

Affordable Housing Tool Box

- Adaptive Reuse of Vacant/Unused Structures #1 priority, #1 feasibility
 - July 2018: Survey of potential properties contracted with USCB
- Development, Permit & Impact Fees Waived/Reduced #2 priority, #2 feasibility
 - Beaufort County—waives or reduces some impact fees
- Density Bonuses by Right or Development Agreement #3 priority, #3 feasibility
 - Mint Farm under old ordinance
 - Malind Bluff (formerly Osprey Point), not constructed, PUD
 - Beaufort County passed ordinance for C-5 zones; < 80% AMI
 - Bluffton, Hardeeville, Hilton Head ???
- Expedited Approval Process #4 priority, #4 feasibility

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- Housing Trust Fund #5 priority, #12 feasibility
- Donated Land (use existing public lands) #6 priority, #5 feasibility
 - Buy Tax Sale Houses & Convert
- Inclusionary Zoning (voluntary) #13 priority, #10 feasibility
- Inclusionary Zoning (mandatory) #15 priority, #20 feasibility
 - SC Legislature—enabling legislation failed in 2018

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Inclusionary zoning (IZ)

An affordable housing tool that links the production of affordable housing to the production of market-rate housing. IZ policies either require or encourage new residential developments to make a certain percentage of the housing units affordable to low- or moderate income residents. In exchange, many IZ programs provide cost offsets to developers, such as density bonuses that allow the developer to build more units than conventional zoning would allow, or fast-track permitting that allows developers to build more quickly.

The Furman Center for Real Estate and Urban Policy

KEY FINDINGS ON IZ PRODUCTION

The longer IZ programs have been in place,
the more affordable units they have produced



In the Washington D.C. area, IZ programs have produced
a total of 15,252 affordable units (as of 2003).

- *Nearly three-quarters of the units come from Montgomery County which adopted one of the first IZ programs in the country, dating back to 1974.*



In suburban Boston:

- *As of 2004, 43% of jurisdictions with IZ had not produced any affordable units.*
- *Precise counts are not available, but surveys suggest that IZ programs have produced relatively few affordable units, probably in part because so many IZ programs in the area were enacted relatively recently.*



In the San Francisco area:

- *Almost all jurisdictions report having produced some affordable units.*
- *The median annual production across all programs is 9 affordable units/year.*
 - *For the region as a whole, IZ programs have produced 9,154 affordable units (as of 2004).**
 - *Programs with density bonuses and exemptions for smaller projects have produced more affordable units.*

* Updated production numbers are available in NPH's 2007 report, *Affordable by Choice: Trends in California Inclusionary Housing Programs* available at: <http://www.nonprofithousing.org/>.

Table A: Variation Among IZ Programs in Our Three Study Areas

	San Francisco Area (as of 2004)	Suburban Boston (as of 2004)	Washington D.C. Area (as of 2000)
Prevalence of IZ (# of all jurisdictions adopting)	7/10 counties 48/104 cities/towns ⁴	99/187 cities/towns	5/23 counties
Year program was adopted: <i>Median</i> <i>Range</i>	1992 1973-2004	2001 1972-2004	1992 1974-1996
% of programs that are mandatory	93%	58%	80%
Breadth of applicability to different types and sizes of developments	Broad	Narrow	Fairly Broad
% of programs providing density bonus	67%	71%	100%
% of programs allowing developers to pay fees in lieu of building units	86%	38%	100%
% of units that must be affordable <i>Median</i> <i>Range</i>	15% 5-25%	10% 5-60%	8.13% 6.25-15%
Incomes targeted for affordable units	Very low to moderate	Low to moderate	Low to moderate
How long units must remain affordable	The median length of affordability is 45 yrs.	One-third of the programs require permanent affordability; half don't specify.	For owners, range is from 5-15 years; for renters range is 5-20.

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Housing trust funds:

- A proven best practice to address the lack of affordable housing is an Affordable Housing Trust Fund (HTF) which is a dedicated source of funding for the creation, rehabilitation, and preservation of affordable housing.
- HTF's are established by elected governmental bodies (at the city, county, or state level).
- A source or sources of public revenue are dedicated, by ordinance or law, to a distinct fund with the express purpose of providing affordable housing.
- There are more than 780 housing trust funds in cities, counties, and states that generate more than \$1.5 billion a year for affordable housing.
- The William C. Mescher Local Housing Trust Fund Enabling Act (S.C. Code of Laws Section 31-22-10) allows for the creation of local and regional affordable housing trust funds.
- A regional housing trust fund (RHTF) is defined as, “a multi-jurisdictional government fund separate from the general fund and established jointly by the governing authorities of one or more municipalities or county governments with one or more dedicated sources of public revenue and authorized expenditures”