

## **CHA: Deeply Affordable Solutions (40% and below)**

September 2, 2021

### **1. Identify funding sources**

- a. Create a restricted account to develop/ preserve deeply affordable units. The fund could be for grants or for revolving low interest loans. Request \$100 million
- b. One time funding
  - i. ARPA Federal funds: Current programs (HB 1004, SB 1001) or future allocations through 2024
  - ii. State funds: (The state currently anticipates a surplus)
  - iii. ARPA Local funds
  - iv. Housing set aside funds
- c. Ongoing funding
  - i. Commercial linkage fee
  - ii. Demolition/ tear down fee
  - iii. Create a levy or assessment
  - iv. Direct a portion of a current tax; alcohol or other
  - v. Expand local governments' ability to use current revenue streams (taxes) for deeply affordable housing
  - vi. Add a fee on flipped houses - houses purchased and resold within 12 months
  - vii. Add a fee on vacant or unused properties or buildings

### **2. Develop strategies to expand the opportunities to locate and create purpose built shared housing (SROs, hotel/ motel units) and other deeply affordable housing units (rentals, homes, smaller units such as tiny homes, ADUs, etc)**

- a. Allow non-governmental entities to apply for federal ARPA funds to develop or preserve deeply affordable units (40% AMI). Identify guardrails and appropriate requirements.
- b. Expand HRTZ's (SB 217, 2021). Require a minimum percentage of deeply affordable housing units (40% AMI) within transit developments. Allow for offsets and/ or incentives. Expand HRTZs to include light rail, BRTs, high frequency bus routes or major transit investment corridors.
- c. Develop new units
- d. Preserve / purchase existing units and deed restrict for long term affordability
- e. Identify incentives / requirements / penalties for municipalities to create deeply affordable units
- f. Incentivize or require development of these types of units based on location: Transit zones, corridors, or certain geographic overlays. As an example, coordinate with WFRC and their 'access to opportunity overlays'
- g. Identify vacant land in proximity to transit and other preferred overlays for developing new housing; provide incentives or requirements
- h. Develop definitions of the above unit types, and create profiles for the individuals that would live in these types of units - single mothers, DV survivors, veterans, seasonal workers, workforce, young families, those transitioning from homeless services, etc. Educate the legislature and locally elected officials of the diversity and range of demographics of those that would live in deeply affordable units

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- i. Add requirements in municipalities' moderate income housing plan to locate a certain percentage of the above noted type of units/ deeply affordable units