

Legislation Text

File #: 22-0182, Version: 1

# Agenda Item Name:

Affordable Housing: A Three-Part Program Update

# Presenter:

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# Description:

Three-part affordable housing program update on the Housing Trust, Energy Efficiency & Affordable Housing Grant Program, Residential Rental Unit Programs

# **Recommended Action:**

- 1. Approve the Energy Efficiency and Affordable Housing Grant Program and direct staff to issue the for Solicitation of Interest;
- 2. Approve the advertisement of the public hearing to consider the Rental Permitting Program Ordinance and begin the permitting of landlords and time the energy efficiency requirements to correspond with grant program roll out for the whole county and;
- 3. For the Affordable Housing Trust Fund:
  - a. Fund voucher program and authorize staff to begin discussions with housing authority for implementation
  - b. Authorize staff to implement a Pilot Program to address a blighted neighborhood
  - c. Authorize staff to work with housing providers/developers to develop affordable housing including escheated properties
- 4. All action will begin after staff returns to the Board with necessary budget amendments, ARPA Project plans, and any other necessary final documentation is approved by the Board at the March 22, 2022 meeting

# Prior Board Motions:

On 8/24/21 meeting Commissioner Alford moved to direct staff to move forward with the program as presented in the staff presentation with following amendments:

- Time frames changed to 3 years for less than \$5000, 5 years for \$5,000 to \$10,000, 7 years for \$10,000 to \$15,000
- Authorize staff to recommend a pilot program that will include some of the small towns, something on the eastside, and one of the SWAG neighborhoods.
- Include landlords/property managers and have a workshop to educate them on the program and allow them to provide feedback.
- Include an administrative fee or penalty of at least 10% if the grant is paid back early.
- Identify data collection points in order to track outcomes for the renters in the program.
- Limit the pilot program to \$500,000

Prior Board Motions Rental Permitting Program

1. Ask staff to create a draft Countywide ordinance similar to or same as the City of Gainesville and return to the Board for a policy discussion prior to advertisement.

2. Begin implementation of the program March 2022

3. The service is to be provided in house with the exception of any energy modeling and rating which would be contracted out or use a community organization.

4. Make an option for larger complexes to opt in.

5. Create a local recognition program for properties that are especially energy-efficient.

By consensus, the Board requested to add the Residential Rental Unit Permit and Inspection Program to the Joint Meetings with the municipalities.

### Fiscal Consideration:

American Rescue Plan - State & Local Fiscal Recovery Funds - Negative Economic Impact - Addressing Housing Gap

Energy efficiency affordable housing upgrades program is under development - \$3 million

Program under development - \$3 million

### Strategic Guide:

Housing

### Background:

Per the Board's August 2021 direction, staff is bringing back a Solicitation of Interest with a programmatic description for the Energy Efficiency & Affordable Housing Grant Program.

A landlord and property managers workshop was conducted on September 27, 2021, with the Gainesville-Alachua County Association of Realtors to discuss the Energy Efficiency Grant Program and the Rental Permitting Program.

An administrative fee of 10% is included in the program parameters if the property owner withdraws at any time from the program <u>or changes the annual affordability of the unit above the consumer price index</u>.

Staff is proposing a modification to the tenant eligibility from 80% AMI to <u>50% AMI</u>. This brings the program into alignment with the Board's adopted Comprehensive Plan Housing Policies 1.2.8, 1.3.7, 1.4.6, 1.4.9, 2.2.6, and 2.2.7. and Community Springs group recommendation on housing affordability priorities.

This program works in conjunction with the Renters' Rights and the Housing Trust Programs to address home affordability and utility efficiency across a spectrum of housing types in marginalized

and low-income communities.

Pilot Program

An initial \$500,000 Pilot Program will be deployed to establish programmatic baselines and refine outreach efforts, and measure results across a variety of housing types and locations.

Staff recommends that Solicitation of Interest respondents develop community relationships in the following geographic locations for a pilot program:

- SWAG Area (unincorporated area),
- East Gainesville (unincorporated area),
- and one or more of the following smaller cities, Archer, Hawthorne, or Waldo.

Housing Types

The Pilot Program will seek out the following housing types single-family, duplex, and quadplex.

The Pilot Program and Full-Scale Program will have the following baseline data collection points to track renter outcomes. Solicitation of Interest respondents are encouraged to come up with additional data points with an outcome focus.

Data Collection Points for ARPA Reporting

- All American Rescue Plan Compliance and Reporting Requirements including but not limited to Negative Economic Impacts for households. See US Treasure Reporting Guidance.
  <a href="http://www.treasury.gov/SLFRPReporting>">http://www.treasury.gov/SLFRPReporting></a>
- All American Rescue Plan data reporting requirements for applying funds in low-income and economically disadvantaged communities.

Community-Wide Efficiency and Affordability Outcomes

The non-profit shall report all necessary data collection points on the following outcomes:

- Utility Consumption and Cost Reduction Post Intervention in kWh, kGals, Therms and related other related metrics.
- Number of homes assisted with total family members served.
- Number and type of improvements made.
- Number of time-sensitive utility housing concerns addressed by the services.
- Increase in the safety and independence of elderly and or disabled residents served by the services.
- Rental cost of home and post improvement verification that the rental cost is still affordable per the program terms.
- Support for local, minority, and woman-owned businesses via subcontracted services.
- Estimated carbon offset resulting from: 1) education and utility bill management awareness, and 2) home efficiency improvements The non-profit shall submit a simplified carbon calculation methodology as part of their proposal to determine the value of the efficiency and behavior offset. Any methodology shall be based upon a recognized institutional or educational review of the non-profit's program and delivery of services.

The Comprehensive Plan Housing Element Policy 2.2.6 considers a pilot matching grant program for

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landlords to improve energy and water efficiency for rental units that are affordable for very low and extremely low-income households. Additionally, the BoCC Strategic Guide - Address the Housing Gap focuses on extremely low and low-income housing. Residents often struggle to maintain affordable housing coupled with the challenges of paying rent and high utility bills. Many residents of affordable housing rental units pay inordinately high utility bills. On a per-square-foot basis, existing rental homes consume 15% more energy and have 30% higher energy costs than other homes, with older properties often having the highest energy use and costs (La Jeunesse 2016; EIA 2018) Low-income residents face a higher energy burden, paying an average 22% of their income to energy bills vs. 5% for the whole population. It can be much more for many households. Knowles, Hal S. III, and Lynn Jarret. 2015. Understanding Racial Inequity in Alachua County: Housing, Transportation, and Neighborhood Baselines. The University of Florida Program for Resource Efficient Communities. Renters with inefficient appliances, poorly functioning air conditioning, and water leaks may spend hundreds to thousands of dollars in additional annual costs.

"It's estimated that between \$4 and 11 billion in energy savings each year are being left on the table without extensive weatherization and energy efficiency retrofits for low-income rental properties alone." - Alliance to Save Energy