

# ***Housing Our Future***

## **Regional Strategy For Housing Affordability**

Truckee Meadows, NV



# About Enterprise

## MISSION

To create opportunity for low-and moderate-income people through affordable housing in diverse, thriving communities.

## EXPERTISE

Enterprise is the only housing organization in the U.S. with deep expertise in each of the three catalysts for systemic change:

- **Solutions**
- **Policy**
- **Capital**

## LOCAL IMPACT

**Total Enterprise  
Investment in NV**  
Over \$88 million

**Homes Financed**  
Over 1,100

**Jobs Created**  
Over 2,200

**Business Profits**  
Over \$65 million

**Federal, State and  
Local Tax Revenue**  
Over \$66 million

# Timeline

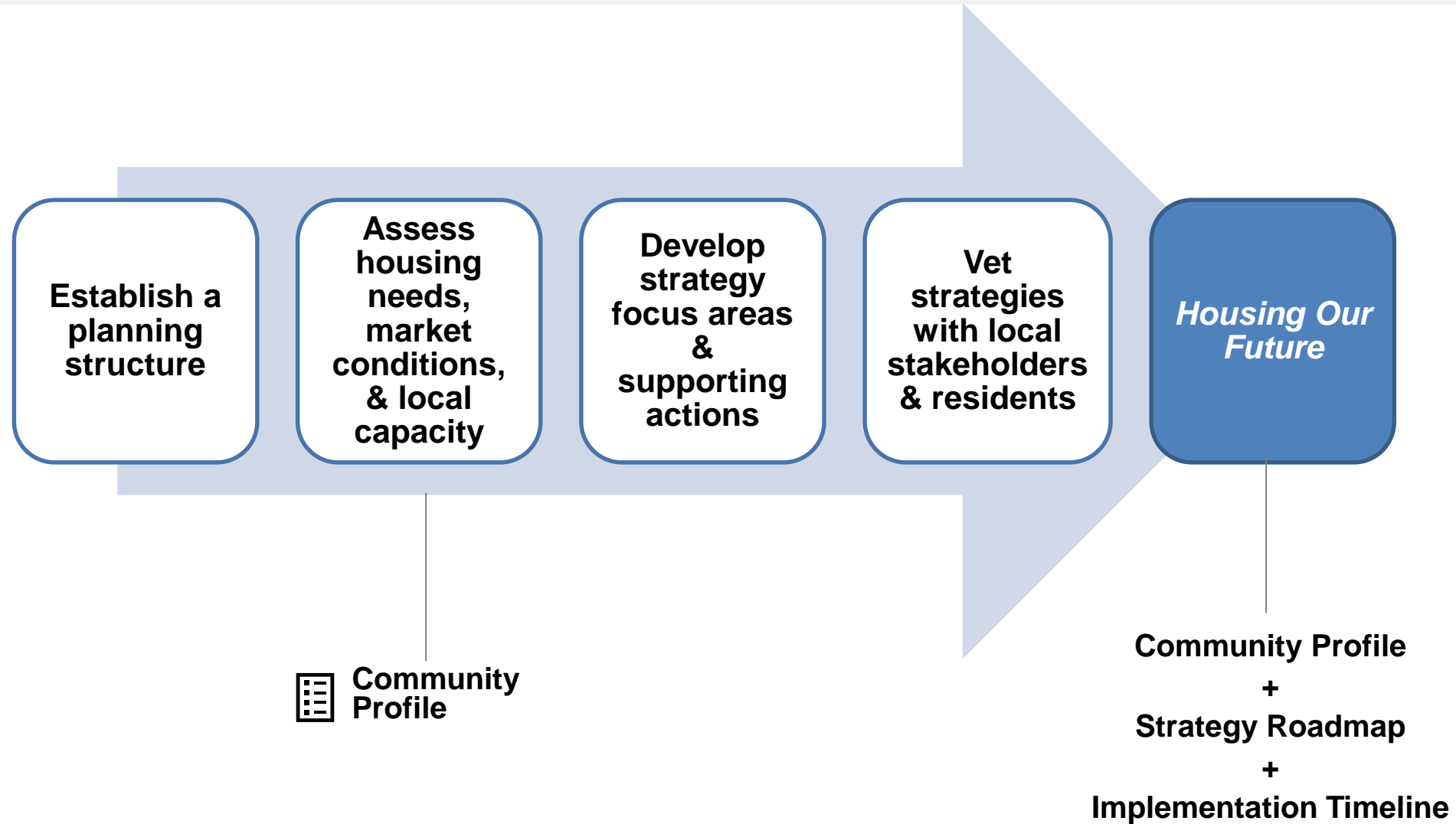
**JAN 2017:** Schwab Bank brings Enterprise to the Truckee Meadows region to facilitate a 1-day affordable housing forum

**FALL 2017:** TMHC & TMRPA enter into a formal partnership with Enterprise to develop a 10-Year Regional Strategy for Housing Affordability

**FALL 2018:** Completed Community Profile of regional housing needs and existing capacity

**MAY 2019:** Completed Truckee Meadow's ten-year Regional Strategy for Housing Affordability, *Housing Our Future*

# Process



# Community engagement

- 18** Working Group & Executive Leadership Team meetings
- 40+** One-on-one meetings with elected officials, industry groups, & other community leaders
- 130+** Survey responses
- 115+** Participants in community conversations & focus groups
- 10+** Presentations at community events (including RPC and RPGB meetings)

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

# VISION:

*All residents of the 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.*

## CORE PRINCIPLES

- PRESERVING AND 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 AND TOOLS
- EXPANDING STRATEGIC PUBLIC-PRIVATE PARTNERSHIPS

# **PART 1. COMMUNITY PROFILE**

**Understanding regional housing  
needs and capacity to respond**



# Key housing issues



**There is a shortage of affordable rental units** for low-income households in the region, particularly those earning less than 50% AMI

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**There are limited types of housing offered in the region today.**

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**Incomes are not keeping up with housing costs**, particularly home sale prices. As a result, many households are cost-burdened.

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**The region may lose some of its existing affordability** due to deterioration of existing units and growing market pressures.

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**An increasing number of households face displacement pressures**, due to expiring affordability and rising housing insecurity.

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# Regional capacity assessment

## STRENGTHS

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

## OPPORTUNITIES

- State affordable housing committee
- Underutilized land
- Redevelopment of weekly motels
- Regional philanthropic community
- Economic development efforts & business owner engagement
- Regional Plan Update

## 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
- Rising housing costs relative to incomes
- Limited types of housing available
- State property tax structure
- Shortage of construction workers/contractors
- Public misconceptions about affordable housing and who it serves

# PART 2. STRATEGY ROADMAP

## Overview

# Building access to opportunity



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



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

# Strategic framework

## Cross-cutting Actions

*Building the region's capacity to address key housing needs*

**10  
Actions**

Expanding the housing toolbox

Aligning cross-sector partners for regional impact

## 5 Strategy Focus Areas

*Leveraging increased capacity to address targeted housing needs*

**25  
Actions**

Targeting specific submarket conditions

Sequencing actions for implementation

# Strategy focus areas

- 1 Support production of more rental housing that is affordable to low-income households**, particularly those earning less than half of the area median income.
- 2 Support development of more diverse housing options** for renters and homeowners throughout the region.
- 3 Help more residents access homeownership opportunities.**
- 4 Preserve the affordability, while improving the quality, of existing affordable homeownership and rental options.**
- 5 Protect residents from housing displacement.**



**Cross-cutting actions** to support implementation

# Expanded housing toolbox



## NEW TOOLS

Regional Housing Trust Fund  
State Housing Tax Credit\*  
Section 108 Financing  
PACE financing  
Preservation early warning system  
Inclusionary housing policy  
Regional land/asset inventory  
Tenants' bill of rights  
Public land disposition process  
Right of first refusal



## NEW PROGRAMS

Tenant-based rental assistance  
Acquisition and rehab of tax delinquent properties  
ADU pilot program  
Preservation of rental housing  
Regional down payment assistance  
Employer-assisted housing  
Regional homeowner rehab

# Targeting submarket conditions



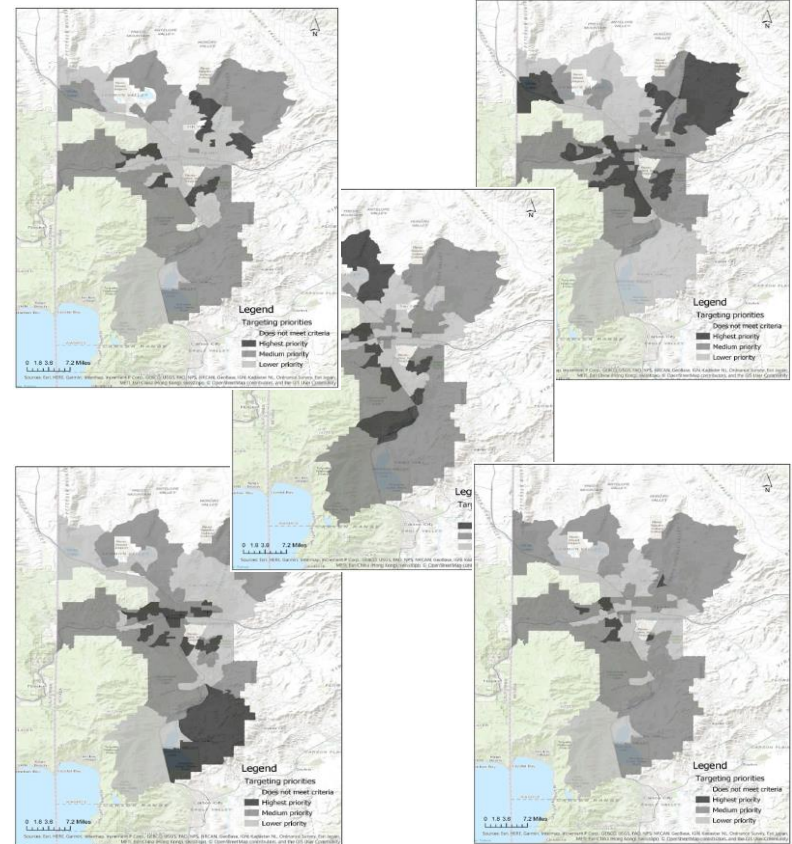
## INDICATORS

Housing stock characteristics

Housing affordability

Investment & market conditions

Access to opportunity



Data sources: American Community Survey (2012-2016 5-year estimates); Comprehensive Housing Affordability Strategy (2010-2014 5-year estimates); Location Inc. (Q4 2017); PolicyMap (2015); TMRPA (2016 & 2018); Opportunity360 from Enterprise Community Partners



# Sequencing actions over ten years

## SHORT (1-3 YEARS)

- Identifying a lead regional entity
- Building capacity
- Expanding financing
- Strengthening systems

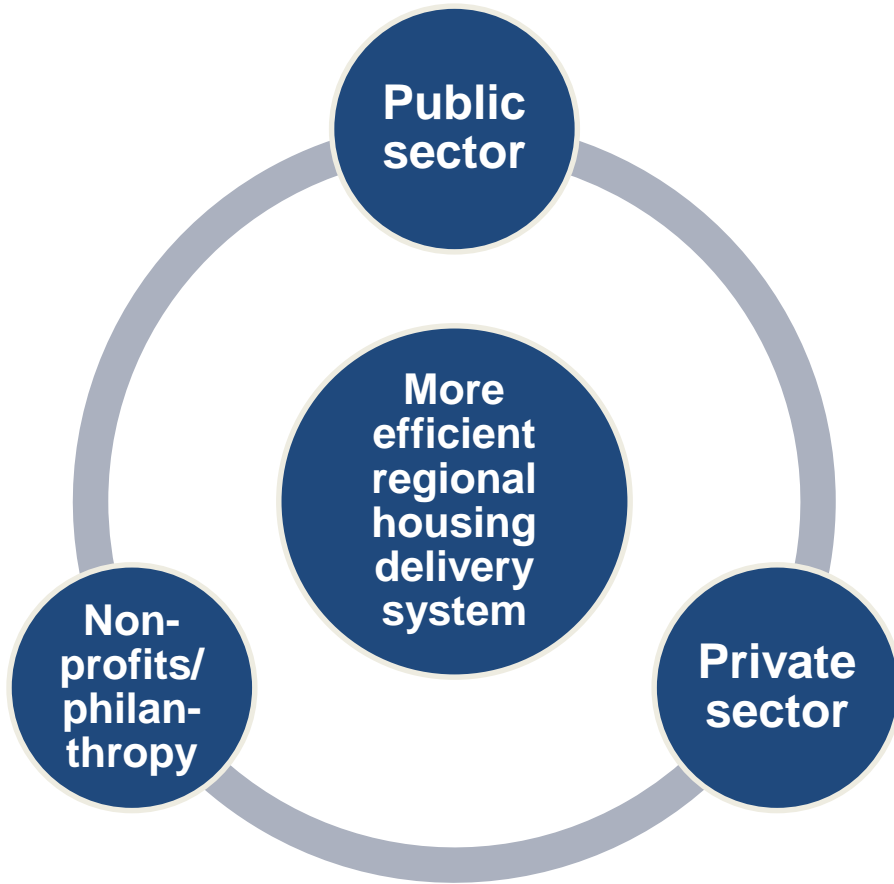
## MEDIUM (4-6 YEARS)

- Updating regulations
- Piloting innovative ideas
- Continuing to build capacity
- Increasing regional coordination

## LONG (7-10 YEARS)

- Launching new programs
- Creating & expanding partnerships
- Evaluating progress & adjusting strategies accordingly

# Aligning partners for regional impact



## AREAS FOR INCREASED REGIONAL COORDINATION

Communications & advocacy

Filling programmatic gaps

Increasing & administering funding/resources for affordable housing

Strengthening policies and processes

## **PART 2. STRATEGY ROADMAP**

**Targeted actions to address  
specific regional housing needs  
*Washoe County***

# Build capacity for implementation & position the region for success.

## HOW CAN WASHOE COUNTY ADVANCE THIS?

Support selection, role definition, organizational re-structuring, and capacity building for the **lead regional housing entity** & adopt joint resolution recognizing that entity as leading implementation of *Housing our Future*

**S**

Facilitate **data-sharing** with TMRPA (and other entities as needed) on public land, the housing stock, zoning, and other relevant issues

**S/M**

**Develop new policies and coordinate processes** with the lead regional housing entity and other local governments to ensure a consistent and clear environment for development across the region (e.g. public land disposition process, tax delinquent property acquisition process)

**M**

Support **community education and outreach** on housing issues

**L**

**S = 1 to 3 years | M = 4 to 6 years | L = 7 to 10 years**

# 1 Support production of more rental housing that is affordable to low-income households.

## WHY?

*Shortage of affordable & available units* **11,800**

*Individuals living in weekly motels* **3,450**

## WHERE?

- Existing infrastructure capacity
- Financial feasibility of development
- Changing markets
- Access to jobs and transit
- Strong resident economic outcomes

## HOW CAN WASHOE COUNTY ADVANCE THIS?

Establish mechanism & identify resources dedicate to the **Regional Housing Trust Fund**

**S**

Identify **approval processes** where there is an opportunity to negotiate for affordability (e.g. charging payment-in-lieu fees to support the trust fund in exchange for zoning easements)

**S**

Update **development fee structures** (i.e. building permit review fees) to support affordable housing development

**S/M**

Create **standard incentive packages** for different levels of affordability in new developments

**M**

**Identify areas where affordability will be required**, in addition to offering cost-offsetting incentives

**L**

**S = 1 to 3 years | M = 4 to 6 years | L = 7 to 10 years**

## 2 Support development of more diverse housing options for renters and homeowners throughout the region.

### WHY

Share of homes that are single-family	60%
Share of housing units offering less than 3BR	40%
Share of households under 3 people	64%

### WHERE

- Existing infrastructure capacity
- Limited housing diversity today
- Alignment with neighborhood character
- Access to opportunity
  1. Economic stability
  2. Jobs and transit
  3. Quality schools
  4. Health and well-being

### HOW CAN WASHOE COUNTY ADVANCE THIS?

Align <b>zoning</b> with Regional Plan Update, particularly as it relates to allowing a greater diversity of housing types	S
Direct staff across agencies to evaluate opportunities within <b>existing codes and development review processes</b> to support a greater mix of housing types (including infill development) and implement identified opportunities	S/M
Leverage <b>green programming and blight remediation funds</b> to support more diverse housing products	M

# 3 Help more residents access homeownership opportunities.

## WHY

Change in median home value (2000 to 2016)\* **+14%**

Change in median income (2000 to 2016)\* **-12%**

Share of residents that are cost-burdened **38%**

\*inflation-adjusted

## WHERE

- Existing affordability
- Projected appreciation in value
- Access to opportunity
  1. Economic stability
  2. Jobs and transit
  3. Quality schools
  4. Health and well-being

## HOW CAN WASHOE COUNTY ADVANCE THIS?

Support **expansion of Community Land Trust** model to homeownership

**S**

Help **publicize information about supportive resources available** for homeowners

**M**

Support re-establishment of **regional down payment assistance program** (at WCHC)

**L**

Support formation of **employer-assisted housing programs**

**L**

**S = 1 to 3 years | M = 4 to 6 years | L = 7 to 10 years**

# 4 Preserve the affordability, while improving the quality, of existing affordable homeownership and rental options.

WHY	
Median year built for housing in the region	1985
Share of households with housing problems	41%

WHERE
<ul style="list-style-type: none"> <li>Higher average rents</li> <li>Older housing</li> <li>Existing subsidized stock</li> <li>Access to opportunity               <ol style="list-style-type: none"> <li>Jobs and transit</li> <li>Quality schools</li> <li>Economic stability</li> <li>Health and well-being</li> </ol> </li> </ul>

HOW CAN WASHOE COUNTY ADVANCE THIS?	
Work with the regional housing entity to establish a <b>regional preservation process</b> for properties flagged through the Nevada Housing Division’s expanded monitoring efforts	S
Establish local <b>PACE</b> program (building off Reno model)	M
Prioritize use of <b>blight remediation assistance funds</b> to areas or properties that have been repeatedly cited for code violations, in exchange for continued affordability	M/L
Identify resources that can support new or expanded <b>homeowner rehabilitation programming</b>	L



# 5 Protect residents from housing displacement.

## WHY

<i>Number of subsidized units at-risk of losing affordability restrictions within the next ten years</i>	<b>4,837</b>
<i>Housing insecurity among renters</i>	<b>24%</b>

## WHERE

- Housing insecurity
- Changing neighborhoods
- Access to opportunity
  1. Jobs and transit
  2. Economic stability
  3. Quality schools
  4. Health and well-being

## HOW CAN WASHOE COUNTY ADVANCE THIS?

Pass legislation that requires all landlords to provide the “ <b>tenants’ bill of rights</b> ” <b>document</b> for signature to any rental applicant when the lease is provided	<b>S</b>
Expand <b>incentives for good landlords</b>	<b>M</b>
Designate areas where <b>additional incentives for preservation</b> will be offered that would not otherwise be available during the redevelopment process	<b>M</b>
Provide input on regional <b>right of first refusal policy</b> criteria and parameters and develop jurisdiction-specific policy to implement it	<b>M/L</b>

# Immediate regional implementation priorities

*Based on feedback from the community & stakeholder working groups:*

- Identify a **lead entity** & build their capacity to guide implementation.
- Dedicate **funding** for the Regional Housing Trust Fund.
- Establish a **preservation early warning system**.
- Apply for additional federal funding through the **Section 108 Loan Guarantee Program**.
- Establish **stronger incentives** for inclusion of affordable units in market-rate development through permitting processes and development fee structures.

# How can a lead regional housing entity help?

CURRENT STATE of the region's housing delivery system		FUTURE STATE (as outlined in <i>Housing our Future</i> )		CHANGE AGENT
Limited resources spread across a variety of priorities	→	Expanded housing toolbox & more targeted deployment of resources	- - -	Clear, shared priorities and centralized administration of resources
Siloed initiatives, lacking cohesive strategy	→	Robust coordination and collaboration across truly regional housing initiatives & strategies	- - -	Convener & coordinator with housing expertise that has jurisdiction across the region
Reactive approach to market pressures	→	Proactive approach to expand access to opportunity that is built to withstand changing market conditions	- - -	Daily commitment paired with a long-range view on the region's housing needs

# Moving forward

Recommended Next Steps	Suggested Timeline
Provide any additional feedback on final roadmap draft (or accept the roadmap as currently drafted)	1 month
Support RHA as the lead entity to drive implementation, including identifying key terms for this partnership	3 months <i>Capacity building &amp; role definition to continue past this timeframe</i>
Identify preferred process for continued regional coordination throughout implementation	6 months

## **Q&A / Discussion**