

# Affordable Housing History & Context

*January 14, 2016  
PRAC meeting*

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## History

- McKinney Act Homeless Service Providers
- Army's Public Benefit Conveyances (PBCs)
- FORA's Affordable Housing Program
- FORA Community Facilities District Amendment

## Context

- Major Issues
- Demographics
- Key References
- Possible Solutions

- Local non-profits obtained Army housing through federal sponsor.
- BRAC prioritized homeless and veterans service providers.
- List of non-profit affordable housing providers:
  - Monterey County Housing Authority
  - Interim, Inc.
  - Veterans Transition Center
  - Community Human Services
  - Shelter Outreach Plus

## State Law/Health & Safety Code

- Required inclusionary housing: Under Redevelopment(15%)

## Jurisdictions

- Additional 5% inclusionary
- Rising prices (Seaside Highlands)

## Housing Task Force (2003)

- Congressman Farr asked that FORA address housing affordability in MoCo
- Request for 50% affordable housing
- Recommends Housing Trust

## BAE report

- Subsidy required to reach 40%
- Task Force recommends additional 10% workforce
- $15\% + 5\% + 10\% = 30\%$

## Jobs/Housing Balance

- Master Resolution Chapter 8 section (t) Amendment
- Created affordable housing target of 20% plus additional workforce component
- Developers providing >20% required affordable housing could receive lower CFD rates (Tiers 1-3)

**In 2005, FORA amends CFD to include jobs-housing provisions (Tiers 1-3).**

- e.g. Tier 1 rate is 1/20 (or 5%) of FORA CFD Special Tax New Residential rate, if project meets certain affordable & below market housing requirements.

## **Results:**

- Since 2005, one project (The Promontory) qualified for the Tier 1 CFD rate.
- No project qualified for Tier 2 or 3 CFD rates.

- 2007-2009 Housing Crash
- Housing Task Force phases out
- Housing Trust formed, but did not realize its original vision





- T&A Project – Spreckels
- Preston Park
  - FORA, Marina, Army
  - Renovation with Mid-Pen Housing
    - ~\$3,500-\$10,000/unit
    - ~\$40,000 (Abrams B)
- CSUMB: East Campus Housing
- The Promontory
- Manzanita Place, University Villages, Interim, Inc.

# Major Issues



- Local building codes
- Health codes
- Existing land use designations
- NIMBY
- Fees
- Housing Supply
- Permit Processing
- Construction Costs

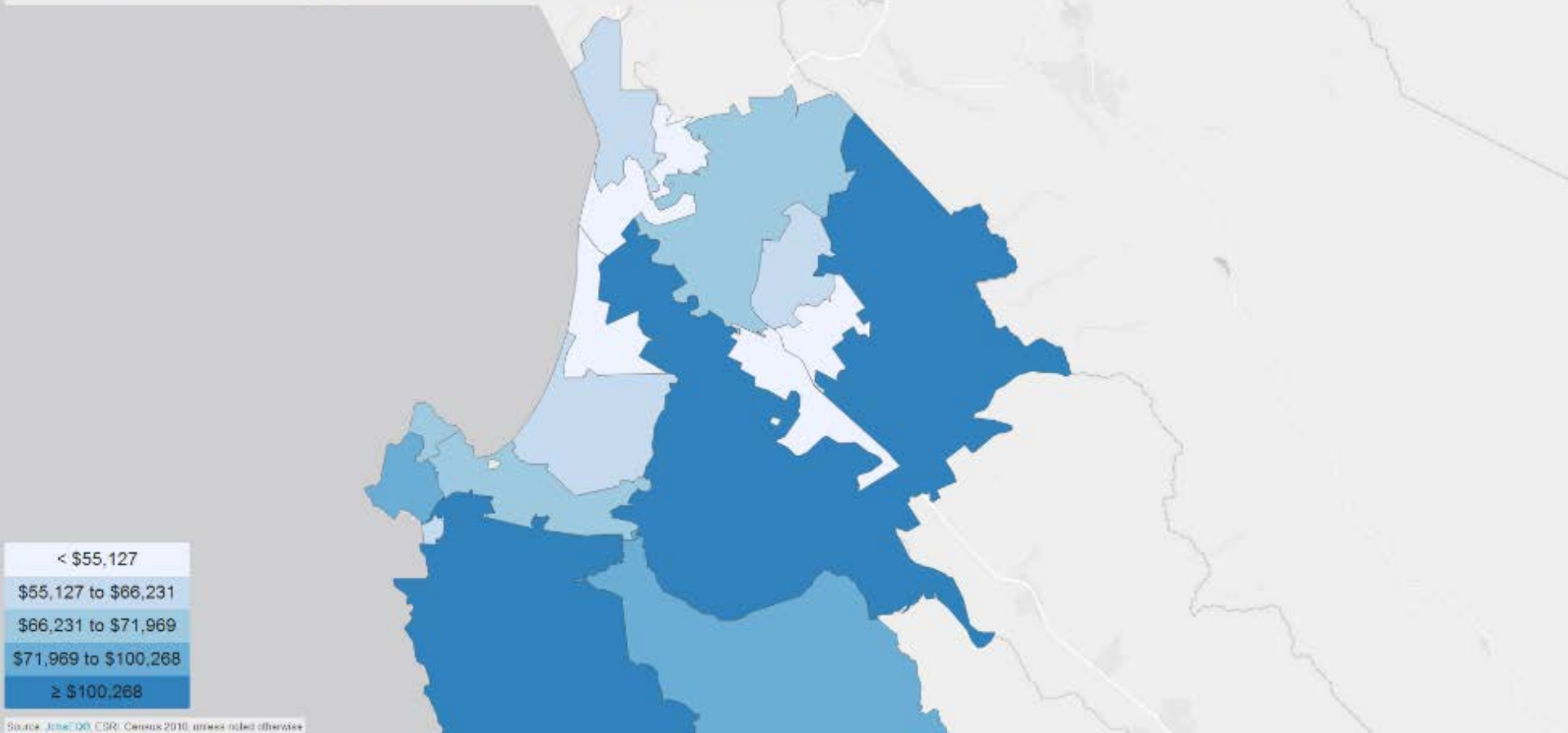




# Demographics



Fort Ord ZCTA, Demographics: Median Household Income



2010 Census data on median household incomes.

# Key References



- Clark Group (2003). **Fort Ord Reuse Authority Affordable/Workforce Housing Study.**
  - Establish a Housing Trust.
  - Use FORA CIP contingency dollars to produce Affordable Housing.
- Bay Area Economics (2003). **Economic Analysis of Below Market Rate Housing.**
  - 40% affordable housing units might be possible with subsidies.
- Economic and Planning Systems (2012). **Fort Ord Base Reuse Plan Reassessment - Market & Economic Analysis.**
  - Home prices are too high for younger and less educated consumers, indicating need to reconfigure product types.
- Strategic Economics (2014). **Fort Ord Regional Urban Design Guidelines - Market & Economic Update.**
  - Slow absorption of market-rate units reflects mismatch between Mo. Co. resident incomes and home prices.

- **Policy**

- Amend CFD to:
  - reduce fees for low/mod housing
  - Incentivize housing mix

- **Affordable by Design**

- Cohousing
- Developers & unions together
- *Dreaming Small* – Santa Cruz Sentinel Article on Tiny Homes
- *Making Walkable Townhouses Affordable for Millennials* – Urban Land Institute

- **Projects**

- FORA Signature Project
  - Site Control
- Transit Oriented Development
  - TAMC Partnership
- Teacher Housing
  - UCSC, CSUMB, MPUSD, MPC, Chartwell
- VTC and EAH housing proposed 71-unit project

- **Other?**

Questions?

FORA

