

Compilation of Effective Practice Examples - DRAFT

Category 2: Direct & Indirect Public Support

B.4. Make surplus or underutilized public land available at reduced or no cost for affordable housing developments.

What are examples of other cities' programs for using surplus land for affordable housing? Any examples of co-locating affordable housing with other uses (e.g., community centers)?

This practice is effective in cities with excess public land to expand the supply of affordable housing, primarily for households at 80% AMI and below. It promotes partnerships with nonprofits, and can be especially applicable for transit-oriented development.¹² Cities often issue requests for proposals (RFPs) for redevelopment of identified public lands. Alternatively, in areas with increasing market demand or recent public investment, they can sell land at market price to affordable housing developers prior to the increase in land value.³

- The 12th Avenue Arts building in **Seattle** was developed on a city-owned surface parking lot used by the Seattle Police Department. Developed by Capitol Hill Housing, the new building includes underground parking for the police department, and added 88 affordable housing units, two theaters, commercial space, and office space for local nonprofits. The \$47 million project combined Low Income Housing Tax Credits, New Markets Tax Credits, and a HUD 108 loan, among many other sources.⁴ This project shows the added community benefit that accrues from developing under-utilized public land, while continuing to preserve the land's original public purpose.
- In **Arlington County, VA**, The Arlington Mill Residences was completed in 2014 as a public/private partnership between the County and a nonprofit housing developer, Arlington Partnership for Affordable Housing (APAH). All of the 122 units house residents at 60% AMI or below, and 98 units have two or three bedrooms. It was built on county-owned land alongside a community center built by the county. A shared parking garage serves as the foundation for both buildings.

The County purchased the land, which is near a transit corridor, in 1996 when it was used as an obsolete surface parking lot. They offered APAH a discounted 75-year ground lease on the land and the right to build atop the shared parking garage. Ownership of the building will revert to the County at the end of the 75-year lease. Success factors and lessons learned include:

¹ <http://www.psrc.org/growth/housing/hip/alltools/surplus-land>

² Housing Development Consortium Toolkit, 2016

³ <http://www.psrc.org/growth/housing/hip/alltools/surplus-land>

⁴ <http://capitolhillhousing.org/ourproperties/12AA.pdf>

- The discounted, 75-year ground lease and shared infrastructure proved a more dependable and attractive form of assistance to APAH than direct financial assistance from the County.
- The shared parking garage improved cost efficiencies for both the County and APAH.
- Close coordination and communication between APAH and the County was essential for project success.
- Pairing housing with public facilities generates an immediate user base for the facilities, removing concerns about whether the market will produce adequate housing near the facilities.⁵

A.9.a. Encourage affordable housing project partnerships between private and not for profit developers.

Any examples from other places on what works?

- Velocity is a 58-unit affordable housing apartment complex developed at the South Kirkland Park and Ride, on land owned by King County. Offering studios and 1-3 bedroom units affordable at 60% AMI, energy-efficient design, communal space and other amenities, Velocity is an excellent example of an affordable transit-oriented development on public land. Imagine Housing developed the affordable housing, and private developer Polygon developed market-rate units in a separate building above a shared parking garage. The City of Kirkland preferred to have a mixed income project (as opposed to two separate projects) but the separate projects worked best for both developers. City flexibility allowed public subsidies to help the nonprofit-developed affordable housing project.

B.1. Review/recalibrate multi-family tax exemption (MFTE) for affordable housing requirements and expand program in additional multi-family and transit-oriented development areas.

How does Bellevue's existing MFTE program compare with programs in other places (e.g., set aside requirements)? What are the hallmarks of successful MFTE programs in other cities?

The Puget Sound Regional Council (PSRC) highlights the MFTE as a very effective tool at producing units affordable at 80% or less AMI in urban centers and transit-oriented developments.⁶ The PSRC notes several important considerations when calibrating MFTE, including: target areas, level of standards (higher standards may deter developers from using the program, but lower standards may yield less public benefit for the forgone tax revenue; and whether the program incentivizes market rate or affordable housing. Bellevue's MFTE program specifications appear to align with other local programs, which are all based on Washington State law (RCW 84.14.020). The main difference is that some other cities in the Puget Sound that want to increase housing at any affordability offer 8-year exemptions on multi-family units that have no affordability set-aside requirement. Puget Sound cities with MFTE programs include:

City	Zone(s)
Bremerton	Downtown Core and Multiple Residential Zones
Burien	Downtown Commercial Zone

⁵ http://washington.uli.org/wp-content/uploads/sites/56/2015/02/ULI_PublicLandReport_Final020215.pdf

⁶ http://www.psrc.org/assets/6672/hip_mfte.pdf

Everett	Downtown and vicinity
Kirkland	Central Kirkland/Houghton; Totem Lake and North Rose Hill; Juanita; and NE 85th Street
Lynnwood	City Center
Puyallup	Central business district (CBD) and certain areas south of the CBD
SeaTac	154th Street and SeaTac/Airport Station Areas
Seattle	39 neighborhoods or districts
Shoreline	Ridgecrest District
Tacoma	17 mixed-use centers designated on the Generalized Land Use Plan and in the Comprehensive Plan

- In 1996, **Tacoma** was the first city in Washington to implement a MFTE program. The City provides property tax exemption for 8 years on residential improvements that create four or more additional housing units with no affordability restrictions (this is down from 10 years in 2007). It offers a 12-year exemption for the development if 20% of all units are affordable to renters at 80% AMI or homebuyers at 115% AMI. The development must be located within one of 17 mixed-use centers that are target areas for growth under the City’s comprehensive plan.
- Seattle’s** current MFTE program offers a 12-year property tax exemption for developers and owners of rental and for-sale multi-family residential projects. The program has produced over 3,400 affordable units in both market-rate and subsidized developments.⁷ First enacted in 1998, the program was renewed and expanded in 2015 to encompass new areas of the city and introduce additional incentives for family-sized units. To qualify for the property tax exemption at least 20% of units must be rent-restricted (if a minimum number of 2-bedroom or larger units are provided) or 25% of units (if the minimum larger units is not met). In its most recent iteration, the MFTE program imposes “affordability restrictions for rental projects set at 40% AMI for small efficiency dwelling units and housing units in congregate residences, 50% AMI for replacement units in Tenant Relocation Assistance-mandated projects, 65% AMI for studios, 75% AMI for 1-bedroom units, 85% AMI for 2-bedroom units, and 90% AMI for 3-bedroom and larger units. Affordability level of for-sale units was capped at 100%AMI and 120%AMI depending on unit size”.⁸

At end of 2015 Seattle had 3,963 units participating in the MFTE program. With 90 projects in the pipeline, another 2,124 units have been approved and could be brought to market over the next few years. The Office of Housing anticipates that more than 6,000 units will provide affordable housing as part of the MFTE program by 2018⁹.
- Portland** offers three limited tax exemption (LTE) programs. The Multiple-Unit Limited Tax Exemption (MULTE) (most similar to Bellevue’s MFTE) is a 10-year property tax exemption for properties in designated plan areas, within a half mile radius of Max Transit areas, or a quarter

⁷ Housing Development Consortium Toolkit, 2016

⁸<http://www.seattle.gov/Documents/Departments/Housing/HousingDevelopers/MultifamilyTaxExemption/2015%20MFTE%20Annual%20Report.pdf>

⁹ Seattle Office of Housing as reported www.theurbanist.org/2016/02/03/seattles-mfte-program-has-strong-showing-at-end-of-2015/

mile from specified transit corridors. For rental units, 20% of total units must be affordable at 60% AMI or less, or at 80% AMI or less in areas if either the project's market rate rents, or area market rents, are priced at 120% AMI or higher. At least 5% of units must be ADA accessible and affordable units must have an even distribution of bedroom sizes. For-sale units must be sold to homebuyers earning no more than 100% AMI. The program also imposes density requirements on rental projects. In addition, the Non-Profit Low Income Housing Limited Tax Exemption (NPLTE) program offers full property tax exemptions for nonprofit organizations owning low-income rental properties. The Homebuyer Opportunity Limited Tax Exemption (HOLTE) offers a 10-year property tax exemption for residential structural improvements. In FY 2014-15, 937 units received tax exemptions in the MULTE program. The combined number of units from all LTE programs was 14,549 units.¹⁰

B.8. Support an Affordable Housing Property Tax Levy to voters.

What other cities have levied an affordable housing tax, and what do they do with the money?

Property tax levies can provide a reliable and flexible source of funding for affordable housing. The target population is typically 60% AMI and below, and levies are often used to support households earning 30% AMI and below.¹¹ Only two cities in Washington have implemented housing levies.

- **Seattle** housing levies, passed in 1986, 1995, 2002, 2009 and 2016, have created over 12,500 affordable apartments, provided emergency rental assistance to 6,500 households, and assisted 800 families to purchase their first homes.¹² The 2016 levy will generate \$290 million over 7 years with the goal of producing and preserving 2,150 affordable apartments.¹³ It costs the average homeowner approximately \$122/year.¹⁴ A Housing Levy Oversight Committee monitors the program and the Administrative & Financial plan guides distribution of levy funds and is reviewed, revised and adopted by City Council every 2 years.¹⁵
- **Bellingham's** levy, passed in 2012, imposes a 36-cent tax on every thousand dollars of assessed property value and is projected to generate \$21 million over seven years. "Two-thirds of housing levy dollars are reserved for housing people at or below 50% AMI and the remaining third for people above 50% AMI and below 80% AMI. It is overseen by a Community Development Advisory Board and funds are administered by the Planning and Community Development Department."¹⁶

¹⁰ <https://www.portlandoregon.gov/phb/article/545342>

¹¹ Housing Development Consortium Toolkit, 2016

¹² <http://www.underoneroofseattle.com/>, accessed 11/7/16

¹³ The \$290 million is separated into 3 areas: Rental preservation & production for 2,150 units; reinvestment in 350 affordable units; and Operating and maintenance for 510 affordable units. Source:

http://www.seattle.gov/Documents/Departments/Housing/Footer%20Pages/2016HousingLevy_FactSheet.pdf, accessed 11/16/16

¹⁴ <http://www.seattletimes.com/seattle-news/politics/seattle-voters-to-decide-290-million-housing-levy/>

¹⁵ <http://www.seattle.gov/housing/levy/>

¹⁶ Ibid, p.65

- This Fall, voters in **Portland** approved a property tax housing levy to build or preserve 1,300 affordable rental units (600 at 30% or less AMI and 700 units at 60% AMI or less).¹⁷ The 20-year bond measure will increase property taxes by 24 cents per \$1,000 of property value.¹⁸

D.10 Down Payment Assistance – evaluate and as needed update existing program (effectiveness, design features, and funding levels).

How does Bellevue's existing program compare with programs in other places? What are success factors seen in other places?

Down payment assistance programs target moderate-income households (household incomes cannot exceed 80% AMI in Seattle and Bellevue, and Portland programs target households between 60-100% AMI). Bellevue provides downpayment assistance through the Washington State Housing Finance Commission administered ARCH East King County Downpayment Assistance Loan Program. The program requires potential homebuyers to attend a homebuyer education course- also in Seattle and Portland programs. Of the programs examined, only the ARCH EKC program does not have a first-time homebuyer restriction; other programs exclude applicants who have owned a home in the past three years. Like ARCH EKC, other programs do not require payments due until the borrower sells the property or refinances.

- The ARCH East King County Downpayment Assistance Loan Program provides up to \$30,000 in down payment assistance with 4% interest. No payments are due until the borrower sells the property, refinances, or pays off its Home Advantage loan. It must be combined with Washington State Housing Finance Commission Home Advantage first mortgage loan program, for which prospective homebuyers must attend a homebuyer education seminar. The program home price limit is \$345,000. Since 2005 65 ARCH downpayment loans have been issued, with 9 in Bellevue.¹⁹
- **Portland's** Down Payment Assistance Loan is a second mortgage, no-interest loan with no obligation to pay for 30 years or until the home is sold. It benefits households at 70-100% AMI. Homebuyers must work with a homeownership counseling agency on a "Client Action Plan" and cannot have owned a home in the past three years.²⁰ A separate program, offered by Proud Ground, a regional nonprofit housing organization, uses state and local funding to support first-time homebuyers between 60-80% AMI that have held a job for two consecutive years. Homebuyers receive a grant to assist with a down payment on a permanently affordable home made available through a nonprofit. To keep homes permanently affordable, buyers sign a contract to resell the home at an affordable price to an income-qualified buyer. The program has provided assistance to 310 homebuyers as of the end of 2015, and 59% of clients are people of color and to households with a median income of 65% AMI.²¹

¹⁷ <http://portlandtribune.com/pt/9-news/272794-148357-city-exploring-new-taxes-on-demolition-developers-to-fund-affordable-housing->

¹⁸ http://www.oregonlive.com/portland/index.ssf/2016/06/portland_tax_would_pay_for_130.html

¹⁹ <http://www.wshfc.org/buyers/HomeAdvantage.htm>

²⁰ <http://www.portlandoregon.gov/phb/article/571516>

²¹ https://proudground.org/facts_figures/

- **Seattle's** down payment assistance program provides up to \$45,000 to first-time homebuyers at or below 80% AMI through partnerships with nonprofit organizations. The home price limit is \$366,000.
- **Arlington County MD's** Moderate Income Purchase Assistance Program (MIPAP) provides a deferred-payment, no-interest loan for first-time homebuyers of up to 25% of the home purchase price, with a maximum loan amount of \$90,700. The program uses a lottery process to allocate funding to qualified moderate-income homebuyers. The maximum home price is \$662,790.

D.4. Partner with employers including BSD to provide affordable housing to their employees.

How can Bellevue engage major employers in talking about and providing affordable housing?

Partnerships are primarily with anchor institutions, such as universities and medical centers (as opposed to private companies) and rather than rental assistance, typically involve homeownership support through down payment assistance and second mortgages.

- Two major **Seattle** employers – the University of Washington and Seattle Children's Hospital – partnered with Security Properties to develop a 184-unit housing complex in the University District.²² UW provided the site, Children's provided a portion of the development capital, and Security Properties built and managed the project. The project stemmed from meeting a regulatory requirement – as part of Children's expansion, they were required to contribute to the City's affordable housing fund, or provide housing to replace an existing housing complex demolished for the expansion. The project has a first source agreement to rent to UW and Children's employees, though occupancy by employees has been limited. The project shows that employers can facilitate housing for their employees, but location and hesitancy of employees to live near employer or unease with employer-directed housing may limit usage.
- In **Detroit**, the Henry Ford Health System provides both rental and purchase assistance to employees. The medical center's Live Midtown program incentivizes employees to live and invest in the Midtown neighborhood. It provides new homeowners with a one-to-one matching forgivable loan up to \$20,000 for purchase of their primary residence and provides existing homeowners a matching allowance of up to \$5,000 for exterior improvements. For renters, the program provides a \$2,500/month subsidy during their first year moving to Midtown and \$1,000/month in their second year or if moving within Midtown.

²² <http://www.bridgesat11th.com/apartments/wa/seattle/uw-sch-employees>

Category 3: City Regulations & Incentives

A.4. Zoning and building code provisions to accommodate single-room occupancy units or mini-suites (e.g. micro-units) housing in multi-family zones.

What are examples of amendments to zoning and building codes to accommodate Single Room Occupancy (SRO) and/or mini-suites?

Micro-units can provide additional flexibility in housing size and type, and are most attractive to young professionals, students, and seniors. Proponents argue that the availability of single-person units can free up space in larger units for low-income families. They are attractive to developers, who can sell them for a higher amount per square foot than conventionally sized units. Policies influencing micro-unit development include minimum unit size requirements, density limits, and parking requirements.

- To encourage micro-unit development, **New York City** introduced new zoning regulations to remove a 400 square foot minimum and eliminate a density calculation that limits the number of studio units in an apartment building. The City would also have to relax parking requirements in outer boroughs.²³ The city also launched adAPT NYC, a competition to develop affordable micro-units. The winner, however, emphasized luxury rather than affordability – which advocates claim mitigates stigma against small units used for affordable housing.
- **Seattle** was one of the country’s leaders in micro-unit development, with micro-unit developments totaling 1,800 (nearly a quarter of Seattle’s housing growth) in 2013 and another 1,600 units in the pipeline as of early 2015.²⁴ Negative public reaction led to regulations to increase the minimum unit size, restrict areas they can be built, exclude micro-housing from tax exemptions, and require a design review for any micro-housing development. Prior to this requirement, developers lumped 8 bedrooms into one “dwelling unit”, to keep the number of dwelling units under the minimum requirement for the design review process.²⁵
- Other cities across the country have limited micro-unit development: **Santa Monica** limits micro-units to 15% of any building, and **Denver** closed a loophole allowing micro-unit developments to be built on tiny lots whose size previously excluded them from adhering to parking requirements.²⁶

A.5. Allow additional flexibility along with design guidelines and development standards for small-scale housing types (e.g. cottages, duplexes, accessory dwelling units, shared housing) in single family areas for consideration in neighborhood plans.

What are examples of amendments to zoning and building codes to accommodate accessory dwelling units?

Accessory dwelling units (ADUs) contribute to housing affordability by expanding housing stock and providing variety in housing choice in areas zoned for single-family use. They can provide a place for families to care for aging relatives and young adults priced out of the housing market, as well as an

²³ <http://www.newyorker.com/business/currency/are-micro-apartments-a-good-solution-to-the-affordable-housing-crisis>

²⁴ <http://www.forbes.com/sites/scottbeyer/2016/09/13/seattle-is-regulating-away-micro-housing/#4e9be29b37ee>

²⁵ <http://www.sightline.org/2016/09/06/how-seattle-killed-micro-housing/>

²⁶ <http://kdvr.com/2016/08/23/denver-declares-moratorium-on-micro-unit-development-with-no-parking/>

additional source of income that can make owning a home possible for some moderate income homeowners. They can add density while preserving the character of single-family neighborhoods.

- **Portland** provides a financial incentive for building ADUs by waiving System Development Charges. Many owners in an ADU case study project cited this waiver as a key reason for building an ADU.²⁷ The city also relaxed restrictions present in many cities, such as increasing the allowable size, allowing permits by right (if ADUs meet guidelines they do not have to go through a design review process), removing owner occupancy requirements, and removing parking requirements. While one of the nation's leaders in ADU units, in actuality the number of ADUs is quite modest – they are on just 1% of eligible units, totaling 800 in 2013.²⁸
- **Santa Cruz** encourages ADU development through a shorter ADU permitting processes and provision of additional incentives, including: technical assistance grants of \$100 for one hour of professional design assistance, low-interest ADU loans of up to \$70,000, and 50% salary assistance for using graduates from a training program. ADUs are only allowed on residentially zoned lots 5,000 square feet or greater, and must meet setback, height, and parking requirements. The City website also offers an ADU Plan Sets Book that contains seven ADU prototype concepts designed by local architects, and a step-by-step guide on how to plan, design, and obtain permits for an ADU.

A.18: Implement building and fire codes that reduce construction costs; update redevelopment regulations to match

Examples of changes made in other places to reduce construction codes through changes to building/fire codes (for example to allow cross-laminated timber). What have been the results?

Building and fire codes can increase costs, which are either passed on to residents or prohibit housing development in the first place. One analysis of 1,100 metropolitan regions across the country found that those with more restrictive codes have housing prices 4.9% higher than those that did not.²⁹

- The city of **Loveland, CO** examined their zoning code to determine which added unnecessary costs to developers. They found that certain landscaping requirements and excessively strict fire department recommendations (i.e. having sprinkler systems in single family homes) added costs that made housing significantly more expensive to develop. Developers identified the codes that significantly increased their costs, and the City determined which could be changed or eliminated.
- A study in **San Francisco** estimated that 9,164 households would no longer be cost burdened over 20 years if building codes were relaxed.

²⁷ <https://accessorydwellings.org/2016/03/04/how-portland-became-adu-friendly/>

²⁸ <https://accessorydwellings.org/2014/07/16/do-adus-cause-neighborhood-parking-problems/>

²⁹ <http://www.citi.columbia.edu/elinoam/articles/TheInteractionofBuildingCodesandHousingPrices.pdf>

A.16. Promote use of Universal Design to increase accessibility for all ages and abilities

Examples of incentives or ways to encourage senior housing and/or Universal Design. How have other cities promoted Universal Design?

- **Cincinnati** has increased accessibility requirements on City-assisted rental projects, even when they would have been exempt from some ADA requirements.
- **Portland's** multi-family tax exemption program requires at least 5% of units to be ADA accessible.
- **San Diego** offers a variety of incentives for units developed at one of two tiers of accessibility (Tier I units are accessible, and Tier II are visitable). Units conforming to both tiers are eligible for a floor area ratio bonus up to maximum of 5%. Developers can choose from two sets of additional incentives depending on the tier level. Developments with at least 50% of Tier I or II units can receive the above incentives, plus expedited permit processing. Developments with 100% Tier I or II units receive additional density-related incentives. The list of incentives is extensive, including parking reductions, driveway width reduction, and setback requirements. The program is most applicable to single dwelling unit and duplex development, but other types of development may qualify.
- **Suffolk County NY** requires units developed with tax dollars to incorporate universal design. It provides a Universal Design Incentive (UDI) permit fee structure and other benefits to reduce the time and cost of producing accessible housing. Individual local governments can offer permits for production of new developments and alterations to existing developments under an incentive based fee structure with expedited application processing.

A17: Encourage energy efficiency and other measures of sustainability in new and preserved housing to reduce costs for residents

Examples and cost effectiveness of encouraging energy efficiency or other sustainability in new and preserved housing to reduce operating costs for residents.

Improving the energy efficiency of single-family homes and multi-family housing developments can reduce the cost burden on building owners and renters alike. According to a 2007 HUD report, energy costs “consume 19 percent of total annual income for single, elderly, poor, and disabled persons living on social security (compared with a national average of only 4 percent).” The federal government’s Partnership for Home Energy Efficiency (PHEE) – a collaboration between the EPA, DOE, and HUD – estimates that households can save between 20-30% on energy costs by improving energy efficiency. Energy efficient appliances can reduce water and electric bills and sealed air leaks and proper insulation can reduce heating and cooling costs, improve air quality, and increase comfort for residents. Energy efficient design can increase home value, reduce reliance on utility subsidy programs, and even reduce the likelihood of evictions resulting from utility shut-downs.³⁰

	Examples	Application
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³⁰ https://www.epa.gov/sites/production/files/2015-08/documents/affordable_housing.pdf

Programs/Funding	-Grants or low-interest loans for energy efficiency retrofits -Free energy audits	The City of Somerville MA offers energy audits and energy retrofits to homeowners through a reimbursement program. The affordable housing working group also recommended the City implement an Affordable Tenancy and Energy Efficiency Program to provide three-year zero-interest "forgivable" loans of up to \$4,500 for residential energy improvements, in exchange for rent restrictions for the life of the loan term.
	Design competitions to showcase energy-efficient developments	Salt Lake City launched a Housing Innovation Lab and Public Home Innovation Contest through the division of Housing and Neighborhood Development. The program was launched with the unveiling of the Emery Passive House, a 4-bedroom home for moderate-income families using passive building methods. Energy costs in the house are expected to be one-sixth of the cost of traditionally-built houses. ³¹
Regulations	Local standards or requirements	The Denver Office of Economic Development adopted the Enterprise Green Communities standard for all projects using public funding. The Department of Neighborhood Development in Boston issued new design standards requiring new developments that receive DND funding to meet various energy-efficiency standards (specifics vary by type of development).
Incentives	Conditional land donations	Issaquah Highlands community – the City offered the land at no cost and eliminated permit-related fees, but required developers to adhere to strict energy-efficiency requirements.
	Fee waivers	Chicago offers rebates of up to \$25,000 and an expedited permitting process for affordable housing developments that meet the Chicago Green Homes Certification.
	Local ordinance variations	Seattle allows height and density bonuses for affordable housing that meets LEED-Silver certification standards.
	Competitiveness for federal tax credit allocations	Pennsylvania uses points awarded in funding applications for competitive Low Income Housing Tax Credit allocations to incentivize energy-efficient housing developments. Starting in 2015, the Pennsylvania Housing Finance Agency (PHFA) offered 10 points (out of 120 total) on its QAP for projects seeking Passive Design certification. Early results demonstrate potential: in 2015, 31 of the 85 proposed new developments stated an intent to meet Passive Design standards (7 received tax credits). In 2016, 27 of 94 new projects stated the same intent (10 received credits). ³²

Category 4: Pursuing Legislative Changes

E1: Explore options for dedicated local revenue sources that provide direct monetary assistance for affordable housing.

What options would be useful in an overall strategy? (i.e. Growth Fund funded by sources resulting from new growth (i.e. sales tax), real estate excise tax, transfer tax charged on capital gain, property tax generated by sold public sites, local option sales tax HB 2263, hotel tax on short term rentals, local voluntary employers fund.)

Many cities have local revenue sources dedicated to the provision of affordable housing, with varying degrees of efficacy. A nation-wide survey of housing trust funds found that revenues collected ranged

³¹ <http://www.sltrib.com/news/4138806-155/salt-lake-city-unveils-the-future>

³² http://www.ecobuildingpulse.com/news/how-affordable-housing-is-driving-passive-design_s

from less than \$100,000 to a reported high of \$30 million. Twelve cities collected over \$5 million in 2015: Los Angeles, CA; San Francisco, CA; Fremont, CA; Denver, CO; Boulder, CO; Chicago, IL; Cambridge, MA; Boston, MA; Minneapolis, MN; Charlotte, NC; Philadelphia, PA; and Seattle, WA.³³ According to the survey, the most common dedicated funding sources were developer impact or linkage fees and inclusionary zoning in-lieu fees, followed by property taxes. In recent years, cities have become more creative at finding revenue sources:

- Beginning with **Nashville**, cities (including **Portland** and **Oakland**) have started to require short-term rentals to pay equivalent hotel/motel taxes.
- Voters in **Austin** opted to add property tax revenue generated from previously city-owned properties to their affordable housing fund. It is estimated to add more than \$68 million over the next decade.

Dedicated Revenue Sources for Housing Trust Funds

Revenue Source	City
Developer impact fees	Berkeley, CA; Oakland, CA; Palo Alto, CA; San Diego, CA; Elk Grove, CA; Santa Rosa, CA; Denver, CO Boulder, CO; Cambridge, MA; Somerville, MA; Boston, MA; Santa Fe, NM; Seattle, WA; Arlington, VA; 304 communities in New Jersey under the NJ Fair Housing Act
Developer agreements	Fairfax, VA
Property tax	Denver, CO; New Orleans, LA; Red Wing, MN; Greensboro, NC; Raleigh, NC; Portland, OR ; Burlington, VT; Seattle, WA; Bellingham, WA; Milwaukee, WI; plus 161 communities in Massachusetts under the Community Preservation Act
Inclusionary zoning in-lieu fees	Pasadena, CA; Fremont, CA; Highland Park, IL; St. Charles, IL; Somerville, MA; Portland, OR
Document recording fees	Chicago, IL; Indianapolis, IN; Philadelphia, PA
Short-term rental fee/tax	Oakland, CA; Portland, OR; Nashville, TN
Hotel/motel tax	Mammoth Lakes, CA; San Francisco, CA
Housing bond	San Francisco, CA; Charlotte, NC; <i>Portland, OR; Austin, TX</i>
Income and interest earned	Asheville, NC; Portland, OR
Condo conversion fees	Berkeley, CA
Construction excise tax	Portland, OR
City-owned land sales	Santa Fe, NM
Property taxes on previously owned city land	Austin, TX
General fund set-aside	San Francisco, CA
Real property transfer tax / Real property sales excise tax	Santa Rosa, CA
Demolition tax	Highland Park, IL
Building permit fee	Bend, OR
General funds	Livermore, CA; Los Angeles, CA; Santa Rosa, CA; Fremont, CA; Longmont, CO; Savannah, GA; Arlington Heights, IL; Evansville, IN; Lexington, KY; Louisville, KY; Minneapolis, MN; Greensboro, NC; Asheville, NC; Charlotte, NC; Albuquerque, NM; Portland, OR; Nashville, TN; Knoxville, TN; San Antonio, TX; Austin, TX; Salt Lake City, UT; Charlottesville, VA; Richmond, VA; Charlotte, VT; Bainbridge Island, WA; Redmond, WA; Madison, WI; Milwaukee, WI; and three cities creating funds under the Iowa housing trust fund.

Source: *Housing Trust Fund Survey Report, 2016, p.24*

³³ http://housingtrustfundproject.org/wp-content/uploads/2016/10/HTF_Survey-Report-2016-final.pdf