Habitat for Humanity®
of Pinellas & West Pasco Counties

a guide to affordable housing and policy

A Note from the President & CEO

Affordable Housing (AH) is a complex societal issue that has a multitude of diverse interventions, policy solutions and funding approaches. Housing should be viewed as a continuum from homelessness to homeownership with focused situational solutions based on the individual or family's needs and not as a monolith one size fits all approach. Even within the housing continuum, different subpopulations will have their unique subset of challenges and interventions within the housing continuum.

At Habitat for Humanity, we are solely focused on **affordable homeownership**, which we believe is one of the primary mechanisms in breaking the cycle of generational poverty and creating intergenerational wealth. As such this guide will primarily focus on what we know best, affordable homeownership. However, we will also attempt to provide additional education and/or resources on other housing-related topics.

Policy plays a significant role in the supply of safe, decent and affordable housing. All one needs to do is look back at decades of discriminatory housing practices to see how the impact of such practices is still being felt today. That is why it is paramount for citizens to take the time to understand housing-related issues and the potential policy impact(s).

Again, this guide is not meant to be an exhaustive and comprehensive explanation of all housing-related issues and/or approaches. It is meant to serve as a resource guide and general overview that will hopefully spark deeper consideration as well as exploration.

We believe it is vital that we engage in advocacy efforts, which include helping to educate the community on housing-related topics. As always, Habitat is here as a local resource and subject matter expert. Please do not hesitate to reach out to myself or Sean King, our Director of Government Relations & Advocacy at sking@habitatpwp.org with questions or for additional conversation.

We thank you for your time and commitment to advancing affordable homeownership.

Sincerely,

Mike Sutton, President & CEO
Habitat for Humanity of Pinellas and West Pasco Counties

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Local Affordable Housing Quick Facts

In Florida,

1 in 6 households

spend half or more
of their income on housing.

63%
of single family homes in Pinellas County are 40 years or older.
– 2018 ACS 5-Year Estimates

171,245
Pinellas County households (more than 50% renters and over 33% homeowners) are considered "cost-burdened," meaning they pay more than 30% of their income towards housing.
– FHSP

Minimum-wage worker would have to work
148 hours
per week to afford the estimated median market rate rent. *– FHSP*

29%
of all renters in Pasco County are cost burdened.

62%
of all renters between 30%-60% AMI are rent burden. *– Shimberg*

Within the regional MSA which encompasses both Pinellas and Pasco counties there are only
53 available housing units
for every 100 households under 60% AMI. *– Shimberg*

Pinellas County renters must make an hourly wage of
$26.93 - nearly 4x the federal minimum wage -
to not spend more than 30% of their income on housing costs. *– FHSP*

45%
of Pinellas County household are consider either living in poverty or Asset Limited Income Constrained Employed (ALICE) households.

The Housing Continuum

As previously referenced, affordable housing must be viewed as a continuum. This continuum incorporates all shapes, forms and fashions of housing needs and interventions. This includes, yet is not limited to; homeless services, HUD housing vouchers, local housing authorities, rental assistance programs, multifamily construction, housing innovations and homeownership.

It is also comprised of multiple and diverse ‘subpopulations’, such as, veteran homelessness, senior housing, domestic violence, and various income levels, just to name a few. Too often, affordable housing is either grouped together or a singular housing need is highlighted as the most pressing matter. However, in all reality all housing needs have their own unique set of challenges as well as opportunities and all are equally important within the housing continuum.

Please see the additional resources section for additional information and a local directory.

Where does Habitat Fall on the Continuum?

At Habitat for Humanity of Pinellas and West Pasco Counties we focus solely on providing **affordable homeownership** opportunities to all individuals or families who may qualify. There are common misconceptions that we ‘give the homes away for free’ or families must be unemployed to enter into the program, which could not be farther away from the truth. At Habitat, we partner with our families and provide a ‘traditional’ 30-year mortgage, however at a **0%** fixed interest rate. Families must be able to qualify for a mortgage and demonstrate an ability to repay the mortgage. Eliminating interest payments not only makes monthly mortgage payments more affordable, it also saves the homeowner on average over $150,000 in interest payments over the term of the mortgage. The stability of homeownership coupled with affordable payments and equity creation allows for long term success for many low to moderate-income families.

The Montanez Family became Habitat homeowners in 2019. The family of six are making new memories in Ridgecrest, Largo.

What Does Affordable Mean?

In the realm of housing, it is generally accepted that paying no more of **30%** one’s **gross** monthly income for housing expenses, is consider to be in an affordable situation.

Rental housing expenses are calculated by adding rent plus any utility costs, while homeownership costs generally are calculated by including mortgage payment, taxes, insurances and utilities.

Moderately costs burden homes pay 30% -50% of gross income for their housing expense, while severely cost burden homes pay 50% or more of their gross income for housing expenses. Being considered cost burden and thus in an unaffordable circumstance, places the individual or family at increased financial risks. Often one emergency (job loss, illness, unexpected expense) can place families in dire circumstances.

Locally, due to a lack of reliable public transportation options and the lack of affordable housing close to employers, there is a hidden cost of transportation expenses for low to moderate-income.

In **2019 AAA estimated the** annual average costs of vehicle ownership as being $9,282 per year or $773 a month. The need for a reliable vehicle exacerbates financial stressors caused by unaffordable housing costs. Some citizens will pay upwards of 70% of their total income for housing and transportation-related expenses alone.

Please see Scope of Problem reference sheet for statistics on cost burden households.

Income Qualifications & Guidelines

Almost all federal, state and local housing programs qualify income utilizing the same benchmark set of localized income data that is released on an annual basis (typically in the spring) by the Housing and Urban Development Department (HUD). Income limits/guidelines are calculated by using the American Community Survey (ASC) data for all regions in the US. Income limits are based on each community's Area Median Income also known as 'AMI' or sometimes referenced as Median Family Income (MFI).

AMI/MFI is the household income for the median or middle household in the region. Thus if you were to line up each household from the poorest to wealthiest the household in the middle would be the median. AMI is also calculated and adjusted based on family size, thus a single individual will have a lower AMI threshold then a family of 4. Programs will then serve populations based on their percentage of AMI based on their household income.

Both Pinellas and Pasco Counties are in the Tampa-St. Petersburg – Clearwater MSA and therefore utilize the same regional AMI data. 2020 Income Limits are listed below.

Income Area	Median Family Income	Income Limit Categories	1	2	3	**4**	5	6	7
Pinellas & Pasco	$69,200	Extremely Low	$14,800	$17,240	$21,720	**$26,200**	$30,680	$39,640	$44,120
		Very Low (50%)	$24,650	$28,150	$31,650	**$35,150**	$38,000	$48,000	$43,600
		Low (80%)	$39,400	$45,000	$50,650	**$56,250**	$60,750	$69,750	$74,250

<u>Definitions by income level</u>

Workforce Housing = 81% to 120% AMI
Moderate to Low Income = 50% - 80% AMI
Very Low to Extremely Low = 30% - 50% AMI

Note: Not all programs and/or funders will uses this benchmark or may not even use the benchmark in the same manner, however generally speaking these will be the terms and/or numbers used in most programs.

Funding

Federal Housing Funding

Information provided below was reproduced from the *Overview of federal housing assistance programs and policy - Congressional Research Service, Library of Congress – 2019* and edited for brevity. This section is not meant to be a comprehensive list or in-depth review as funding mechanisms constantly shift and funding can be varied specified, however provides a general overview of the major federal funding programs in our area.

Federal funding can be grouped into three main categories: **direct assistance to state and local governments, rental assistance, and assistance for housing finance**. Each category has a subset of funding mechanisms/programs and are deployed in a variety of different ways throughout our community.

Direct Assistance to State and Local Governments

The **Community Development Block Grants (CDBG)** program was enacted as part of the Housing and Community Development Act of 1974 and is administered by HUD. Its purpose is to develop viable urban communities by providing decent housing, a suitable living environment, and expanding economic opportunities primarily for low- and moderate-income persons.

The CDBG program distributes 70% of total funds through formula grants to entitlement communities—central cities of metropolitan areas, cities with populations of 50,000 or more, and urban counties—and the remaining 30% goes to states for use in small, non-entitlement communities.

Recipient communities may use CDBG funds for a variety of activities, although at least 70% of funds must be used to benefit low- and moderate-income persons. Eligible activities include the acquisition and rehabilitation of property for purposes such as public works, urban beautification, and historic preservation; the demolition of blighted properties; services such as crime prevention, child care, drug abuse counseling, education, or recreation; neighborhood economic development projects; the rehabilitation or development of housing; and housing counseling services.

Self-Help Homeownership Opportunity Program (SHOP) awards grant funds to eligible national and regional nonprofit organizations and consortia to purchase home sites and develop or improve the infrastructure needed to set the stage for sweat equity and volunteer-based homeownership programs for low-income persons and families. SHOP funds must be used for eligible expenses to develop decent, safe and sanitary non-luxury housing for low-income persons and families who otherwise would not become homeowners.

Homebuyers must be willing to contribute significant amounts of their own sweat equity toward the construction or rehabilitation of their homes.

HOME Block Grants. The HOME Investment Partnerships Program is a housing block grant program administered by HUD and designed to expand the supply of decent, safe, sanitary, and affordable housing. HOME funding is allocated via formula: 60% of funds are awarded to "participating jurisdictions" (localities that have populations above a certain threshold and qualify for a certain amount of funding under the formula), and 40% are awarded to states. HOME grantees must match 25% of their HOME grants (with some exceptions) and submit a plan to HUD detailing their community housing needs and priorities. HOME funds can be used for four main purposes: rehabilitation of owner-occupied housing, homebuyer assistance, rental housing construction and rehabilitation, and the provision of tenant based rental assistance. All HOME funds must be used to benefit low-income families (those with incomes at or below 80% of area median income), and at least 90% of funds used for rental housing activities or tenant-based rental assistance must be used to benefit families with incomes at or below 60% of area median income.

Housing Trust Fund (HTF) was created in the Housing and Economic Recovery Act of 2008 (HERA, P.L. 110-289). It is a block grant administered by HUD that is targeted primarily toward the development of rental housing for the lowest-income households. HTF funds are allocated to states via formula. HTF funds are to be used primarily for rental housing; however, by statute, up to 10% of funds can be used for certain homeownership activities for eligible first-time homebuyers. Furthermore, all HTF funds must benefit households that are at least very low-income, and at least 75% of the funds used for rental housing must benefit extremely low-income households (or households with incomes at or below the poverty line). While the HTF is similar to the HOME program in some ways, it is more explicitly focused on rental housing and has deeper income targeting requirements than HOME**.**

The Simmons Family became Habitat homeowners in 2019.

Low Income Housing Tax Credit The LIHTC was enacted as part of the Tax Reform Act of 1986 and provides incentives for the development of affordable rental housing through federal tax credits administered through the Internal Revenue Service. The tax credits are disbursed to state housing finance agencies (HFAs – in Florida it's the Florida Housing Finance Corporation) based on population. HFAs, in turn, award the credits to housing developers that agree to build or rehabilitate housing in which a certain percentage of units will be affordable to low-income households. Housing developers then sell the credits to investors and use the proceeds to help finance the housing developments. The benefit of the tax credits to the purchasing investors is that they reduce the investor's federal income tax liability annually over a 10-year period.

Rental Assistance

Section 8 Housing Choice Vouchers are a form of tenant-based rental assistance funded by the federal government, administered locally by quasi-governmental PHAs (Public Housing Authority), and provided to private landlords on behalf of low-income families. Generally, an eligible family with a voucher lives in the housing of its choice in the private market (assuming the unit meets program standards and the landlord is willing to participate in the program) and the voucher pays the difference between the family's contribution toward rent and the actual rent for the unit. Specifically, a family pays 30% of its adjusted income toward rent (although it can choose to pay more) and the PHA, which receives funding from HUD, makes payments to the landlord based on a maximum subsidy set by the PHA (based on the local fair market rent established by HUD), less the tenant's contribution. Families are eligible to receive vouchers if they are very low-income (earning 50% or less of the local area median income) or low-income (earning 80% or less of the local area median income) and meet other special criteria (for example, are elderly or have disabilities). However, PHAs must provide 75% of all vouchers available in a year to extremely low-income families (earning 30% or less of the greater of area median income or the poverty guidelines). Vouchers are nationally portable; once a family receives a voucher, it can take that voucher and move to any part of the country where a voucher program is being administered.

The Section 8 voucher program is the largest of HUD's rental assistance programs, serving the largest number of households and accounting, in recent years, for more than one-third of the department's budget.

Project-Based Section 8 Rental Assistance. Under the project-based Section 8 rental assistance program, HUD entered into contracts with private property owners under which owners agreed to rent their housing units to eligible low-income tenants for an income-based rent, and HUD agreed to pay the difference between tenants' contributions and a rent set by HUD. Families are eligible to live in project-based Section 8 units if they are low-income (having income at or below 80% of the area median income), but 40% of units made available each year must be reserved for extremely low-income families (those with income at or below 30% of the area median income).

Public Housing. Low-rent public housing developments are owned and operated by local public housing authorities (PHAs) and subsidized and regulated by the federal government. Generally, families are eligible to live in public housing if they are low-income (earning at or below 80% of area median income), but 40% of public housing units that become available in a year must be given to families that are extremely low-income (earning at or below the greater of 30% of area median income or the federal poverty guidelines).

As in the two Section 8 programs, families living in public housing pay 30% of their adjusted income toward rent. PHAs receive several streams of funding from HUD to help make up the difference between what tenants pay in rent and what it costs to maintain public housing. PHAs receive operating funds and capital funds through a formula allocation process; operating funds are used for management, administration, and the day-to-day costs of running a housing development, and capital funds are used for modernization needs (such as replacing a roof or heating and cooling system, or reconfiguring units). PHAs can also apply for competitive Choice Neighborhoods revitalization grants (which replaced the HOPE VI program), which are used to demolish and rebuild, or substantially rehabilitate, severely distressed public housing, replacing it with mixed-income housing.

Section 202 Supportive Housing for the Elderly Program. Through the Section 202 Supportive Housing for the Elderly program, HUD provides funds to nonprofit organizations that in turn build rental properties for low-income elderly households (those where one or more persons are age 62 or older). Section 202 is the only federal housing program that funds housing exclusively for elderly persons, although from approximately 1964 to 1990 non-elderly persons with disabilities were eligible for residency in Section 202 properties. Although the Section 202 program initially provided low-interest loans to nonprofit developers, since the early 1990s the program has provided nonprofit developers with capital grants, together with project rental assistance contracts (rental assistance that is similar to project-based Section 8). The current version of the Section 202 program serves very low-income elderly households (those with incomes at or below 50% of area median income).

Section 811 Supportive Housing for Persons with Disabilities Program was created in 1990 as part of the Cranston-Gonzalez National Affordable Housing Act. Until the enactment of Section 811, the Section 202 program provided housing for persons with disabilities. Through Section 811, HUD provides capital grants to nonprofit organizations to create rental housing that is affordable to very low-income households (income at or below 50% of AMI) with an adult who has a disability. The program also funds project rental assistance contracts to subsidize the rent paid by tenants. Housing built with capital grants may include group homes, independent living facilities, multifamily rental units, condominium units, and cooperative housing.

Housing Finance and Homeownership Assistance

Federal Housing Administration (FHA) was established by the National Housing Act of 1934. Today, it is an agency within HUD that insures private lenders against losses on certain home mortgages. Because lenders are insured against loss if borrowers default, they are more willing to make loans to borrowers who might not otherwise be served by the private market, particularly those with low down payments or little credit history. FHA-insured borrowers pay insurance premiums to FHA and mortgages are subject to certain requirements, such as limits on the size of the loan. FHA administers a variety of both single-family and multifamily mortgage insurance products. Single-family products include insurance for home purchase, refinance, and home improvement loans, as well as reverse mortgages to allow the elderly to access equity in their homes. Multifamily products include insurance for loans for the purchase, repair, or construction of apartments, hospitals, and nursing homes.

Department of Veterans Affairs Loan Guarantees
The Servicemen's Readjustment Act of 1944 established the home loan guaranty program, which is administered by the Department of Veterans Affairs (VA). The VA loan guaranty came about as a less expensive alternative to a cash bonus for veterans returning from World War II that would still provide benefits to veterans. The loan guaranty program assists veterans by insuring mortgages made by private lenders, and it is available for the purchase or construction of homes and for refinancing existing loans. The loan guaranty has expanded over the years so that it is available to (1) all veterans who fulfill specific duration of service requirements or who were released from active duty due to service-connected disabilities, (2) members of the reserves who completed at least six years of service, and (3) spouses of veterans who died in action, died of service-connected disabilities, or died while receiving (or while being entitled to receive) benefits for certain service-connected disabilities.

A Habitat home in the Town & Country Villas neighborhood in New Port Richey.

State Funding

Sadowski State and Local Housing Trust Fund

In 1991 both the Florida Home Builder Association and the Florida Realtor Association successfully lobbied the legislature to create a dedicated 'housing trust fund' by increasing doc stamps paid on all property transactions. The incremental increase to each doc stamp was then dedicated to the 'housing trust fund' and to be used solely for affordable housing. 75% of the monies must be used for construction-related activities and 65% for homeownership related activities. In recent years the Sadowski Housing Trust Fund has generated over $300 million annually to support affordable housing across the state.

Unfortunately, the Sadowski Housing Trust Fund is often 'swept' to fill other budget holes or needs within the State. An analysis done by Habitat determined Pinellas County alone lost $29 million in funding between FY17 through FY20 in Sadowski funding. During the 2020 legislative session, the legislature fully funded the Sadowski Housing Trust Fund for the first time in 13 years, however, due to the Covid-19 pandemic and budget impact, the Governor decided to veto the funding.

Programs the Sadowski Housing Trust funds

State Housing Initiatives Partnership program (SHIP): Florida Housing administers the SHIP program which provides funds to local governments as an incentive to create partnerships that produce and preserve affordable homeownership and multifamily housing. The program was designed to serve very low, low and moderate-income families.

SHIP funds are distributed on an entitlement basis to all 67 counties and 52 Community Development Block Grant entitlement cities in Florida. The minimum allocation is $350,000. To participate, local governments must establish a local housing assistance program by ordinance; develop a local housing assistance plan and housing incentive strategy; amend land development regulations or establish local policies to implement the incentive strategies; form partnerships and combine resources to reduce housing costs; and ensure that rent or mortgage payments within the targeted areas do not exceed 30 percent of the area median income limits, unless authorized by the mortgage lender.

SHIP dollars may be used to fund emergency repairs, new construction, rehabilitation, down payment and closing cost assistance, impact fees, construction and gap financing, mortgage buy-downs, acquisition of property for affordable housing, matching dollars for federal housing grants and programs, and homeownership counseling.

A minimum of 65 percent of the funds must be spent on eligible homeownership activities; a minimum of 75 percent of funds must be spent on eligible construction activities; at least 30 percent of the funds must be reserved for very-low-income households (up to 50 percent of the area median income or AMI); an additional 30 percent must be reserved for low-income households (up to 80 percent of AMI); and the remaining funds may be reserved for households up to 140 percent of AMI. No more than 10 percent of SHIP funds may be used for administrative expenses. Funding for this program was established by the passage of the 1992 William E. Sadowski Affordable Housing Act. Funds are allocated to local governments on a population-based formula. *Reproduced from the Florida Housing Finance Corporation Website https://floridahousing.org/programs/special-programs/ship---state-housing-initiatives-partnership-program*

The State Apartment Incentive Loan program (SAIL) provides low-interest loans on a competitive basis to affordable housing developers each year. This money often serves to bridge the gap between the development's primary financing and the total cost of the development. SAIL dollars are available to individuals, public entities, not-for-profit or for-profit organizations that propose the construction or substantial rehabilitation of multifamily units affordable to very low-income individuals and families.

A minimum of 20 percent of the development's units must be set aside for families earning 50 percent or less of the area median income. Developments that use housing credits in conjunction with this program may use a minimum set-aside of 40 percent of the units for residents earning 60 percent of the area median income. Developments in the Florida Keys Area may use a minimum set-aside of 100 percent of the units for residents with annual household incomes below 120 percent of the state or local median income, whichever is higher.

Loan interest rates are set at zero percent for those developments that maintain 80 percent of their occupancy for farmworkers, commercial fishing workers or homeless people. The interest rates are set at one percent for all other developments. Loans are issued for a maximum of 15 years unless housing credit syndication requirements or FannieMae requirements dictate longer terms or if the Corporation's encumbrance is subordinate to the lien of another mortgage, in which case the term may be made coterminous with the longest term of the superior loan. In most cases, the SAIL loan cannot exceed 25 percent of the total development cost and can be used in conjunction with other state and federal programs.

Reproduced from the Florida Housing Finance Corporation Website [https://www.floridahousing.org/programs/developers-multifamily-programs/state-apartment-incentive-loan.](https://www.floridahousing.org/programs/developers-multifamily-programs/state-apartment-incentive-loan)

Additional State Funding

Community Contribution Tax Credit (CCTCP). This program is a state tax incentive that allows businesses a tax credit on Florida corporate income tax, insurance premium tax, or sales tax refund for donations made to local community development projects. Businesses and Affordable housing projects are not required to be located in an enterprise zone to be eligible for the credit. Approved sponsors of a project may construct, improve, or substantially rehabilitate housing, commercial, industrial or public facilities or promote entrepreneurial or job development opportunities for low income (at or below 80% of area median income) persons. For each dollar donated, a business may receive $0.555 and the donation may also be deducted from federal taxable income. The annual amount of the credit granted is limited to $200,000 per firm and $14,000,000 for the state. Unused credits may be carried forward for up to 5 years. Prior to making a donation, approval must be obtained by the Division of Strategic Business Development, which is part of the State's Department of Economic Opportunity (DEO). The most successful beneficiary for this program in the past decade has been local affiliates of Habitat for Humanity. Habitat affiliates seek approval under the program as community-based organizations and solicit and receive donations from qualified corporations who then make use of the tax credit. Each donor can give up to $200,000 per year. The funds raised from the donations are used to purchase materials and supplies for the construction of affordable homes.

AFFORDABLE HOUSING FUNDING SOURCES PREPARED BY: FLORIDA HOUSING COALITION, INC.

First Time Home Buyer. The Florida Housing Finance Corporation administers a single-family bond program that provides lower interest rate financing to participating lenders. Applicants may apply for home loans from these lenders and receive a lower interest rate plus down payment assistance. The program is available statewide Florida Housing's First Time Homebuyer Program (FTHB) offers 30-year fixed interest rate mortgage loans to first-time homebuyers through its network of participating lenders and lending institutions.

A Habitat home in Tellor Estates, Pinellas Park.

Applicants who are not first-time homebuyers, may still be eligible for this program the home being purchased is in a federally designated targeted area or the applicant is a qualified Veteran.

This program uses income and purchase price limits to determine eligibility. Additionally, a potential homebuyer must complete a 6-8 hour face to face homebuyer education class, be able to qualify for a mortgage, and have a minimum 640 FICO score'. Borrowers must contribute a minimum of $1000 of their own funds into the transaction (no gifts).

AFFORDABLE HOUSING FUNDING SOURCES PREPARED BY: FLORIDA HOUSING COALITION, INC.

As noted under the Federal funding section, many of the federal affordable housing funds or assistance is directly provided to States and administered by the State or locally. Program/funding provided by federal funds, yet managed and/or allocated by the State of Florida are listed below.

- Community Development Block Grant (CDBG)
- Home Investment Partnership Program (HOME)
- Housing Choice Voucher
- Project-Based Rental Assistance – Section 8
- Low Income Housing Tax Credits (LIHTC)

Local Funding

Local funding for affordable housing often is funded through special taxing districts such as Community Redevelopment Areas (CRA), governmental surtax such as Pinellas for Pinellas, density bonus payments, developer fees and at times general revenue.

The vast majority of 'local funding' is pass-through dollars provided by either State or Federal Programs and are simply administer locally. The one caveat in our service area being Penny for Pinellas funding which will be discussed in additional detail below. Because local funding from municipality to municipality can be so varied and at times exceedingly nuanced, this reference guide will not go into great detail. Yet we are more than happy to provide additional information about a specific municipality or funding source upon request.

Pinellas for Pinellas. In 2017, voters in Pinellas renewed a 10-year commitment (2020-2030) of a 1% sales tax increase to fund various priorities throughout the County. One of the priorities set forth was increasing the supply of both affordable and workforce housing. Within the "Penny IV" there will be a countywide investment in housing with an $80 million fund being created to expand affordable housing in Pinellas County. These funds can be used for new single-family homes, mixed-use, multifamily homes, restore aging single-family houses or find creative ways to reuse existing space. Funds will be managed by Pinellas County, however, funds will also be provided to local municipalities to also fund their more localized needs.

As referenced above and throughout this section, often the monies spent locally are pass-through funding and administer/managed on local levels.

Example of such funding include:

- State Housing Initiatives Partnership program (SHIP)
- Community Development Block Grants (CDBG)
- HOME Block Grants

Affordable Housing Policies/Practices to Explore

Habitat does not necessarily endorse or have an official position on any of the policies or practices listed below. The list complied is meant to provide an outline of various affordable housing policies/practices that are implemented in communities both locally and throughout the Country. Each community is unique with policies/practices needing to be tailored to meet the needs of its citizens. Policies/practices can target neighborhoods, cities, or even entire states.

Incentives

- Reduction or elimination of impact fees for the purpose of building affordable housing
- Expedited permitting
- Elimination of cosmetic design standards that increase building costs
- Local/ State tax incentives
  - **Property tax incentives**
- Parking or density incentives
- Developer Fees

Local zoning regulations/restrictions

- Rezoning commercial/industrial to residential for affordable
- Accessory Dwelling Units / Tiny Homes
- Upzoning
- Minimum parking requirement
- Inclusionary zoning
- "Missing Middle" housing stock
- Transit-oriented developments

Revenue

- Dedicated Local Funding Source
- Tax Incremental Financing (TIF)
  - Community Redevelopment Area (CRA)
- Linkage Fees
- Density bonuses payments or other in lieu payments
- General revenue bonding (debt)

Continued affordability or Preserving currently affordable housing units

- Housing Land Trusts
- Land use restrictions that maintain affordability
- Publically owned land to develop affordable housing
- Home Rehabilitation Programs
- Renters Rights Protections
- Condominium Conversion Protections
- Right of First Refusal
- Transfer of development rights

Other Polices

- Policies or procedures that limit/reduce Not in My Back Yard / NIMBYism
- Down payment assistance programs
- Property/Development subsidies
- Vacant lot distribution / Blight reduction
- Mixed-income development
- Code violation remedy & abatement
- Social Impact Bonds – Pay for Success
- Access to credit
- Lien forgiveness programs

Affordable Housing Acronyms

AH Affordable Housing	**LIHTC** Low Income Housing Tax Credits (or "Housing Credits")
ALF Assisted Living Facility	**MFI** Median Family Income
ALICE Asset Limited Income Constrained Employed	**NSP** Neighborhood Stabilization Program
AMI Area Median Income	**OZ** Opportunity Zone
CCTC(P) Community Contribution Tax Credit Program	**PBV** Project-Based Voucher
CDBG Community Development Block Grant	**PHA** Public Housing Authority
CHDO Community Housing Development Organization	**PRA** Project Rental Assistance (acronym generally used for Section 202 and Section 811)
DEO Department of Economic Opportunity	**RA** Rental Assistance
DPA Down Payment Assistance	**RRH** Rapid Re-Housing
ELI Extremely Low Income Household	**RRLP** Rental Recovery Loan Program
FHA Federal Housing Administration	**SAIL** State Apartment Incentive Loan Program
FHFC Florida Housing Finance Corporation (or "Florida Housing")	**SHIP** State Housing Initiatives Partnership Program
HCV Housing Choice Voucher (also known as a "Section 8 Voucher")	**SHOP** Self-Help Homeownership Opportunity Program
HFA Housing Finance Agency	**TBRA** Tenant-Based Rental Assistance
HOME HOME Investment Partnerships Program	**VLI** Very Low Income Household
HTF Housing Trust Fund	**WAP** Weatherization Assistance Program
HUD U.S. Department of Housing and Urban Development	**WFH** Workforce Housing
LHAP Local Housing Assistance Plan	
LI Low Income Household	