approach

Defining affordable housing



Affordable housing

In general, affordable housing is when an individual or family pays no more than 30 percent of income on housing costs, including utilities (as defined by HUD).



Public housing

Public housing was established to provide decent and safe rental housing for eligible low-income families, older adults, and persons with disabilities. It is subsidized through the federal government and managed by local housing authorities.



Workforce housing

While no common standard exists, workforce housing typically refers to providing homes for middle-income service workers, such as police officers, teachers and nurses, in close proximity to their jobs, who may not qualify for housing subsidies.

Who does affordable housing serve?

Median annual wages for selected occupations (2016)
Reno, NV

Gaming dealer:
\$17,580



Receptionist:
\$29,470



Construction worker:
\$34,240



Elementary school teacher:
\$53,920



Police patrol officer:
\$68,000



<30% AMI

31%-50% AMI

51%-80% AMI

81%-100% AMI

101%-120% AMI

General housing products by income level served:

Public housing, transitional housing, and supportive housing

Subsidized rental housing

Attainable homeownership housing

Market-rate rental and homeownership housing

SOURCES: HUD FY2016 Income Limits and Fair Market Rent Documentation System for the Reno-Sparks MSA, 2016 Nevada DETR Occupational Employment Statistics (OES) Survey

Project approach

Connecting housing to opportunity

Neighborhoods matter.

Neighborhoods determine key pathways to opportunity – from the schools children attend to an individual’s access to jobs, transit, and other amenities and services.



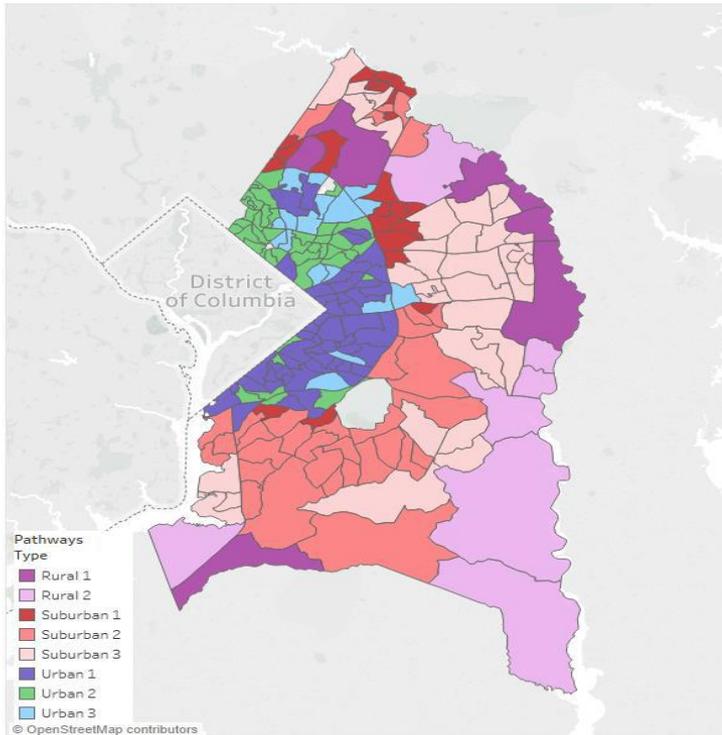
Outcomes



Pathways to opportunity

Project approach

Connecting housing to opportunity in Prince George's County, MD



Opportunity Pathways: Regional Percentiles

	Access to Jobs, Goods and Services			
	Social Capital Index	Index	Institutions Index	Environment Index
Rural 1	60	35.4	50.2	74.1
Rural 2	33.7	18.4	31.3	84.1
Suburban 1	29.35	51.55	21.75	42.15
Suburban 2	35.6	34	21.1	69.6
Suburban 3	57.7	35.4	38.3	69.4
Urban 1	11.8	58.5	13.25	40
Urban 2	9.1	71.7	16.5	22.1
Urban 3	35.5	67.7	25.9	31.9

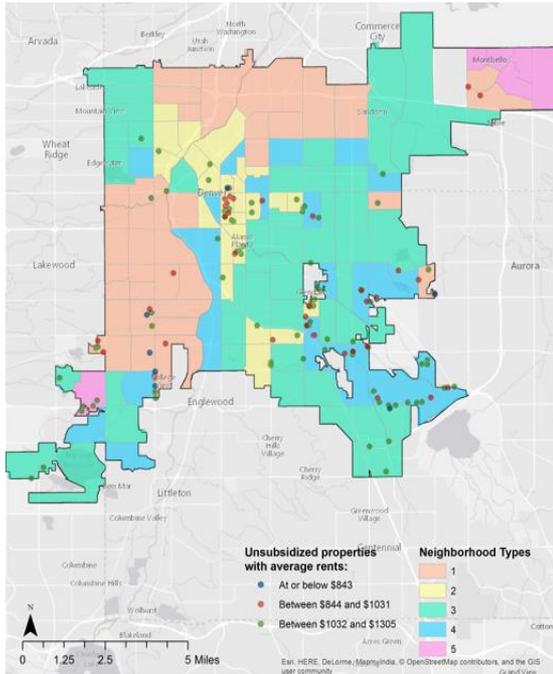
Opportunity Pathways: Selected Indicators

	Median household income	Labor market engagement index	Percent of people in poverty	Percent of people 25+ with a high school diploma or higher	Transit Score	Jobs accessible via 45-minute auto-mobile commute	Respiratory Risk Score
Rural 1	\$ 112,143	90	2%	95%	17.0	153,308	2.0
Rural 2	\$ 84,135	62	3%	91%	0.0	87,402	1.7
Suburban 1	\$ 69,441	74	9%	85%	26.6	212,065	2.5
Suburban 2	\$ 88,519	66	6%	92%	16.3	140,509	2.1
Suburban 3	\$ 104,070	90	4%	96%	16.5	150,496	2.1
Urban 1	\$ 56,864	41	13%	87%	41.3	220,816	2.6
Urban 2	\$ 59,038	44	14%	71%	44.0	271,358	2.9
Urban 3	\$ 76,125	84	9%	89%	42.8	254,421	2.6

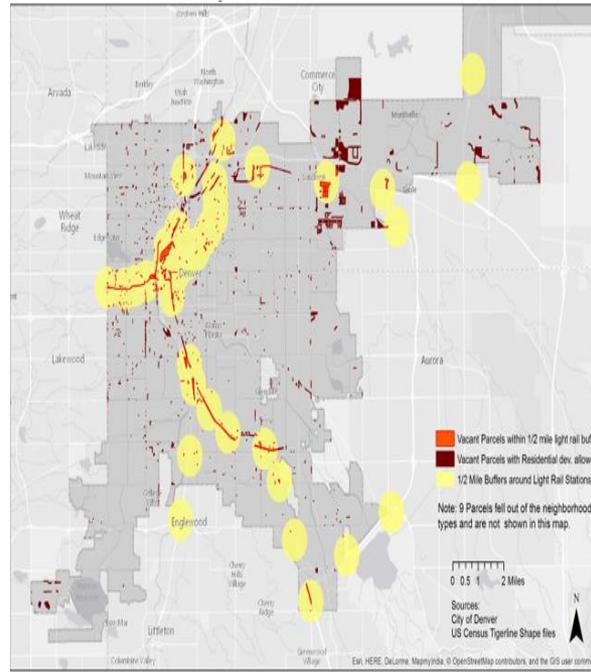
Enterprise leveraged Opportunity360 to examine areas of the County that exhibit similar conditions that shape opportunity and exhibit similar physical character (**urban, suburban, rural**). Enterprise will align strategies and policy recommendations that promote greater access to opportunity while maintaining the unique character of the County.

Project approach

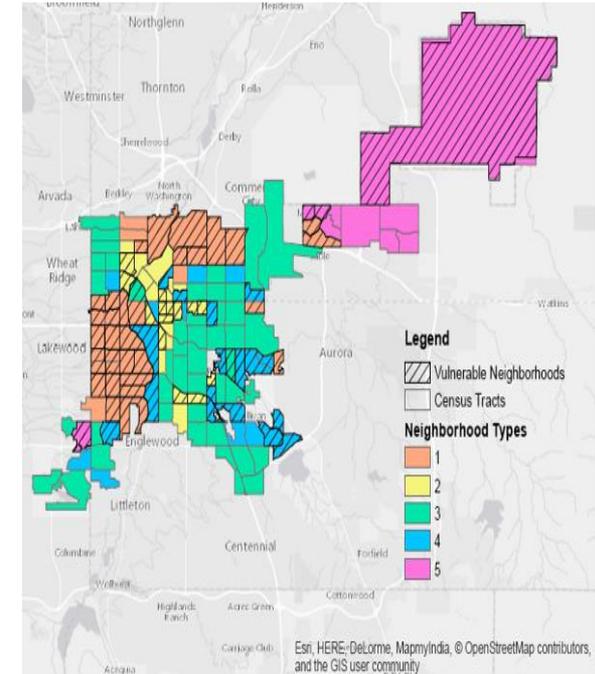
Connecting housing to opportunity in Denver, CO



Unsubsidized properties with average rents at or below Fair Market Rent Denver, CO



Vacant parcels in half mile light rail transit buffer Denver, CO

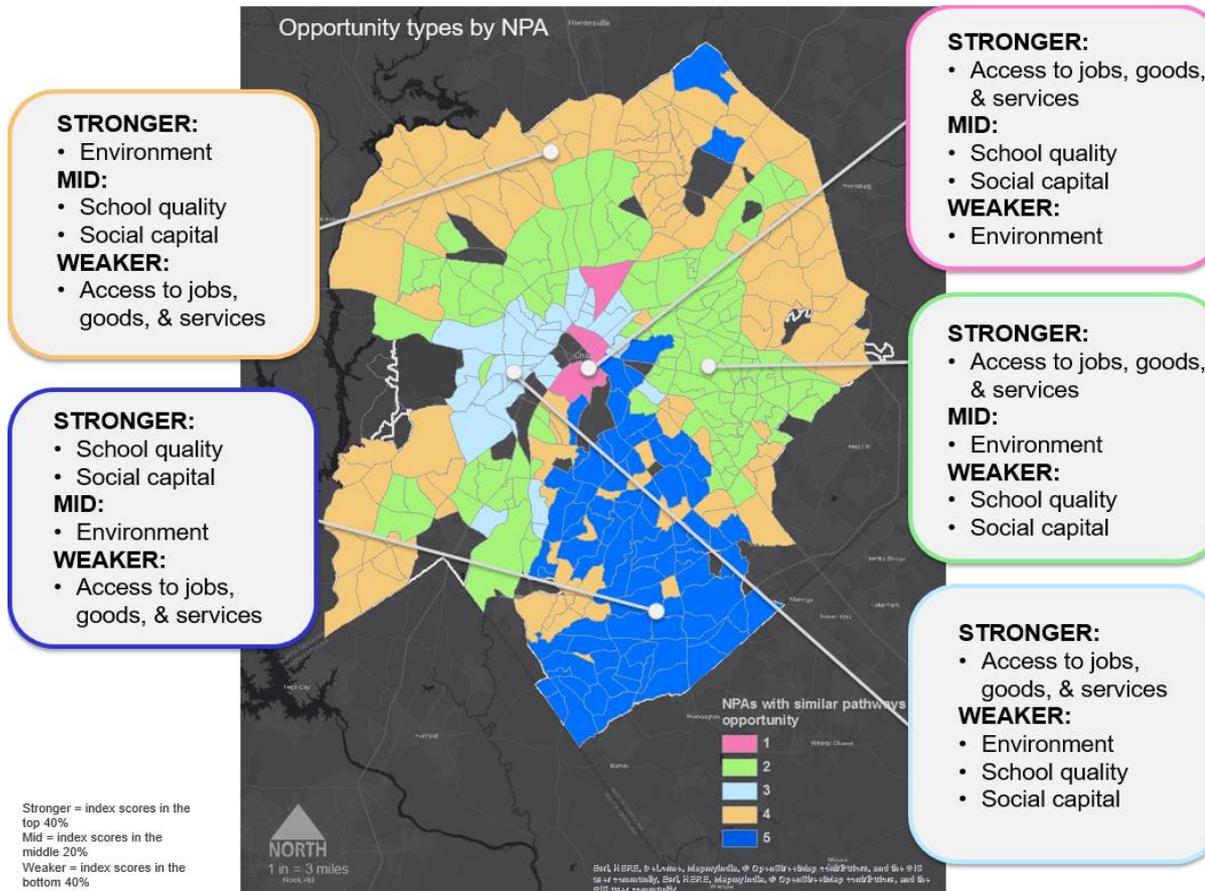


Vulnerable neighborhoods Denver, CO

Enterprise leveraged Opportunity360 to explore neighborhood conditions in Denver, identify assets by neighborhood type, and align strategies to address existing conditions and **promote connectivity between health, housing and jobs initiatives.**

Project approach

Connecting housing to opportunity in Charlotte, NC



Enterprise leveraged Opportunity360 to identify Neighborhood Profile Areas with common conditions, categorize NPAs along a spectrum of weaker to stronger pathways, and integrated this framework with housing market conditions and needs to understand their relationship throughout Charlotte.

Using this framework, Enterprise is developing strategies that **expand and build** access to opportunity through targeted housing investments.

Project approach

Phased implementation



Short-term

Build capacity of the region

Cultivate partnerships

Create a more robust and consistent development environment

Target efforts on specific conditions (weekly motels, TOD, preservation, etc)

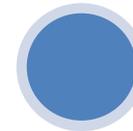


Medium-term

Address the tough policy issues (Inclusionary Zoning)

Create public-private partnerships to support efforts (Regional Housing Fund, etc.)

Refine strategies and targeting



Long-term

Sustain progress

Measure impact

Continue to diversify funding

Assess and refine policy decisions

Project highlights to date

Implemented a planning structure to guide planning process

Planning structure

Executive Leadership Team

City of Reno
 City of Sparks
 EDAWN
 Nevada Legislature
 Nevada Housing Division
 Regional Transportation
 Commission
 Reno Housing Authority
 Renown Health
 Washoe County

Working Groups

ACTIONN	Nevada Resort Association
AGC	Northern NV Community Housing
AT&T	Northern Nevada Hopes
Bank of America	NNDA
Builders Association of N.NV	Praxis
Building & Construction Trades	Regional Planning Commission
City of Reno	Regional Transportation Commission
City of Sparks	Reno Housing Authority
Chamber of Commerce	Reno/Sparks Association of Realtors
Charles Schwab	Renown Health
Community Health Alliance	Silver Sage
Food Bank of N.NV	TMCC
HOME Consortium	Washoe County
HUD	Washoe County Health District
Krater Consulting	Washoe County School District
NV Energy	Wells Fargo
Nevada Housing Division	WNDD
Nevada Legislative Counsel Bureau	

Developed a vision and core principles to provide a foundation for the plan

Vision & core principles

All residents of Truckee Meadows should have access to a continuum of safe, accessible, and affordable housing options in neighborhoods that offer access to opportunity and a high quality of life.

- Preserving & creating quality housing options for the lowest end of the income spectrum
- Investing in housing in areas of opportunity
- Prioritizing the workforce and populations at-risk of homelessness
- Preventing housing displacement
- Supporting more efficient land-use through strategic infrastructure investments
- Bolstering financial resources & tools
- Expanding strategic public-private partnerships

Regional SWOT Analysis

STRENGTHS:

- Increased urgency in community conversation around affordable housing
- High capacity/MTW public housing authority
- Strong social services providers
- Local Master Plans support affordable housing
- Strong state-level resources

OPPORTUNITIES:

- State affordable housing committee
- Underutilized land
- Redevelopment of weekly motels
- Regional philanthropic community
- Business owner engagement in downtown redevelopment
- Leveraging economic development efforts

WEAKNESSES:

- Lack of funding
- Limited development capacity
- Siloed initiatives
- Limited coordination among jurisdictions
- Sequencing of funding applications
- Limited policy framework
- Infrastructure capacity

THREATS:

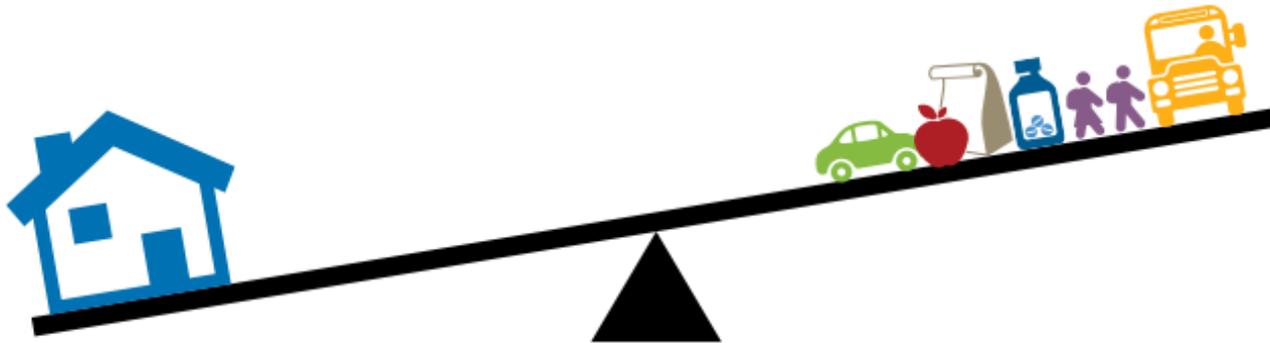
- Tight housing market & expiring affordability
- Incomes not keeping up with housing costs
- Limited types of housing available
- State property tax structure
- Shortage of construction workers/contractors
- Public misconceptions about affordable housing and who it serves

Why a regional housing strategy?

Affordable housing impacts the entire community

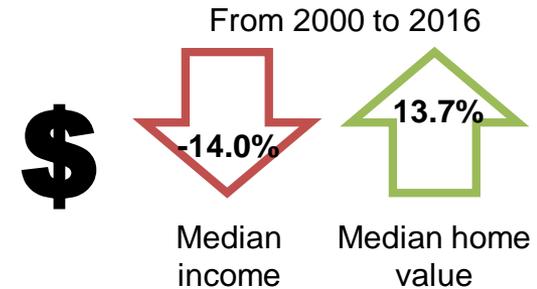
Stable, quality, affordable housing...

- ... increases local purchasing power & tax revenues
- ... strengthens & stabilizes neighborhoods
- ... creates new job opportunities
- ... improves educational & health outcomes



Summary of key trends

- Incomes have not kept pace with housing price changes.
- There is a shortage of affordable and available units for low-income households, particularly those earning 50% AMI and below.
- This shortage is likely to increase given current population projections, constraints on new development, and expiring affordability.
- The affordable housing gap impacts the entire community, but the burden disproportionately falls on some residents.



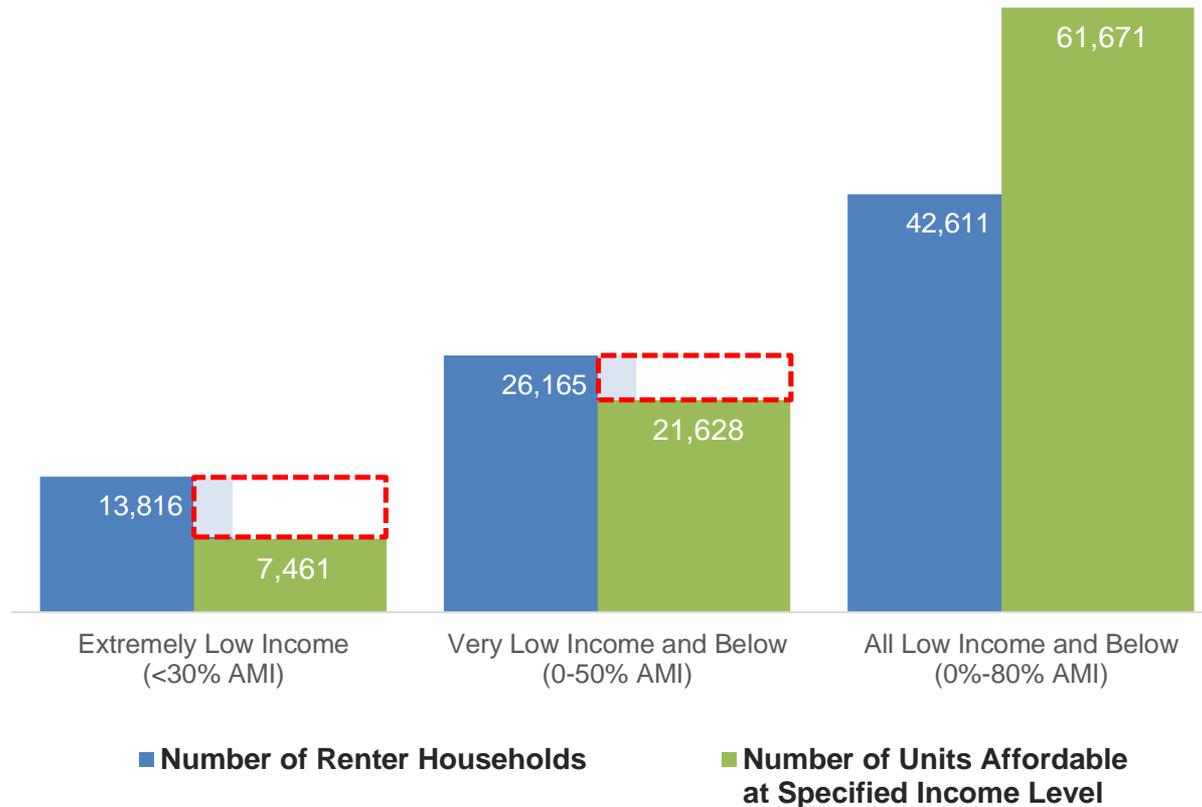

11,812 units
Shortage of rental housing affordable and available to very low-income households in *Washoe County*



35%
of Washoe County residents are cost-burdened

In Washoe County, there is a shortage of housing priced for the lowest income households—extremely and very low income residents.

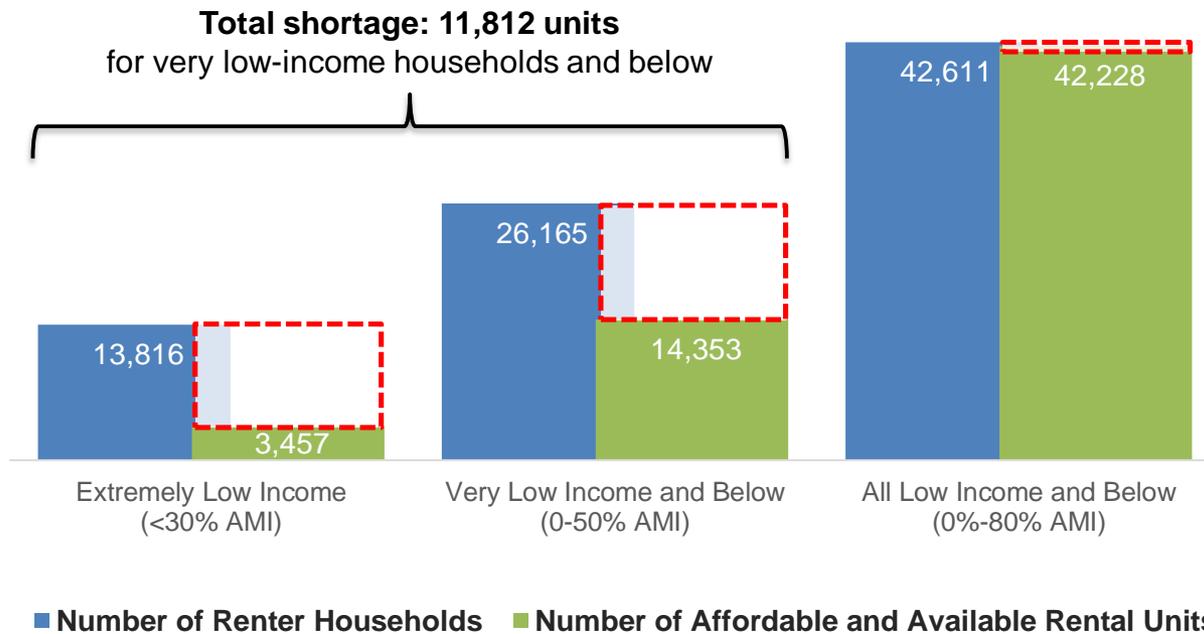
Total affordable units by income level (2016)
Washoe County, NV



SOURCE: 2016 American Community Survey 1-Year Public Use Microdata Sample (PUMS)

That shortage grows, and extends to all low-income households, when accounting for occupation of affordably priced units by higher income households.

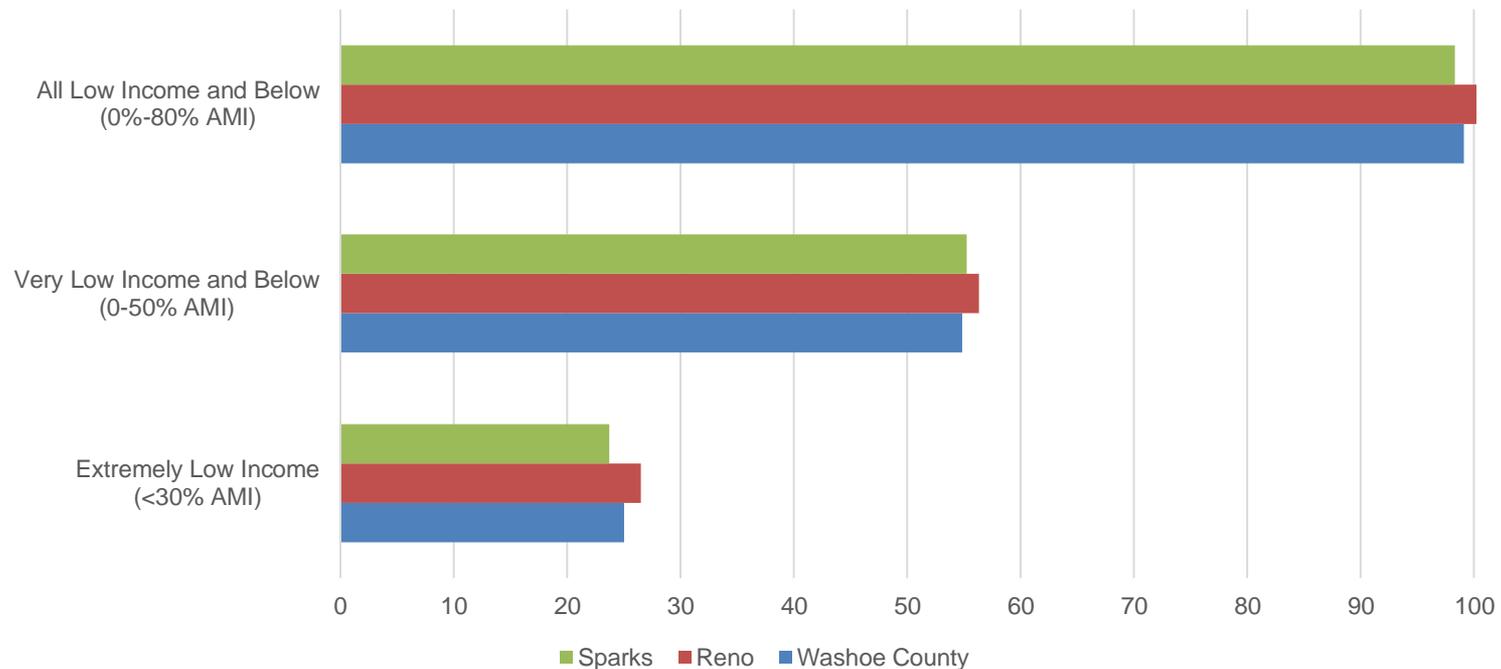
Total affordable & available units by income level (2016)
Washoe County, NV



SOURCE: 2016 American Community Survey 1-Year Public Use Microdata Sample (PUMS)

This shortage affects each jurisdiction at a similar scale, relative to current demand.

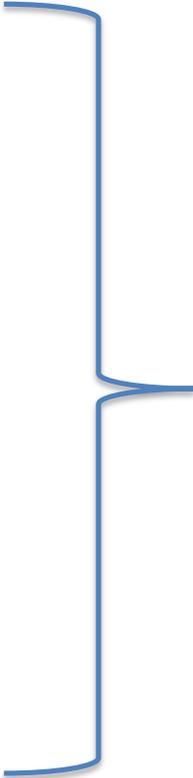
Number of affordable and available units per 100 households by income level (2016)
 Sparks, NV; Reno, NV; and Washoe County, NV



SOURCE: 2016 American Community Survey 1-Year Public Use Microdata Sample (PUMS)

Need for a cross-jurisdictional approach

- Housing availability and affordability
- Land availability
- Resource allocation
- Policy tools
- Funding resources
- Strategic targeting
- Leveraging assets

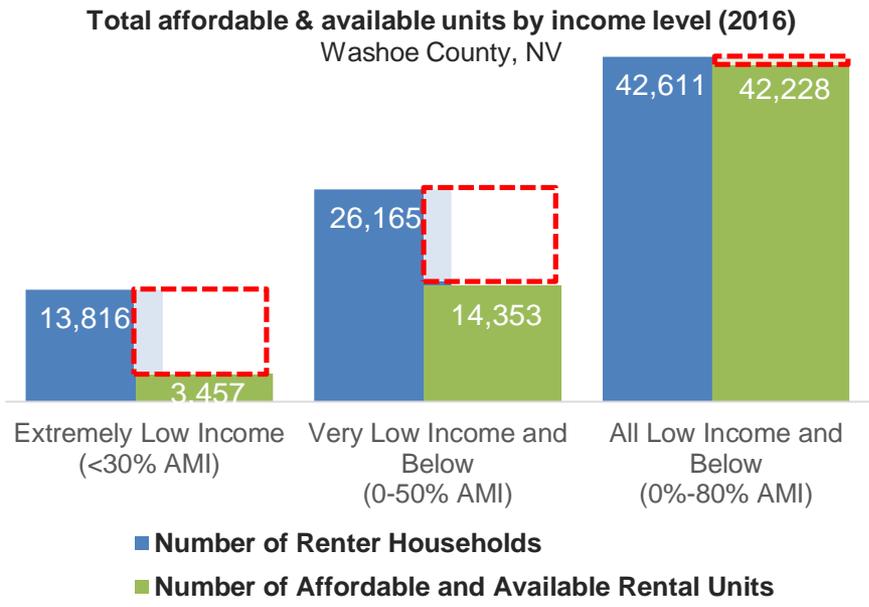


Regional issues

Snapshot of regional housing trends & new or expanded tools

Shortage of affordable rental housing

- There is a shortage of housing affordable and available to low-income renters, particularly at **50% AMI** and below
- As many as 3,540 individuals lived in **weekly motels** in Sparks and Reno at the time of the latest motel count



POTENTIAL NEW OR EXPANDED TOOLS

Regional housing trust fund provides a flexible dedicated funding source to support acquisition, new construction, and/or rehabilitation

Inclusionary zoning uses the zoning code to require or incentivize the production of housing affordable to low- or moderate-income households

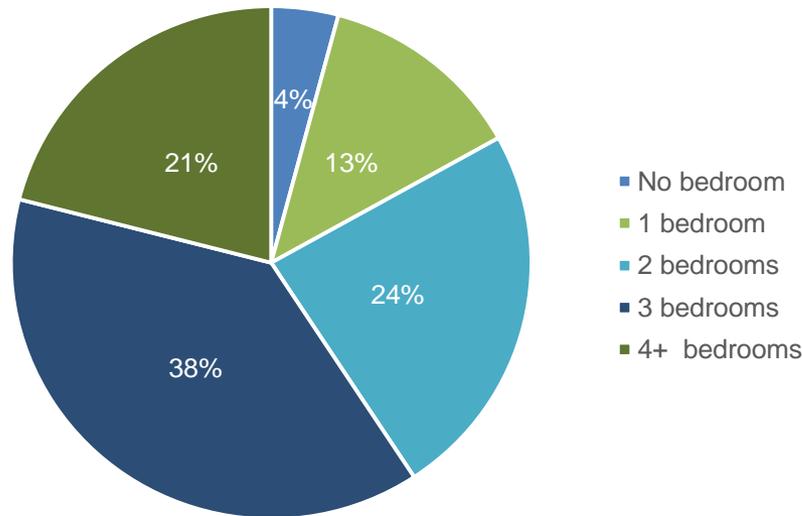
Public land disposition can support affordable housing when offered at a discount or no cost, particularly in areas with high land costs

SOURCE: 2016 American Community Survey 1-Year Public Use Microdata Sample (PUMS), ACTIONN 2018 Motel Count, State of Nevada 2017 Annual Housing Progress Report

Limited housing types

- Housing in Truckee Meadows is predominantly **single-family** detached homes (60%)
- 64% of households in Truckee Meadows are composed of either **1 or 2 people**, but only 40% of housing units offer less than 3 bedrooms

Share of housing units by number of bedrooms (2016)
Truckee Meadows, NV



POTENTIAL NEW OR EXPANDED TOOLS

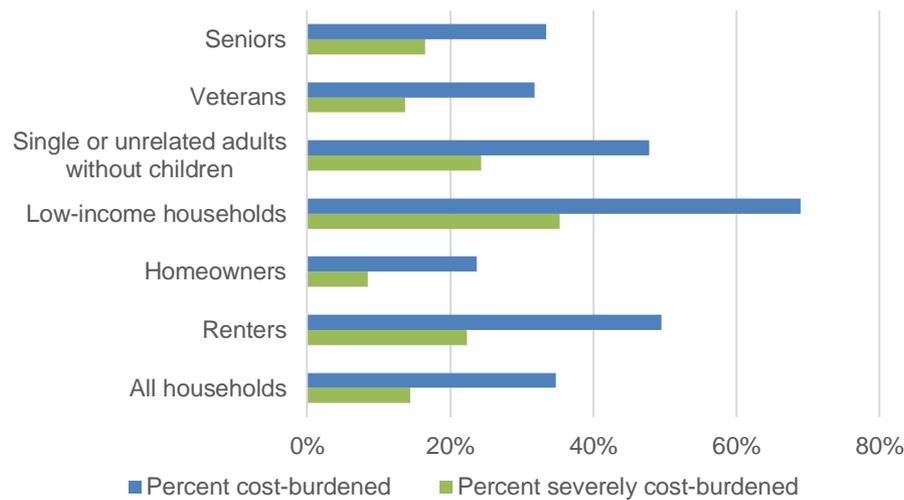
Infill development capitalizes on small vacant or underutilized parcels in highly developed areas with strong access to services (e.g. rowhouses, courtyard housing, low-rise multifamily)

Accessory dwelling units (ADUs) are additional living quarters on single-family lots that can be used to support different household types, increase affordable rental housing options, or provide another source of income to owners.

Challenges with housing costs

- From 2000 to 2016, median home value increased by 14%, while **median income decreased** by the same amount
- In March 2018, median rent in the Reno-Sparks MSA was \$1616 and median home value was \$300,349
- 35% of all Washoe County residents (and 50% of Washoe County renters) are **cost-burdened**

Cost-burden status for various population groups (2016)
Washoe County, NV



POTENTIAL NEW OR EXPANDED TOOLS

Community Land Trust is a nonprofit, community-based organization that offers housing that is affordable in perpetuity by retaining ownership of the land and applying re-sale restrictions to its properties.

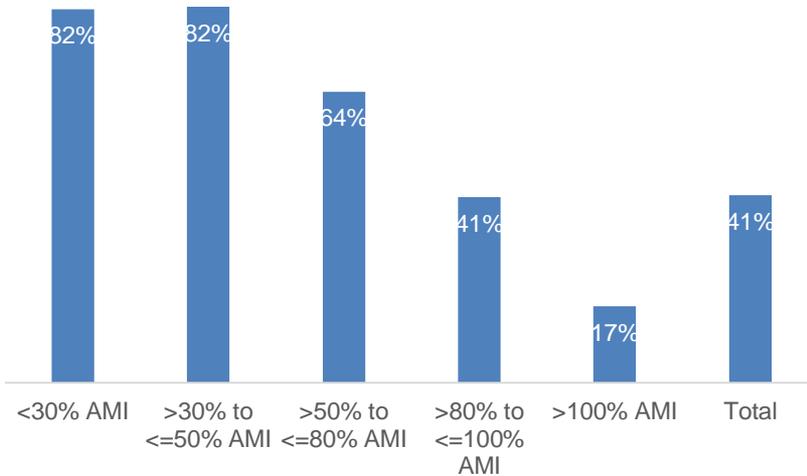
Employer-assisted housing is a public-private partnership designed to encourage homeownership in places near employment, often through downpayment or closing cost assistance.

Property Assessed Clean Energy (PACE) financing offers low-cost long-term financing for energy and water efficiency improvements, which lowers operating costs & utility costs

Housing quality concerns

- The average housing unit in Washoe County is about **30 years old** (median year built is 1987)
- 41% of all households in Washoe County, and more than half of all renters, experience **housing problems**

Share of households by income level experiencing housing problems (2014)
Washoe County, NV



POTENTIAL NEW OR EXPANDED TOOLS

Strategic code enforcement

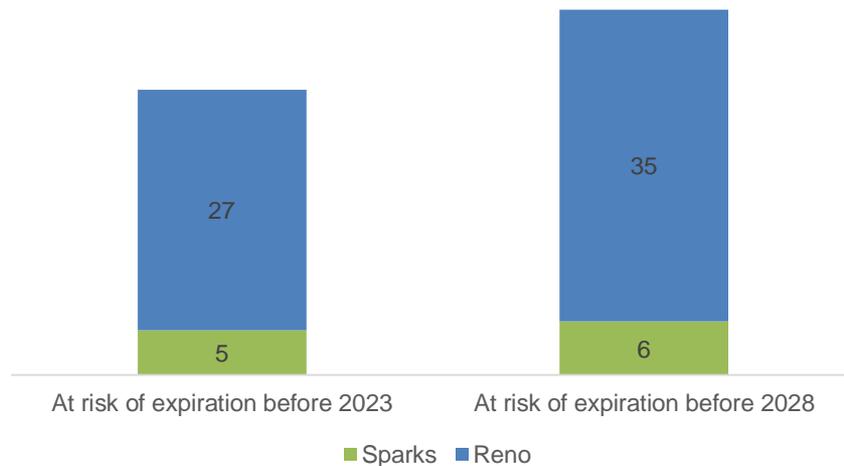
promotes responsible property ownership & neighborhood stability by proactively targeting inspections to areas where housing quality is an issue & offering incentives and resources to support responsible property maintenance.

Tenant protections are policies that ensure adequate living standards for renters, including protecting renters from displacement. Specific actions can include: rental registries, relocation assistance, & establishing standards for a “just cause” eviction.

Expiring affordability & displacement concerns

- Out of the 54 tax credit properties in the region, 32 are eligible to opt out of their affordability restrictions within the next 5 years
- 14% of all households in Washoe County, and 22% of renters, are housing insecure*, making them particularly vulnerable to housing displacement

Tax credit properties eligible to opt out of affordability restrictions
Truckee Meadows, NV



POTENTIAL NEW OR EXPANDED TOOLS

Preservation early warning system

tracks existing affordable housing properties through a central database to help identify at-risk properties.

Preservation overlay zone

designates zones where preservation of affordable units is either required or incentivized. Requirements can range from notice periods to replacement of units.

Right-of-first refusal policies

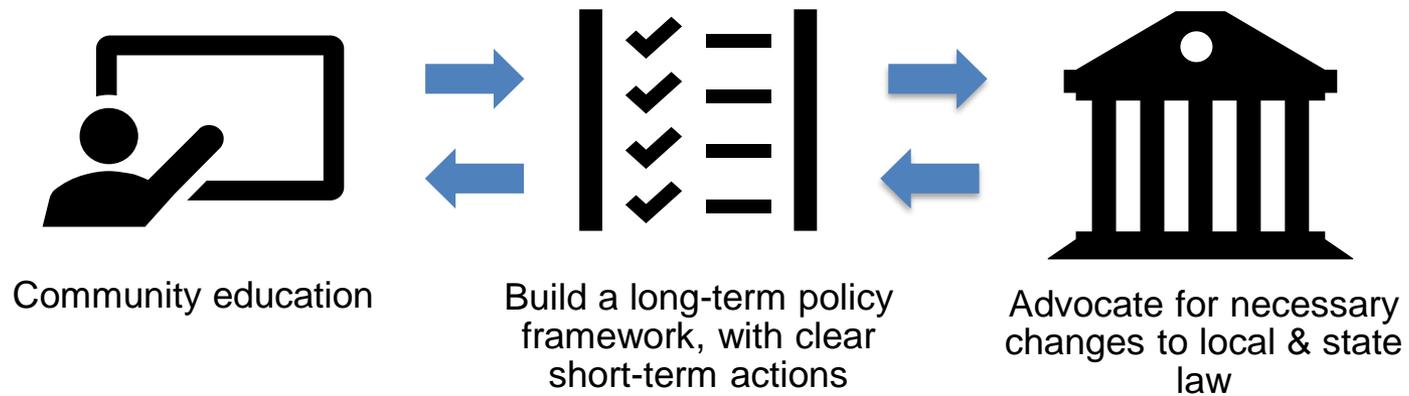
authorize qualified organizations to purchase a subsidized rental property if the owner decides to sell, before it is sold at market. Qualified entities can include nonprofits, government agencies, or tenants' associations.

SOURCE: Nevada State Housing Division, 2016 American Community Survey 1-Year Public Use Microdata Sample (PUMS)

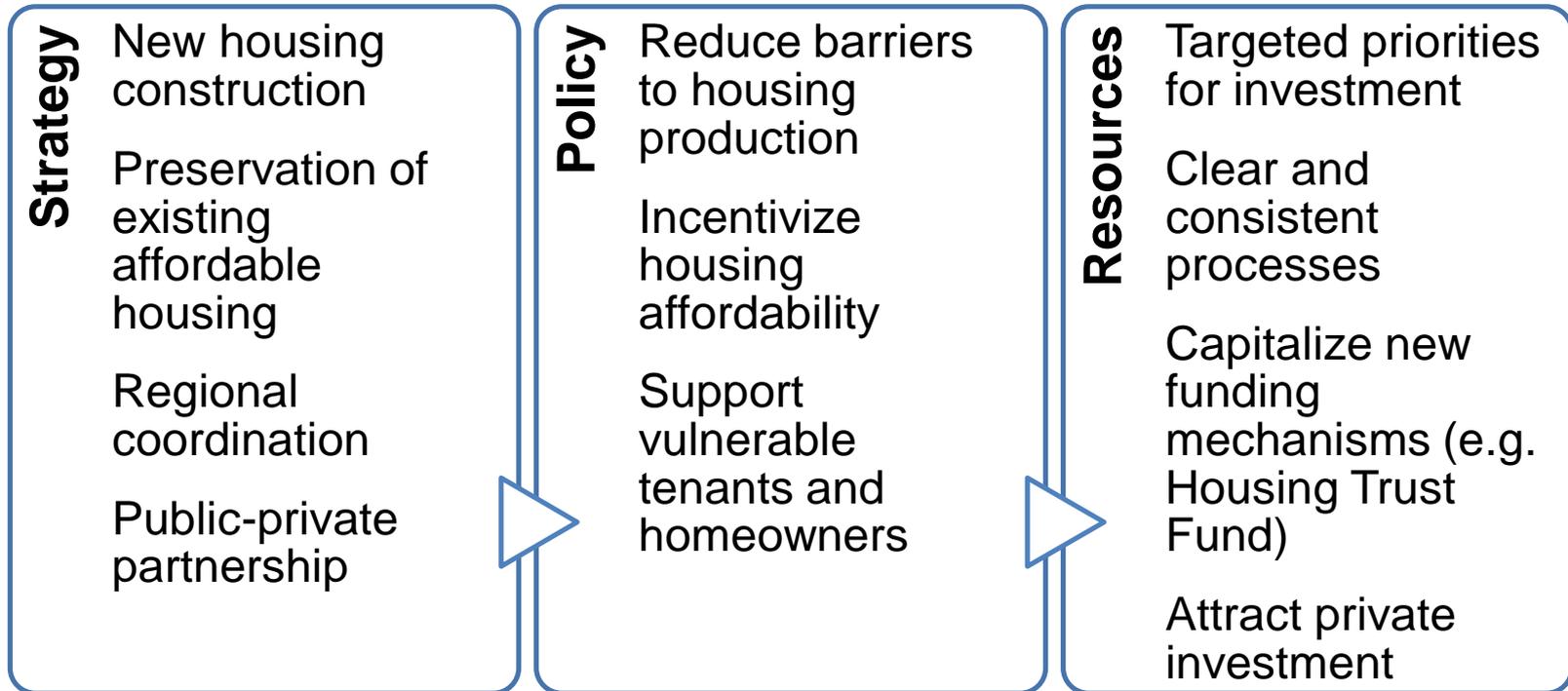
*low-income and paying more than 50% of their income on housing

What does this mean for the Truckee Meadows Region?

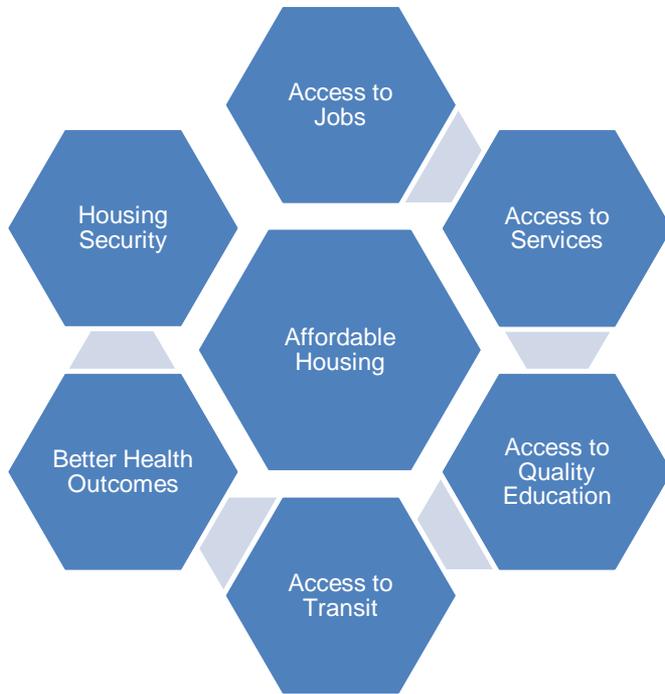
Opportunity to educate, build and advocate



Alignment of strategies, policies and resources



Build access to opportunity through housing investments



How does a Regional Housing Strategy benefit Truckee Meadows **residents**?



How does a Regional Housing Strategy benefit the Truckee Meadows **region**?

Next steps

Drafting Community Profile

- Market trends in Reno, Sparks, Washoe, & the region as a whole
- Inventory of current tools to address those trends
- Case studies on potential new or expanded tools

June visit

- Final ELT and working group meetings in Phase 1
- Presenting Community Profile to TMRPC & TMRPGB
- Community forum

Community survey

Take the community survey & share it broadly!

TMaffordablehousing.metroquest.com

Survey topics include:

- *Residents' current living situations*
- *Future housing preferences*
- *Connection between housing needs/preferences and access to key resources and amenities*

Q&A

For more information about the Regional Affordable Housing Plan, visit:
TMaffordablehousing.org