

QUICK GUIDE



INCREASING THE SUPPLY OF NEW AFFORDABLE HOUSING

QUICK GUIDE TO USING HUD'S COMMUNITY
PLANNING AND DEVELOPMENT PROGRAMS

AFFORDABLE HOUSING SUPPLY TOOLKIT: CPD PROGRAMS

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INTRODUCTION

This U.S. Department of Housing and Urban Development (HUD) Quick Guide assists state and local governments in their utilization of HUD's Community Planning and Development (CPD) funds to **increase their supply of new affordable housing units**.

The Affordable Housing Supply Toolkit series is designed to provide key introductory information to those who want to understand more about affordable housing: specifically, staff or members of state and local governments who are looking to be involved in affordable housing development and implementation in their communities, or those who want to partner with municipalities to explore affordable housing development options.

HUD-funded annual CPD programs provide critical financing options for state and local governments to increase the supply of new affordable housing. The goal of CPD programs is to develop vibrant communities by promoting **integrated approaches** that provide decent housing, a suitable living environment, and expanded economic opportunities for low- and moderate-income persons.

THIS QUICK GUIDE DETAILS:

- [various financing tools](#) that can be funded through HUD's annual CPD programs,
- [commonly used sources](#) for affordable housing production,
- [creative affordable housing models](#), and
- [six project profiles](#) of actual affordable housing developments using CPD funds.

For the purposes of this toolkit, *affordable housing* is generally defined as housing on which the occupant is paying no more than 30 percent of gross income for housing costs, including utilities. In addition to affordability, it is important that housing is decent, safe, and located in proximity to adequate employment and transportation options.



CPD PROGRAMS

As noted by graphics dispersed throughout this document, the toolkit identifies activities to increase the local supply of affordable housing that may be funded by one or more of the following annual CPD programs.



Community Development Block Grant (CDBG)

The CDBG Program provides funding to states, cities, and counties to develop viable urban communities by providing decent housing and a suitable living environment, and by expanding economic opportunities, principally for low- and moderate-income persons. Housing-related eligible activities include acquisition of real property, clearance/demolition, infrastructure, rehabilitation, and in limited circumstances, new housing construction.

HOME Investment Partnerships (HOME)

Congress created the HOME Program to provide participating jurisdictions, both state and local, with flexible funding, specifically to meet the affordable housing needs of low-income renters and homebuyers/homeowners. Eligible activities include costs associated with housing acquisition, new construction, and rehabilitation as well as tenant-based rental assistance.

Housing Trust Fund (HTF)

The HTF Program provides grants to states to develop and preserve affordable housing – primarily rental housing for extremely low-income households. Eligible activities include housing acquisition, new construction, and rehabilitation, along with operating subsidies to ensure the long-term financial stability of assisted projects.

Section 108 Loan Guarantee (Section 108)

The Section 108 Program enables CDBG grantees to leverage their annual CDBG grant allocation to access low-cost, adaptable financing for community and economic development-related projects. Section 108 loans can be used for a number of housing activities eligible for CDBG assistance, including housing rehabilitation, acquisition, site preparation, and, under limited circumstances, new affordable housing construction.

How can jurisdictions access these funds?

With the exception of Section 108 funds, which are available to existing CDBG grantees through an application system, annual CPD programs provide grants on a formula basis to qualifying jurisdictions.

What is the role of partners in CPD-funded housing development?

Successful affordable housing development is typically a result of strong, multilayered partnerships. Annual CPD programs often serve as key components in development deals; for example, gap financing, award letters to secure private financing, or “last-in” dollars to finalize deal closings. For that reason, establishing relationships and a shared vision with the target community, developers, housing-related nonprofits, local advocacy groups, and funding agencies is a key step for local and state governments.

What’s happening in your community?

- ✓ Contact your local municipal or county officials to find out how the program operates in your area.
- ✓ Check out the [Find a Grantee](#) page to access contact information per eligible CPD program.
- ✓ Review the grantees’ [Consolidated Plan](#) to identify housing priorities for their CPD funding.

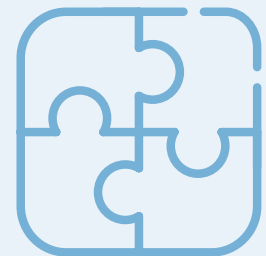
What requirements must be met before jurisdictions can access funds?

To access annual funds, state and local governments must develop and submit a [Consolidated Plan](#) (Con Plan) every 3 to 5 years, which, among other things, requires the jurisdiction to:

- Conduct an evaluation of its housing market and needs (i.e., the Con Plan Needs Assessment) by engaging in a data-driven analysis of households and demographics with disproportionately greater needs, which can provide valuable insight to identify existing housing needs and inequities within the jurisdiction.
- Identify public policies at the local jurisdiction level that serve as barriers to affordable housing and identify the strategy to remove or ameliorate the negative effects of such policies; for example, tax policy affecting land and other property, land use controls, zoning ordinances, building codes, or fees and charges.
- Comply with the [affirmatively further fair housing](#) (AFFH) mandate that sets out a framework for CPD grantees to take meaningful actions to overcome historic patterns of segregation, promote fair housing choice, and foster inclusive communities that are free from discrimination.
- Engage with and inform the community of the established housing-related goals.

“HOUSING AS...”:

CPD’s focus on **integrated approaches** amplifies the connective role that housing plays in our communities, serving as a nexus where all community sectors come together. An [infographic](#) in this document’s last section describes how housing is a building block of the community’s infrastructure, a factor in public safety, a component of the healthcare continuum, a driver of employment, a solution to addressing climate change, and a bridge to economic mobility. By adopting a broader view on housing and its impacts on society, local governments can better reflect the specific interests and concerns of their audience and thus improve the success of their messaging around housing production goals.



PUTTING AFFORDABLE HOUSING FUNDS TO WORK: USES OF ANNUAL CPD PROGRAMS

Affordable housing production is a collaborative effort where local government's key role is to foster cooperation across public agencies and private actors and determine how best to employ locally raised or federally funded affordable housing programs, such as the annual CPD funds. To effectively layer the multiple funding sources often required in affordable housing developments, local administrators must understand the regulatory, eligibility, and reporting requirements of each source, as well as their operational limits.

This section describes various financing tools that can be funded through the annual CPD programs and may be employed by local governments.

BRIDGE LOANS



CDBG, HOME, HTF, \$108

Certain private funders (e.g., Low Income Housing Tax Credit (LIHTC), investors) may be able to offer better terms if their contribution to a project is delayed significantly. By offering low-cost "bridge" loans, government agencies can help developers access such improved terms by covering development costs during the delay period.

- Bridge loans are CPD eligible but uncommon given the lengthy affordability restrictions associated with HOME and HTF, in particular.

CAPITAL SUBSIDIES



CDBG, HOME, HTF, \$108

A frequent application of CPD funds and dedicated revenues, capital subsidies refer to grants and long-term forgivable or low-cost/cash flow loans that may be used as permanent sources in a development project. By reducing the amount of

conventional financing required for the project, these subsidies can reduce project costs beyond the actual dollar amount contributed to the project. Similarly, in limited circumstances, CPD funds may be used to refinance existing mortgages in order to reduce interest payments in existing developments when the properties are undergoing rehabilitation with that CPD funding source; and, for some sources, may be restricted to rental.

- For Low-Income Housing Tax Credit-funded developments, Federal grants may cause a reduction in the project's eligible basis, which can result in a decrease of overall funding available for the project. For this reason, many communities provide Federal subsidies to LIHTC projects in the form of low-cost loans.

HOMEOWNERSHIP ASSISTANCE



CDBG, HOME, HTF

CPD funds may be used to remove barriers to and increase the affordability of homeownership for low- and moderate-income households. This can occur through a variety of mechanisms, including interest rate subsidies, low-interest loans to reduce principal amounts, and direct assistance with related costs such as down payments, mortgage insurance, and closing costs.

OPERATING SUBSIDIES



HTF

Affordable housing developments that have conventional financing rely on rental revenue to service debt during the life of the project. For projects that serve the lowest-income households, where rents are insufficient to cover operating expenses and debt service, government-provided

operating subsidies can boost that revenue; thus increasing the project's ability to leverage conventional financing. These may take the form of annual payments to affordable housing owners for the ongoing operation of a housing development serving the lowest-income households.

PROPERTY ACQUISITION AND PRE-DEVELOPMENT FUNDING*



CDBG, HOME, HTF, §108

Governments may use one of these funding types to kick-start the development of affordable housing by subsidizing upfront costs. They work by providing low-cost or deferred payment loans for developers to cover early development costs. In addition to the loans described above, CPD funds may be used to fund acquisition activities related to affordable housing through other mechanisms, such as grants or purchase and resale.

**Pre-development funding is not an eligible use for any of the CPD Programs except for HOME Community Housing Development Organization (CHDO) set-aside as a CHDO pre-development loan and CDBG, as long as the project ultimately meets a national objective (which may prove difficult).*

- Property acquisition activities are CPD eligible for specific projects. Land banking is not an eligible activity. For the vast majority of HOME and HTF funded projects, all other funding sources must be committed prior to commitment of HOME or HTF funds. And, if only engaging in property acquisition, then the property must meet HOME or HTF property standards prior to acquisition.

RENTAL ASSISTANCE



HOME

When governments commit to providing rental assistance to income-qualifying residents of affordable housing units, they can encourage

affordable housing production by strengthening the financial viability of such developments. This works in a few ways: It makes units more appealing and affordable to a wider group of households, thus contributing to higher occupancy levels and faster lease-up. It also may improve the reliability of rental payments and, in instances where the subsidized rent payment is higher than what that unit would generate without the subsidy, it increases rental revenue for the property. Both project- and tenant-based rental assistance programs, such as the Housing Choice Voucher Program, are available through HUD's Office of Public and Indian Housing and can complement CPD-funded assistance.

- Although project-based rental assistance is not CPD eligible, tenant-based assistance is HOME eligible through a program known as HOME Tenant-Based Rental Assistance.

REVOLVING LOANS



CDBG, §108*

Revolving loans are repayable low-cost loans made to private developers. Repaid funds are then used to create a revolving loan fund that can then be committed to a different project or developer. Therefore, revolving loans only require a government's initial investment to be established, after which they are expected to be largely self-sustaining. Because they are not forgivable loans, however, they tend to give developers limited flexibility when used as pre-development funding.

- CDBG grantees may also establish a rehabilitation loan fund with a lending institution through a lump sum drawdown on their CDBG letter of credit. The fund proceeds may then be combined with other financing mechanisms to leverage non-CDBG funds for rehabilitation of the same properties.

**Section 108 can be used in a similar structure as a revolving loan fund, with limitations.*

LAYERING FUNDING STREAMS: OPTIONS TO LEVERAGE ANNUAL CPD FUNDS



Complex financing is typical in affordable housing deals. Successful developments often leverage annual CPD funds with other public and private sources. Local governments can aid developers in securing third-party funds and outside financing by nurturing partnerships with the investment community, including other public entities such as Housing Finance Agencies (HFA), and aligning efforts, where possible, on items such as streamlining applications, timing of commitments, or closing processes.

Careful planning and deal structuring often improves the competitiveness, financial viability, and readiness of a project. For example, by conditionally committing CPD funds to a housing development at an early stage of the planning process, the jurisdiction may help a developer secure the remaining sources of funding for the project, thus making the project more likely to succeed.

This section describes the most commonly used sources for development across the country, which may be paired with annual CPD funds.

FEDERAL HOME LOAN BANK (FHLB) AFFORDABLE HOUSING PROGRAM (AHP)

The [AHP](#) is a competitive funding program for the production and preservation of affordable housing (both rental and homeownership), funded by the government-sponsored FHLB system. AHP funds can be either grants or low-interest loans, and are typically combined with other development sources, such as LIHTC proceeds. Similar to the

LIHTC program, awards are made to development team directly. As such, localities can help shape the resulting projects by collaborating with developers early on.

HISTORIC TAX CREDITS (HTCS)

Administered by the National Park Service and the Internal Revenue Service, [HTCs](#) provide capital funds for developers undertaking a substantial rehabilitation of a historic asset. HTCs can be used in the rehabilitation of historic residential buildings or adaptive reuse of other historic structures.



HOUSING FINANCE AGENCY (HFA) RISK SHARING: SECTION 542(C)

Administered by approved HFAs, the program provides low-cost capital to spur development of rental housing through [risk-sharing arrangements](#) between HUD and HFAs. This assists these agencies by providing more insurance and credit for multifamily loans.

INVESTMENT TAX CREDITS (ITCS) AND OTHER ENERGY EFFICIENCY FUNDING

ITCs are commonly referred to as “solar tax credits” because they may be used to cover a portion of the costs of installing solar arrays. [ITCs and other funding mechanisms](#) such as utility rebates, energy performance contracts, and Property Assessed Clean Energy (PACE) programs can be used as part of the funding stack for housing projects that commit to certain levels of energy efficiency and renewable energy generation.

LOW-INCOME HOUSING TAX CREDITS (LIHTCS)

These are allocated by state HFAs to private developers for the production or preservation of low-income housing. They can take the form of competitive “9%” [LIHTC](#) awards or non-competitive “4%” awards, which can be paired with local or state tax-exempt bond proceeds. While the awards are made directly to developers, local governments can work with and lend their support to local developers to help shape their proposed projects and make their applications more competitive. LIHTC has developed or preserved 3.6 million apartments since 1986.

NEW MARKETS TAX CREDITS (NMTCS)

Local organizations called Community Development Entities (CDEs) apply for [NMTCS](#) from the Community Development Financial Institution (CDFI) fund and invest the proceeds into public interest projects (including affordable housing construction) in qualified low-income communities.

OPPORTUNITY ZONES (OZS)

Created in 2017, [OZs](#) offer a tax incentive for people and corporations to invest in distressed communities across the country. Affordable housing development can be structured in a way to leverage these incentives when proposing housing in an OZ.

TAX-EXEMPT BONDS

These are typically issued by state or local government agencies and, as mentioned above, often in conjunction with an award of non-competitive 4% LIHTCs. [Tax-exempt housing bonds](#) function like loans that are contracted by governments and then passed along to developers but with one important difference: With tax-exempt bonds, the investor who purchases the loan is exempt from income taxes on the interest earned from that loan. This results in higher returns for the investor when compared to taxable bonds. As a result, the terms of the loan for tax-exempt bonds are typically more favorable to the borrower than the terms of taxable loans. These favorable terms are then passed on from the borrower (the government agency that issued the bonds) to the developer, resulting in a low-cost loan for the housing project.

DEVELOPING CREATIVE AFFORDABLE HOUSING MODELS

To achieve a significant increase in the affordable housing supply, local and state governments cannot rely solely on well-established sources of funds. Through a creative approach to funding strategies and a broad perspective on who may provide that funding, governments may open up new possibilities for the creation of affordable housing, both within their jurisdiction and in other communities where their success may be replicated. What follows is a non-exhaustive list of potential affordable housing models that go beyond the more conventional sources listed above and, in some cases, where CPD funds may be used.

COMMUNITY LAND TRUSTS (CLTs)



CDBG, HOME, HTF

A **CLT** is an affordable homeownership or rental housing model in which a single entity, typically a nonprofit or quasi-governmental organization, maintains ownership of the land when a household purchases the home that sits on top of it. The household pays a nominal amount to the CLT on a monthly basis to lease the land. CLT maintains long-term affordability by removing the cost of the land from the value of the home and limiting resale to income-eligible households at an affordable price.

DEED RESTRICTED HOMEOWNERSHIP



CDBG, HOME, HTF, §108

In much the same way in which rental units, such as those funded through CPD sources such as

HOME and HTF, can be subject to rent restrictions to ensure their affordability, resident-owned homes may be kept affordable through limitations on sale prices. In areas with rapidly escalating property values, **deed restrictions** can secure the long-term affordability of homes developed for and/or purchased by low-income households. The seller is able to realize a fair return on their investment, but not the full benefit of price appreciation.

EMPLOYER-ASSISTED HOUSING (EAH) PROGRAMS

Public- and private-sector employers can initiate **EAH programs**, which typically involve subsidizing housing costs for employees who live in proximity to the workplace. Government agencies can offer incentives for private-sector employers that provide EAH programs, such as a dollar-for-dollar match of funds, encouraging their implementation and enhancing their effect.

REDEVELOPMENT OF PUBLIC LAND



CDBG, HOME, HTF, §108

This is a particularly effective strategy in urban areas where land for development near desirable amenities can be scarce or prohibitively expensive. By partnering with public agencies (e.g., transit authorities, parks and recreation departments, land banks) that may control land in desirable areas for the development of affordable housing, governments can create affordable housing in areas where the market may be unable to do so.

LIMITED EQUITY COOPERATIVES (LECS)



CDBG, HOME, HTF, §108

Residents of LECs purchase a share of the entire property, rather than an individual unit of housing. LECs are typically only available to low- to moderate-income households and limit the resale of its shares to a predetermined price or rate of appreciation to [ensure long-term affordability](#).

TENANT OPPORTUNITY TO PURCHASE ACT (TOPA)

TOPA allows the resident control over the long-term affordability of their units and prevents the displacement of low- and moderate-income households and for some jurisdictions, is a tool related to LECs. Typically, TOPAs enable tenants of a multifamily building to exercise a first right of purchase, providing them with an opportunity to collectively purchase their building prior to its sale to a third-party purchaser, thus transferring property ownership into the hands of the tenants.

MEDICAID WAIVERS AND OTHER SUPPORTIVE SERVICE FUNDING

Housing developments that aim to provide supportive services to residents can sometimes struggle to fund such services. [Medicaid waivers](#) are a way in which health service providers can access federal funding to provide supportive

services on site at residential communities. Other sources of funding for supportive services are available through HUD's [Continuum of Care](#) Program for projects that serve persons who are either homeless or at risk of homelessness.

SOCIAL IMPACT BONDS (AKA PAY-FOR-SUCCESS FINANCING)

These refer to public-private partnerships, in the shape of performance-based contracts, where investors provide funds for a project expected to have a positive social impact and are repaid by the government when that impact is achieved. [Social Impact Bonds](#) are often used for new or rehabbed affordable and supportive housing units. This type of partnership can be an excellent avenue for incorporating equity-focused goals into development (or redevelopment) strategies, as Social Impact Bonds will often include metrics that go beyond the delivery of physical units, such as populations to be served, specific communities to be invested in, and employment opportunities generated.



PROJECT PROFILES



The following project profiles demonstrate how communities' layer various funding sources, including CPD programs, and employ creative models into planning and developing their own affordable housing. Check out these developments:



AVONDALE TRACE

High Point, NC



ERIN PARK

Eastpointe, MI



BREWSTER WOODS AT THE CAPE

Cape Cod, MA



LINCOLN PLACE

Rutland, VT



WESTVIEW VILLAGE

Ventura, CA



AVONDALE TRACE

The development of Avondale Trace, in High Point, NC, is an innovative example of how the city of High Point was able to use \$650,000 of **Section 108 funds** as leverage to obtain \$10.4 million of private capital and create a public-private partnership to facilitate the construction of new affordable rental housing. The project is a 72-unit multifamily rental development located on a 7.75-acre site. The development includes a clubhouse building, playground, and picnic area on the site located in the growing area of North High Point. The units are targeted to families that earn between 40% and 60% of the area median income (AMI).

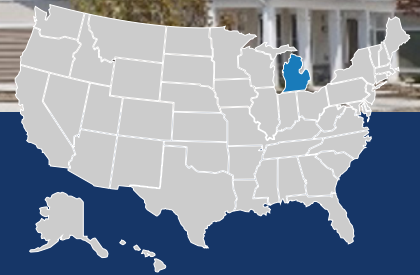
HUD, the city, the North Carolina Housing Finance Agency (NCHFA), and Wynnefield Properties forged a strong partnership to create the project. The use of Section 108 funds to purchase and improve the site allowed the city of High Point to preserve its HOME funds, which were originally used to secure the 9% LIHTC allocation. Section 108 funding expenditures must follow similar rules to the CDBG program, which include restrictions on the construction of new rental housing. Because of these restrictions, the Avondale Trace Apartments project required the creative structuring of financial resources.

After paying for site acquisition and improvements using, in part, the Section 108 funds, the city conveyed the property to a limited partnership created by Wynnefield Properties. Wynnefield secured **LIHTC** and other funding sources to construct the property, including an NCHFA Rental Production Loan, an NCHFA Work Force Housing Loan, and a conventional first mortgage loan. The state's Rental Program Loan requires the payment of 2% interest over a 20-year term. Both the Rental Program Loan and the Section 108 loan are structured as "soft debt" for the project. The NCHFA Work Force Housing Loan is available as a result of an appropriation of the state of North Carolina that has been used in conjunction with LIHTC transactions. The Work Force Housing Loan is structured as a zero (0%) loan that does not require an annual payment out of the cash flow from property operations.

Read more about this project [here](#).

HIGHLIGHTS

- Affordable housing units: 72
- Use of HUD CPD funding: Section 108 funds to leverage financing
- Key stakeholders: City of High Point, North Carolina Housing Finance Agency, Wynnefield Properties



ERIN PARK

Erin Park, located in Eastpointe, MI, is an example of how **deed-restricted homeownership** provides an affordable housing option in an area of single-family homes and duplexes.

Eastpointe is a fully built-out suburb that suffered since the housing market crash in the early 2000s and has not fully rebounded. Most dwellings in this area are single-family and two-family homes built prior to World War II. To increase homeownership opportunities, a rent-to-own **lease-purchase program** is being employed.

The developer, Community Housing Network Inc. (CHN), built the project on the site of a vacant, uninhabitable school in the East Detroit school district. Erin Park consists of 52 two- and three-bedroom units in dozens of one- and two-story buildings. Erin Park has 18 units with project-based vouchers, provided by the Michigan State Housing Development Authority. The site also contains eight Section 811 units. The \$16 million development benefited from a \$560,506 allocation of **HOME** funds, which was an important source of gap financing.

Although Erin Park is a mixed-income development housing residents at between 30% and 80% of AMI, the majority of the residents are at or below 60% of AMI. The units are available to tenants via 15-year lease-to-purchase contracts. In year 13 of the contract period, CHN will engage in conversations with existing residents to provide them with an option to purchase their unit. At the end of the 15-year compliance period, residents will have the option to purchase their unit at an affordable price. Those who are not able or do not wish to purchase can remain as residents, and upon ending their lease, the units(s) will be sold for affordable homeownership.

HIGHLIGHTS

- Affordable housing units: 52 rent-to-own
- Number of project-based vouchers: 18
- Targeted population: Residents at, or below, 60% of AMI





BREWSTER WOODS AT THE CAPE

Brewster Woods at the Cape is located on a formerly empty lot in Cape Cod, MA. The project is targeted to those who work in the community but cannot afford to live there -- teachers, service workers, and healthcare workers -- due to the area's prohibitive cost of housing. Due to a strong partnership between the Town of Brewster, state of Massachusetts, Preservation of Affordable Housing, Inc. (POAH), and Housing Assistance Corporation, Brewster Woods at the Cape will be composed of 29 units of rental housing, serving low- and moderate-income households, including eight one-bedroom, 18 two-bedroom, and three three-bedroom floor plans. The project will have seven project-based vouchers to serve households below 30% of AMI in addition to three Section 811 supportive housing units, allowing low-income persons with disabilities to have access to appropriate supportive services so they may live as independently as possible.

Development of the project began in 2015 when Housing Assistance Corporation, a nonprofit that provides housing programs and services to the Cape Cod community, was awarded the RFP by the Town of Brewster for a property set aside for housing in the 1990s through a long-term lease.

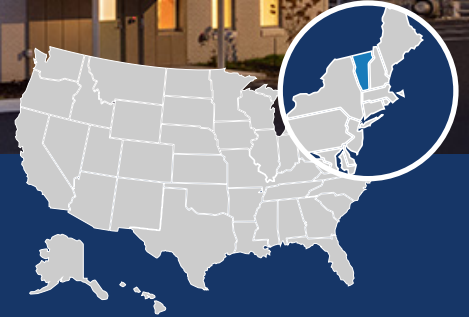
With total development costs of \$12 million, it is typical for an affordable housing project of this size to require several layers of funding, including **capital subsidies**, from local, state, and federal programs. A \$1.68 million Massworks grant funded site clearing and infrastructure -- roads, sidewalks, and utilities. Additionally, the **building fee was waived**, and the permitting process, which can be very onerous for a multifamily development, was expedited by the state, which allows for more flexible zoning rules. Brewster Woods at the Cape also benefited from a \$2.4 million loan from the Massachusetts Housing Partnership; \$1 million in Affordable Housing Trust Funds from MassHousing; \$450,000 from Community Economic Development Assistance Corporation; \$550,000 in Brewster Community Preservation Act money; and \$800,000 in local and state **HOME** funding (\$250,000 from the local HOME Consortium and \$550,000 from the state's Department of Housing and Community Development funds).

POAH is pushing the envelope on sustainability, including building the property to a [passive house standard](#). Cape Light Compact, a nationally recognized award-winning energy services organization, partnered with POAH to fund some of Brewster Woods' sustainability attributes.

HIGHLIGHTS

- Affordable housing units: 29
- Number of project-based vouchers: 7
- Population served: Service workers in the community





LINCOLN PLACE

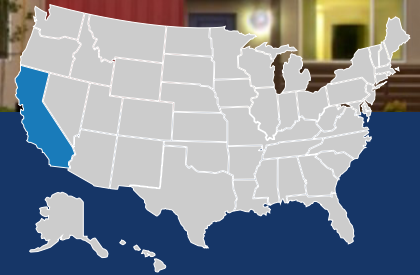
Lincoln Place is an example of increasing affordable housing supply through the **development of public property**. Once the home of Immaculate Heart of Mary School in Rutland, VT, which was abandoned and uninhabitable, the two-story masonry facility now provides 19 units of affordable housing. The Housing Trust of Rutland designed the property of micro-units and one-bedroom apartments, along with community space for socializing, events, and supportive services to benefit very low-income residents and formerly homeless individuals. Lincoln Place obtained **Historic Tax Credits**, which enabled the developer to preserve elements of the former school. Unit designs include built-ins – shelves and tables – to minimize the amount of furniture residents and management need to purchase. The historic preservation component required the cement block walls and long hallways to remain, along with a gym that was divided into community and office space. The Housing Trust of Rutland developed Lincoln Place with the assistance of the Rutland Housing Authority, which provides project-based vouchers.

HIGHLIGHTS

- Affordable units: 19
- Use of HUD-CPD funds: Housing Trust Fund, HOME, CDBG
- Population served: Formerly homeless or at risk of homelessness and those below 50% of AMI

Along with the Historic Tax Credits, Lincoln Place received **National Housing Trust Fund**, **HOME**, and **CDBG** funds, which provided almost 25% of the total development cost of \$6,565,269.





WESTVIEW VILLAGE

Westview Village redevelopment is an effort to preserve affordable housing and expand the opportunities for housing assistance to other qualifying low-income households with minimal displacement. The redevelopment also contributes to other neighborhood improvement measures, including new infrastructure investments and community facilities for a service-enriched environment.

Westview Village replaces the city’s oldest public housing property – a 180-unit community on 20 acres built in the 1950s. The site, co-developed by the Housing Authority of the City of San Buenaventura (Housing Authority) and BRIDGE Housing Corporation (BRIDGE), will consist of 320 new mixed-income homes and apartments built in four phases, including two multifamily housing sites, one senior development, and 34 single family homes for “entry-level” families that will be **deed restricted**. Of the 320 units, 286 will be affordable, thus adding 106 units of affordable housing to this site post-redevelopment.

Westview Village is a Rental Assistance Demonstration (RAD) conversion. Public housing properties that undergo RAD conversions and temporarily displace residents due to construction or renovation must allow these residents to return to the property once construction is complete. Alleviating resident displacement is a cornerstone of RAD. Of the resident households that were temporarily displaced, currently 79 are opting to move back into the property once construction has been completed. The remaining households are either choosing to remain in the public housing complexes to which they were relocated, purchasing their own homes, or accepting tenant-based rental assistance, enabling them to move to another subsidized dwelling of their choice.

HIGHLIGHTS

- Affordable units: 286
- Used a unique mix of funding, including CDBG-DR, in connection with a RAD conversion
- Population served: Seniors, individuals, and families, including “entry-level” households

WESTVIEW VILLAGE CONTINUED

Project Details:

Located in the city of Ventura, CA, in the western part of Ventura County, an area with extremely high-cost housing. The county is heavily agricultural, and the multifamily property currently serves residents who are farmworker families.

Four-phase development:

- Phase I – 131 affordable multifamily apartment units (1–4 bedrooms)
- Phase II – 50 affordable senior apartment units
- Phase III – 105 affordable multifamily apartment units (1–4 bedrooms)
- Phase IV – 34 for-sale row houses and duplexes

The total development costs are estimated to be \$192 million of which \$960,011 in **HOME** funds and \$5,335,055 in **CDBG-DR** funds were instrumental in filling in financing gaps.

Community Support:

After initial plans were released, the Housing Authority of the City of San Buenaventura conducted extensive outreach with the community to involve residents in the design process. The future community and childcare center received widespread community support. Additionally, the Housing Authority, in partnership with the city, is developing community-requested assets including sidewalks and greening along bike paths; thus incorporating sustainability aspects, which have helped the development gain community support. The project received California Affordable Housing and Sustainable Communities funding, which supports projects that address climate change and reduce greenhouse gas emissions. Housing advocates demonstrated that affordable, higher-density housing reduces greenhouse gas emissions.



“HOUSING AS...”: THE CONNECTION BETWEEN AFFORDABLE HOUSING AND THE COMMUNITY



Affordable housing is more than bricks and mortar: rather, it is the nexus at which all community sectors come together and the backbone of our thriving neighborhoods, strengthening opportunities for individuals and their families. Local governments can more effectively convey their affordable housing production goals by integrating the various “Housing as...” approaches (detailed below) into their planning exercises, community engagement practices and investment decisions.”



Housing As: **INFRASTRUCTURE**

Affordable housing can contribute to our communities in important ways, both as a physical asset and a form of economic activity. Affordable housing development is often accompanied by infrastructure improvements that positively impact communities. Among these benefits are improving neighborhood walkability and accessibility by updating sidewalks and streetscapes, increasing the availability of green and open spaces, and bringing transportation hubs and economic investment to historically disinvested or currently declining neighborhoods. Environmental advocates, chambers of commerce, and transportation planners may well lend support to affordable housing development when they recognize its value as a conduit for improved infrastructure.



Housing As: **PUBLIC SAFETY**

A lack of decent, affordable housing can have wide-ranging impacts on the security of a community as a whole and the safety of its most vulnerable members. The availability of affordable housing may correlate to crime reduction. Eliminating barriers to housing for persons with correctional backgrounds can lead to reduced recidivism. Housing chronically homeless individuals leads to reduced incarceration and reliance on emergency medical care, at substantial monetary savings to community taxpayers. Such arguments can be powerful to police departments, justice advocates, educational institutions, and healthcare providers.



Housing As: **HEALTHCARE**

Housing is recognized as one of the social determinants of health and wellbeing, which are non-medical factors that influence an individual's health and quality of life. Housing stability and affordability, the quality of one's home, and neighborhood characteristics such as walkability, safety, and environmental quality all have observed impacts on the health and wellbeing of residents. A compelling argument for healthcare providers is that when people have increased access to medical services, rather than having to rely on emergency room care as is often the case with people experiencing homelessness, healthcare costs decrease for both the individual and the healthcare system. It is becoming increasingly common for affordable housing developments, particularly for seniors and more vulnerable populations, to include a healthcare component such as a clinic.



Housing As: **WORKFORCE**

A potential avenue for facilitating the development of affordable housing is for local governments and developers to partner with large neighborhood or area employers. Elements that may be of interest to area employers are:

- Workers need a place to live. When that place is affordable, connected to amenities, safe, and close to their workplace, workers tend to have higher job satisfaction and employers have better retention.
- The availability of affordable housing near places of employment can boost recruitment efforts and attract more talent as the available worker pool increases. Shorter commutes can also mean more predictability and reliability for employers and employees alike.



Housing As:

CLIMATE RESILIENCE

Housing and transportation are huge contributors to the total domestic carbon footprint affecting U.S. households. The federal government incentivizes affordable housing developers to incorporate green, energy efficiency attributes into their new communities. These energy efficiency upgrades also reduce costs of heating and cooling, increasing long-term affordability for residents. Affordable housing development also provides an opportunity to increase resilience and preparedness through better stormwater management, structural improvements, and updated emergency systems. Such innovations are likely to gain community support, particularly from environmental advocates.



Housing As:

ECONOMIC MOBILITY

Homeownership can provide a pathway to upward mobility, as it provides a way for households to build wealth over the long term through the increase of home equity. While building wealth obviously benefits individual families, it benefits the community as a whole by creating an environment where retail venues, restaurants, and services can thrive. Additionally, safe, stable, affordable housing, whether rented or owned, improves long-term outcomes for low-income children in educational attainment, family stability, and future earnings.

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PROJECT PROFILES PHOTO ATTRIBUTIONS

Avondale Trace: photo obtained from the [Case Study, Avondale Trace Apartments, Section 108 and LIHTCs](#). **Erin Park:** Community Housing Network, Inc.

Brewster Woods at the Cape: Preservation of Affordable Housing, Inc.

Lincoln Place: photos by Stina Booth, provided by Housing Trust of Rutland County.

Westview Village: photos by Dennis Hill Content Creation, provided by Housing Authority of the City of San Buenaventura.



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