



**GROUND
ED
SOLUTIONS
NETWORK**

strong communities
from the ground up



What About Housing?

A Policy Toolkit for Inclusive Growth





Grounded Solutions Network

Grounded Solutions Network supports strong communities from the ground up. We connect national and local expertise; bringing together the networks, knowledge and support needed to build inclusive communities. We promote housing solutions that will stay affordable for generations so communities can stabilize and strengthen their foundation, for good. Grounded Solutions Network champions evidence-based policies and strategies that work. We help our members, partners and elected officials use them to establish inclusive communities that have diverse housing options for a variety of incomes, offering choice and opportunity for all residents—both today and for future generations. We have helped communities across the country—from New Orleans to Nashville, Denver to Detroit—put in place inclusive policies like those highlighted in this toolkit.

Find out more at groundedsolutions.org.

Acknowledgments

Support

This toolkit was supported by grants from the Catholic Campaign for Human Development, the Ford Foundation, and the Open Society Foundations.

Authors

Robert Hickey
Zachary Murray
Stephanie Reyes

Editors

Sasha Hauswald
Melora Hiller
Rachel Silver
Emily Thaden

Experts Consulted

Baltimore Housing Roundtable
Nicole Barden, NCRC
Councilmember Kristerfer Burnett, City of Baltimore
Amanda DeStefano, United Workers
Matt Hill, Public Justice Center
Erica Leak, City of Austin Neighborhood Housing and
Community Development Department

Design

Braden Crooks & April De Simone, Designing the We

What About Housing?



A Policy Toolkit for Inclusive Growth

About this Toolkit

The Long Struggle for Equitable Housing

Our nation's legacy of economically and racially exclusionary policies has resulted in segregated cities and suburbs all across the U.S. For example, redlining policies upheld by the Federal Reserve Bank from 1934 to 1968 disallowed conventional mortgage lending in communities of color. To this day, the impacts of inequality and segregation weigh heavily in neighborhoods in every corner of the country. Meanwhile, rising rents and sales prices have dramatically outpaced wage growth. Today, people of all types are struggling to keep up with monthly housing expenses. In fact, the U.S. Census tells us that about one-third of the population is now housing-cost burdened.

Asking the Right Questions

To achieve inclusion—communities that are economically and racially diverse and high in opportunity—we should start by asking: “How can we preserve community stability, ensure equality of access, and help residents of color and low-income residents prosper?”

Many Tools, Many Contexts

Although the need for affordable housing is common, particularly in communities of high opportunity, there is no universal fix. Solutions must be tailored to each community's history and development context. This toolkit aims to arm communities of every scale and type with resources to proactively improve housing affordability and access. The policies and case studies provided are based on best practices that have proven effective at preventing displacement and/or the concentration of low-income residents and communities of color. They offer new options for local governments to fill affordable housing gaps that have grown as federal support for housing programs has shrunk.

Why a Toolkit?

Grounded Solutions Network created this toolkit to help communities understand their housing policy options and the approach that will work best for them. Community leaders and policymakers can start with local dynamics—their community's housing situation and the outcomes they want to achieve—and determine which policy tools best suit their needs.

The toolkit features policy tools for a variety of community situations, however, there are no hard and fast rules. Communities can tailor these tools to many different situations. It is also critical that communities research and evaluate the local economic, legal and political factors and feasibility of any of the policies and practices promoted in this toolkit.

This toolkit highlights solutions that focus on creating housing that is affordable for the long term through mechanisms like deed restrictions, which require that homes only be sold or rented to a low-income household at a price that is affordable to that household. While this toolkit alone will not solve all local housing challenges, we are confident that the array of policies and resources will help communities think more comprehensively about how to address their local housing issues.

Table of Contents



What's Your Housing Situation?

Main Situations and Key Questions Diagram	3-4
Our Housing is Already Unaffordable	5-6
Rents are Rising and Our Neighborhood is Gentrifying	7-8
Blight is a Problem and Our Neighborhood Has Been in Decline	9-10

Key Questions and Tools

How do we keep existing tenants in their homes?	11-12
Just Cause Eviction Protection	11
Price / Rent Control	11
Tenant Right of First Refusal	12
How do we keep the low-cost housing options from disappearing?	12-13
Acquisition & Rehabilitation	12
Term Extension of Affordability Restrictions	13
How do we help homeowners weather financial hardship and stay in their homes?	13-14
Need-Based Rehabilitation Assistance	13
Foreclosure Intervention	14
How can we fix up vacant and distressed properties without losing affordability?	14-15
Land Banks	14
Code Enforcement	15
How do we help lower-income families become homeowners and build equity?	15-17
Housing Counseling and Homeownership Education	15
Down Payment Assistance	16
Limited Equity Cooperatives	16
Community Land Trusts	17
How do we facilitate housing mobility and choice for lower-income residents?	17-19
Inclusionary Housing Policies	17
Assessment of Fair Housing	18
Source of Income Protection	18
Public Land	19
How can market activity help generate revenue for affordable housing investments?	19-20
Commercial/Residential Linkage Fees	19
Tax Increment Financing (TIF)	20
Community Benefit Agreements/Development Agreements	20
How else can we fund affordable housing investments?	21
Housing Trust Funds	21
How can we address homelessness?	22
Housing First	22

Resources	23-24
------------------------	-------

What's your Housing



Situation?

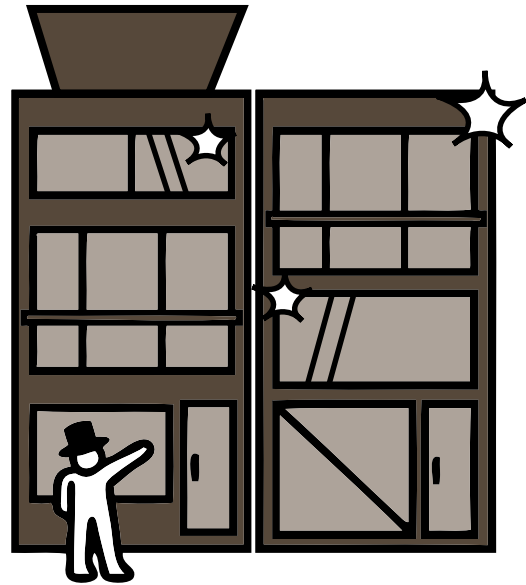


Our Housing is Already Unaffordable

U

The Situation

Home prices and rental rates are high and out of reach for many local workers and families with children. Low- to moderate-income workers endure long commutes to work. Rapid job growth is attracting college graduates, millennials and new residents. Demand for housing is rising faster than the supply of housing for people of all incomes. The cost of land is high and makes new affordable housing construction challenging.



Applicable Tools

Just Cause Eviction Protection [P.11](#)

Price/Rent Control [P.11](#)

Tenant Right of First Refusal [P.12](#)

Term Extension of Affordability Restrictions [P.13](#)

Need-Based Rehabilitation Assistance [P.13](#)

Foreclosure Intervention [P.14](#)

Housing Counseling and Homeownership Education [P.15](#)

Limited Equity Cooperatives [P.16](#)

Community Land Trusts [P.17](#)

Inclusionary Housing Policies [P.17](#)

Assessment of Fair Housing [P.18](#)

Source of Income Protection [P.18](#)

Public Land [P.19](#)

Commercial/Residential Linkage Fees [P.19](#)

Community Benefit Agreements / Development Agreements [P.20](#)

Housing Trust Funds [P.21](#)

Housing First [P.22](#)

The Story of

Unaffordable Neighborhoods in Washington D.C.



Washington, D.C., has experienced a renaissance over the past decade. Following 40 years of population loss, the city experienced 10 straight years of growth. Dozens of neighborhoods have been reinvigorated; private investment is snowballing; and homeowners are seeing tremendous price appreciation.

These changes have brought serious affordability challenges. The African American population in the city is declining and a large segment of the workforce struggles to find an affordable place to live. Rents are some of the highest in the nation, and many residents are priced out of homeownership. Homelessness has spiked, particularly among families. High land prices make building new affordable housing challenging, and the city's supply of low-cost units has been cut in half in just 10 years. Subsidized rental properties are the primary—if not only—source of low-cost rental housing in many neighborhoods.

In recent years, the city used a series of policy tools to address these challenges. The Coalition for Nonprofit Housing & Economic Development (CNHED)—an umbrella coalition with 140 member organizations—has been a major driver behind the city's intensified response to its affordability crisis and its increased investments in its housing trust fund.

Housing Trust Fund P.21

As federal housing cuts continue, the city has increased local revenue for subsidized affordable housing. The city dedicates 15 percent of deed recording fees and real estate transfer taxes each year to its Housing Production Trust Fund. In the past few years, the city has supplemented these revenues with contributions from the General Fund—including back-to-back contributions of \$50 million.

Term Extension of Affordability Restrictions P.13

Many subsidized affordable housing properties have affordability restrictions that expire within a certain number of years, often 15 or 30. With many of its affordable housing properties

reaching their expiration date, Washington, D.C., has made preservation a high priority. A new Preservation Officer coordinates city efforts to identify and invest in properties with expiring affordability restrictions.

Inclusionary Housing P.17

In 2009, the city implemented a mandatory inclusionary zoning ordinance that seeks to leverage the city's strong housing market by requiring 8-10 percent affordability in most new development.

Public Land P.19

After acquiring blighted land during the 1970s and 1980s, the city now makes this land available to support mixed-income and 100 percent affordable housing. In 2014, the city adopted a new policy stipulating that housing built on public land must include at least 20-30 percent affordable housing, including units affordable to households at 30 percent of area median income.

Results

Between 2015 and mid-2017, more than 3,900 affordable homes were built or preserved, and another 5,200 affordable units were started. While most affordable homes continue to be built east of the historic 16th Street redlining boundary, homes are increasingly built or preserved in growing, desirable neighborhoods.

The Housing Production Trust Fund has been a significant contributor to these totals, investing \$320 million, and leveraging an additional \$794 million from outside sources, to support 8,500 new affordable homes since 2012.

Inclusionary zoning is a growing contributor to the city's affordable housing stock. Since 2011, 402 inclusionary units have been built, and another 700 are in the pipeline as of 2017.

Rents are Rising and Our Neighborhood is **Gentrifying**

G

The Situation

Communities of color and low-income populations face displacement and limited access to newly created housing opportunities in improving areas. Arts, highly skilled workers and small business growth drive new investments in formerly disinvested areas, fueling the need for housing. Increasing demand for housing leads to previously affordable units converting to market rate, and rising land costs limit the construction of new affordable units. Longtime homeowners struggle to retain their properties. Longtime renters often face eviction pressures as landlords seek higher-income tenants who can afford increased rents.



Applicable Tools

Just Cause Eviction Protection [P.11](#)

Price/Rent Control [P.11](#)

Tenant Right of First Refusal [P.12](#)

Acquisition & Rehabilitation [P.12](#)

Term Extension of Affordability
Restrictions [P.13](#)

Need-Based Rehabilitation
Assistance [P.13](#)

Foreclosure Intervention [P.14](#)

Land Banks [P.14](#)

Housing Counseling and
Homeownership Education [P.15](#)

Down Payment Assistance [P.16](#)

Limited Equity Cooperatives [P.16](#)

Community Land Trusts [P.17](#)

Inclusionary Housing Policies [P.17](#)

Assessment of Fair Housing [P.18](#)

Source of Income Protection [P.18](#)

Public Land [P.19](#)

Commercial/Residential Linkage
Fees [P.19](#)

Tax Increment Financing [P.20](#)

Community Benefit Agreements /
Development Agreements [P.20](#)

Housing Trust Funds [P.21](#)

Housing First [P.22](#)

The Story of

Gentrifying Neighborhoods in Chapel Hill, NC



Chapel Hill is a town of 58,000 residents and home to the flagship campus of the University of North Carolina. The town also forms the third point of the state's job-rich "Research Triangle." In the late 1990s, rising housing costs led to concerns that the town was becoming a place where only students and the wealthy could live, triggering new policy responses. Recent growth in the Research Triangle has fueled additional housing pressures that threaten to displace the town's low-income renters.

Chapel Hill has taken a multi-faceted approach to addressing these challenges. Local neighborhood groups, civil rights advocates, and the Orange County Affordable Housing Coalition have played important roles in supporting the town's growing efforts to respond to gentrification pressures.

Inclusionary Housing P.17

In response to rising housing costs, the Town Council adopted an inclusionary zoning policy in 2000 as part of its new comprehensive plan. Any developer requesting a rezoning is expected to make 15 percent of new homes affordable to low-income renters or homebuyers. In 2010, the town adopted a more comprehensive inclusionary zoning ordinance that also applies to developments that do not require a rezoning. This ordinance requires 15 percent affordability for any for-sale development of five or more units. Due to state restrictions on controlling rental rates, rental developers meet their affordability obligation by paying a fee. In exchange for providing affordable units, for-sale and rental developers receive a density bonus.

Community Land Trusts P.17

Community Homes Trust (CHT), a community land trust, helps administer the town's inclusionary housing program. Developers sell their affordable homes to CHT, which then oversees the sale of affordable homes to qualified homebuyers and ensures the homes remain affordable for 99 years. CHT also provides financial counseling and helps

homeowners save for large-item replacements, such as water heaters. In addition to its portfolio of 255 affordable homes, CHT recently purchased a struggling, low-income housing tax credit rental development. Unlike many community land trusts, CHT operates largely on local government funding, with support from Chapel Hill as well as neighboring Carrboro and the county government.

Housing Trust Fund P.21

Chapel Hill began a Penny for Housing program in 2014. The town sets aside 1 percent of property tax revenues into its Affordable Housing Fund, generating \$700,000 annually. Recent advocacy moved the Town Council to double its allotment to the Affordable Housing Fund in the 2017-18 budget.

Land Banks P.14

The town recently began a collaborative initiative with the local university, adjacent Carrboro and local nonprofits to help long-term residents of the Northside neighborhood stay in their homes. With town financial support, the nonprofit Self-Help is organizing a land bank to gain control of key properties and make them available for purchase by homeowners, nonprofits and other developers responsive to neighborhood interests.

Results

Between 2000 and 2015, Chapel Hill's inclusionary zoning policy created 332 affordable homes. The policy also generated \$4.7 million in in-lieu fees for the town's Affordable Housing Fund.

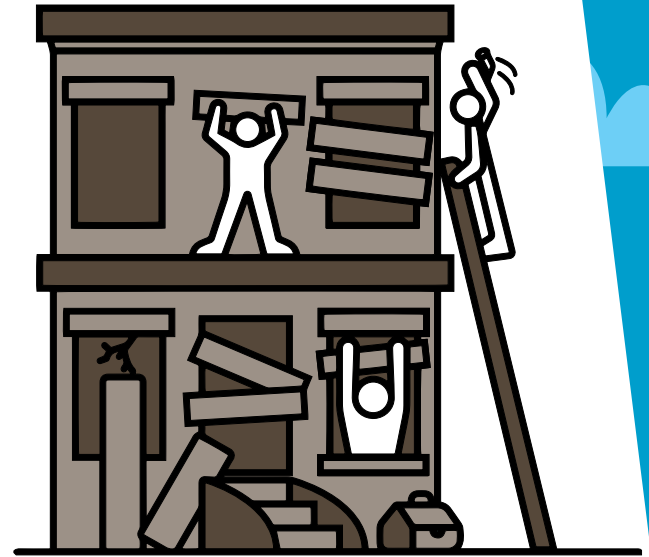
The town's Affordable Housing Fund has begun supporting such housing activities as land bank acquisitions, gap funding for new affordable rental housing, and down payment assistance.

Blight is a Problem and Our Neighborhood Has Been in Decline

B

The Situation

Disinvestment and abandonment stem from decades of economic isolation and redlining. Residents struggle to obtain financing to repair or purchase low-value properties. Existing homeowners are frequently at risk of foreclosure and losing their asset. Rental units, although affordable, are often poorly maintained and frequently concentrated in areas of low opportunity.



Applicable Tools

Acquisition & Rehabilitation [P.12](#)

Term Extension of Affordability Restrictions [P.13](#)

Need-Based Rehabilitation Assistance [P.13](#)

Foreclosure Intervention [P.14](#)

Land Banks [P.14](#)

Code Enforcement [P.15](#)

Housing Counseling and Homeownership Education [P.15](#)

Down Payment Assistance [P.16](#)

Limited Equity Cooperatives [P.16](#)

Community Land Trusts [P.17](#)

Assessment of Fair Housing [P.18](#)

Tax Increment Financing [P.20](#)

Housing Trust Funds [P.21](#)

Housing First [P.22](#)

The Story of

Blighted Neighborhoods in Philadelphia

Despite recent gentrification in multiple neighborhoods, Philadelphia struggles with extensive blight, substandard housing and housing instability. These conditions are primarily concentrated in Philadelphia's African American neighborhoods. The city has more than 40,000 vacant properties that deter investment, aid crime and exact a huge fiscal cost to the city. More than half of the city's homes are more than 65 years old, with many owned by older, low-income homeowners who struggle to maintain them. Existing homeowners are frequently at risk of foreclosure. And one in five households spend more than half their income on housing.

Philadelphia employs several key tools to address blight and improve housing affordability. Advocacy from the Philadelphia Coalition for Affordable Communities and its multiple members played a large role in the city's adoption of its land bank, as well as the land bank's recent affordability targets.

Land Banks P.14

Until recently, Philadelphia lacked a coordinated strategy and tool for managing its abandoned properties. In 2013, the city council created the Philadelphia Land Bank to acquire vacant properties, clear them of city debts and unpaid back taxes, and streamline their eventual transfer to partners who can put them to better use. A distinctive feature of the Philadelphia Land Bank is its portfolio-wide affordable housing targets. To address both present and future housing needs, half of all parcels made available for residential uses need to support long-term affordability for low- and extremely low-income households. The rest can support market-rate or higher-income housing. For parcels not ready for housing, the land bank can lease properties for short-term uses like community gardens, without relinquishing the opportunity to facilitate housing later.

Housing Trust Fund P.21

The Philadelphia Affordable Housing Trust Fund, created before the recent market upswing, helps fund affordable housing on land bank properties while also preserving and creating affordable



housing elsewhere in the city. Document recording fees provide the fund with a dedicated revenue source, generating between \$7 million and \$13.8 million annually.

Foreclosure Intervention P.14

Since 2010, the city has supported extensive door-to-door outreach, housing counseling, hotline assistance, legal assistance and financial education to prevent foreclosures.

Need-Based Rehabilitation Assistance P.13

To help low-income homeowners remain in their properties, the city's Basic Systems Repair Program provides free electrical, plumbing and heating repairs for households below 150 percent of the federal poverty level.

Results

In three years, the land bank has removed debts and back taxes from approximately 6,000 properties, consolidated 2,000 properties from other public agencies, and sold over 130 parcels of land.

Between 2005 and 2015, Philadelphia's Affordable Housing Trust Fund raised \$109 million and leveraged an additional \$337 million in private, state and other non-city funds for affordable housing. With these resources, the fund has financed 1,482 new or rehabilitated affordable homes, helped preserve over 16,650 homes, and kept over 2,700 households out of homelessness. Through 2016, the city's outreach and counseling activities saved approximately 10,300 homes from foreclosure and provided thousands more with pre-purchase counseling.

The city's Basic Systems Repair Program aided housing preservation successes during this time. Over the past four years, the program has helped over 4,300 low-income homeowners perform critical home repairs. The waiting list remains five years long.

How do we keep existing tenants in their homes?

Just Cause Eviction Protection

Laws that prevent owners from evicting tenants for reasons other than those listed in the statute. These laws can protect tenants from arbitrary evictions, foreclosure-related evictions, and landlord retaliation for asserting tenant rights.

U

G

B

Making it Work

Examples of permissible “just causes” include not paying rent, failure to comply with lease terms, or bona-fide plans by the landlord to occupy the unit him/herself.

Pairs Well With

Price/rent control, so that landlords cannot impose rent hikes to circumvent just cause protections through “economic” evictions. Where rent control is forbidden, some states have passed laws that specifically prevent landlords from raising the rent to skirt just cause laws..

Resources

1. Example Ordinance: Seattle Just Cause Eviction Ordinance
2. More Information and Case Studies: Equitable Development Toolkit (PolicyLink)
3. Expert Organization: National Housing Law Project

Price/Rent Control

Regulations that cap the rate at which owners can increase rents over a period of time, protecting tenants from de facto (economic) eviction.

U

G

B

Making it Work

Can be an annual or multi-year limit on the percentage increase in rents or can be tied to an indicator like the consumer price index (CPI). Typically allows rents to exceed the maximum rate of increase for major repairs, rising operating costs, or cases of proven hardship. Without these allowances, rent control may prevent landlords from making needed investments to keep properties habitable and up to code, particularly in weaker markets. Typically allows landlords to set the initial rent at any level when marketing a vacant unit or signing an initial lease. Limited increases then apply to the subsequent duration of tenancy. This policy feature is termed “vacancy decontrol.”

Pairs Well With

Just cause eviction protections, so that landlords cannot arbitrarily evict tenants to avoid rent control restrictions.

Resources

4. Example Ordinance: City of San Francisco Rent Control Policy
5. Expert Organization: Tenants Together
6. More Information: Rent Control Toolkit

Tenant Right of First Refusal

Laws that give tenants the right to purchase a rental unit, or to purchase an entire rental building collectively, before the owner puts it on the market or accepts an offer from another potential buyer. These regulations can apply to condominium conversions, manufactured housing parks, or simply the sale of any rental building to another entity.

Making it Work

Laws typically allow residents to assign their “right of first refusal” to other entities, such as nonprofit partners that help the residents form a limited equity cooperative, or affordable housing providers that agree to maintain the property as affordable rental housing. Advanced notification requirements, ideally of at least 120 days, give residents time to identify necessary partners, line up capital, and assemble a purchase offer.

Pairs Well With

Limited equity cooperatives enable tenants to bond together to purchase rental buildings collectively. The residents become shareholders in a corporation that owns the building in which they live.

Resources

- 7. Example Ordinance: Washington, D.C., Tenant Opportunity to Purchase Act
- 8. Case Study: Washington, D.C.
- 9. Expert Organization: ROC USA

U

G

B

How do we keep the low-cost housing options from disappearing?

Acquisition & Rehabilitation

Investments that help nonprofits or for-profit affordable housing developers purchase privately-owned but low-priced housing options, make needed improvements and institute long-term affordability.

Making it Work

At-risk housing stock may include multi-family properties with rising rents, manufactured housing parks, or lower-cost single-family homes and real estate owned (REO) properties. Rental properties can be maintained as rental or convert to cooperative ownership. Ownership properties can be resold to lower-income families or leased as affordable rentals.

Pairs Well With

Tenant right of first refusal can be used to give nonprofits a right to buy low-cost rental properties before the owner sells them on the open market. Housing trust funds often provide affordable developers with a source of revenue for gap financing, grants, and low- and no-interest loans.

Resources

- 10. Example Program: Denver Regional TOD Fund
- 11. More Information: Preserving, Protecting, and Expanding Affordable Housing: A Policy Toolkit for Public Health (ChangeLab Solutions)
- 12. Expert Organization: National Housing Trust

U

G

B

Term Extension of Affordability Restrictions

Investments to rehabilitate and extend the terms of affordability for subsidized or deed-restricted rental properties.

Making it Work

Typically requires refinancing using multiple public and private sources of capital; often requires investments to rehabilitate the property.

Pairs Well With

Housing trust funds can help finance building improvements.

Resources

- 13. Case Study: City of Portland/State of Oregon
- 14. Expert Organization: National Housing Trust

U

G

B

How do we help homeowners weather financial hardship and stay in their homes?

Need-Based Rehabilitation Assistance

Nonprofits or public agencies provide assistance or financing with favorable terms so owners can make health and safety upgrades.

Making it Work

Best targeted at low-income and senior homeowners to ensure limited resources serve those at greatest risk of losing their homes. Assistance may take the form of low- or no-interest loans for home improvements, deferred payments, loan forgiveness or grants, and time-limited tax abatements. Localities can partner with nonprofit volunteer home rehab programs (e.g., local affiliates of Rebuilding Together).

Pairs Well With

Housing trust funds can help finance low-income homeowner improvement loans.

Resources

- 15. Example Program: City of Dallas
- 16. Expert Organization: Rebuilding Together

U

G

B

Foreclosure Intervention

Loan assistance, homeowner counseling, and mortgage purchase or modification programs that help homeowners facing financial hardship avoid losing their homes.

Making it Work

Loan programs are often used as short-term emergency assistance. Localities often partner with local nonprofits experienced in foreclosure counseling. Counselors serve as intermediaries with banks, assist with budgets, and help repair low credit scores. Mortgage purchase or modification programs assist homeowners by modifying mortgage terms with lenders, such as new interest or payment terms, or by purchasing and reselling the mortgage to the homeowner.

Pairs Well With

Housing trust funds can provide funding for local counseling programs. Community land trusts provide vital services to prevent foreclosures and can purchase foreclosed properties to preserve affordability and help residents retain their asset.

Resources

17. Case Study: Regional Atlanta Initiative

U

G

B

How can we fix up vacant and distressed properties without losing affordability?

Land Banks

Nonprofit or public entities with legal authority to acquire and remediate blighted properties; later act as a broker to repurpose land for best use (e.g., affordable housing, parks).

Making it Work

Land banks facilitate housing development by removing city debts, unpaid back taxes, and other types of “title liens” on properties before passing them back to private use. Several public land banks prioritize affordable housing development on land returned to the market.

Pairs Well With

Public land policies that require the inclusion of affordable housing with lasting affordability in future housing development.

Resources

18. Expert Organization: Center for Community Progress
19. Example Program: City of Dallas’ Urban Land Bank
20. Case Studies and More Information: Revitalizing Foreclosed Properties with Land Banks

U

G

B

Code Enforcement

Equitable enforcement of building codes can help preserve low-cost rental properties and prevent their condemnation while protecting tenant health.

Making it Work

Policies can protect against rent increases due to the cost of code compliance. Proactive rental inspection programs help renters by requiring building owners to show that their buildings are up to code, rather than relying on tenants' complaints. Equitable code enforcement avoids penalties for low-income owners of small properties, but penalizes negligent landlords and offers tenants a mechanism for transferring ownership to more effective stewards.

Pairs Well With

Housing trust funds can provide financing to low-income or small-scale property owners to enable them to remedy code violations without needing to raise rents. Tenant right of first refusal prevents noncompliant landlords from selling properties without involving tenants.

Resources

- 21. Expert Organization: Center for Community Progress
- 22. Example Ordinance: Seattle Rental Registration and Inspection Ordinance
- 23. More Information: Proactive Rental Inspection Programs

U

G

B

How do we help lower-income families become homeowners and build equity?

Housing Counseling and Homeownership Education

Programs that educate prospective buyers to improve their odds of buying and staying in a home.

Making it Work

Pre-purchase counseling on down payment savings planning, credit repair and mortgage risks helps prospective homeowners improve their credit scores, save more, lower housing costs, and avoid risky purchases and mortgages.

Pairs Well With

Down payment assistance programs help reduce upfront costs of homeownership. Shared-equity homeownership programs such as Community Land Trusts often require homeownership counseling.

Resources

- 24. Expert Organization: National Community Reinvestment Coalition
- 25. More Information: A Step-By-Step Guide for Organizations Launching a Local Housing Counseling Agency

U

G

B

Down Payment Assistance

Programs that help households attain homeownership through financial support for closing costs and various-sized down payments. Homes purchased by recipients of down payment assistance do not remain affordable after they are sold.

Making it Work

May take the form of Individual Development Accounts (matched savings), grants, loans that burn off typically in five to 15 years, low- or no-interest loans, loans due upon sale to recapture public investment, or loans that are recaptured along with a portion of the appreciation so others may be helped in the future.

Pairs Well With

Housing Counseling and Education can help prospective home buyers improve their odds of buying and staying in a home.

Resources

- 26. Example Program: City of Austin Down Payment Assistance Program
- 27. Example Program: San Francisco Down Payment Assistance Loan Program (DALP)
- 28. More Information: Bridging the Down Payment Gap

U

G

B

Limited Equity Cooperatives

Zero equity or limited equity cooperatives where residents each share ownership in a corporation—usually a nonprofit—that owns and manages the entire building. Occurs when apartment building tenants join together to purchase their buildings, sometimes with the support of an outside nonprofit.

Making it Work

For limited equity cooperatives, the sales price is restricted and residents agree to receive limited equity so that the home is affordable to a subsequent, eligible lower-income purchaser. For zero-equity cooperatives, residents agree to receive no equity to keep rents affordable now and in the future. Cooperatives require intensive resident engagement to develop and operate their buildings; a nonprofit partner or steward is recommended to help residents establish, finance and maintain the property.

Pairs Well With

Tenant Right of First Refusal, which gives tenants the right to purchase a rental unit, or to purchase an entire rental building collectively, before the owner puts it on the market or accepts an offer from another potential buyer.

Resources

- 29. More Information and Case Studies: Equitable Development Toolkit (PolicyLink)
- 30. Expert Organization: Urban Homesteading Assistance Board
- 31. Expert Organization: National Association of Housing Cooperatives

U

G

B

Community Land Trusts

Nonprofits that retain land in trust on behalf of the community. Community Land Trusts (CLTs) provide many lasting community assets (e.g., commercial, urban agriculture, rental) but are best known for providing owner-occupied homes that remain affordable in perpetuity (commonly referred to as shared-equity homeownership).

Making it Work

For owner-occupied properties, CLTs enter into a long-term, renewable lease of the land with the lower-income buyer, which makes the purchase of the improvements (built structure) affordable. In return, homeowners agree to sell the home to another lower-income household at a restricted price. The classic CLT is a nonprofit, corporate community membership government by a board that balances the interest of CLT residents, the broader community, and the public interest to promote wealth building, retention of public resources, and addressing community needs.

Pairs Well With

Land banks can donate land to a CLT. Inclusionary housing policies produce affordable homes that can then be managed by a CLT.

Resources

- 32. More Information: Start-Up CLT HUB
- 33. Expert Organization: Grounded Solutions Network
- 34. More Information and Case Studies: Evaluation of Shared Equity Programs

U

G

B

How do we facilitate housing mobility and choice for lower-income residents?

Inclusionary Housing Policies

Policies that require or incentivize the creation of affordable housing when new development occurs, either within same the development or off-site.

Making it Work

Can be customized to local context and targeted to specific household incomes. Most policies mandate a set share of affordable housing (10-30 percent), while offsetting these requirements with zoning variances and other benefits to ensure project feasibility. Almost all of these policies have adopted very long-term or permanent affordability terms, where they use shared-equity homeownership models on for-sale projects. Often a policy will offer alternative ways to comply, such as paying an in-lieu fee.

Pairs Well With

Housing trust funds can receive funds paid as in-lieu fees. Community land trusts ensure that the new homes maintain long-term affordability and are well stewarded over time.

Resources

- 35. Expert Organization: Grounded Solutions Network
- 36. More Information: InclusionaryHousing.org
- 37. Case Study: Boston's Inclusionary Development Policy
- 38. Example Ordinance: City of Boulder

U

G

B

Assessment of Fair Housing

An important tool for affirmatively furthering fair housing and protecting rights under the Fair Housing Act. In preparing an Assessment of Fair Housing report, diverse community stakeholders help localities or regions name barriers to fair housing choice and prioritize actions for overcoming these barriers.

Making it Work

In hot markets, assessments often focus on mobility impediments to fair housing choice, such as exclusionary zoning or rental discrimination. In weaker markets, potential barriers may include capital improvement plans that neglect older communities with racially or economically concentrated poverty.

Pairs Well With

Inclusionary housing, source of income protection, and other tools that enhance housing mobility, preserve affordable housing in gentrifying communities, and bring amenities to already affordable but segregated communities.

Resources

39. Case Studies: Fair Housing and Equity Assessments (Multiple Regions)

U

G

B

Source of Income Protection

Local ordinances that prohibit owners from refusing to rent to an applicant based on their source of income (e.g. Section 8 and other Housing Choice Voucher programs, Social Security, disability, unemployment or veterans benefits).

Making it Work

Some ordinances also prohibit landlords from charging higher security deposits because a tenant uses a voucher.

Pairs Well With

Assessment of Fair Housing can serve as the impetus for communities to adopt this type of protection.

Resources

40. Case Study: Cook County, IL
41. Expert Organization: Poverty & Race Research Action Council (PRRAC)
42. More Information: State, Local, and Federal Laws Barring Source-of-Income Discrimination

U

G

B

Public Land

Localities can make publicly owned land available at reduced or no cost to facilitate affordable housing. Selling public land at a discount can be a strong incentive for mixed-income housing in hot housing markets, and it can provide major cost savings for 100 percent affordable housing developments in communities where land prices are high.

Making it Work

Policies that set consistent affordability expectations for housing built on public land help preserve and maximize opportunities for affordable housing. Localities can pursue affordable housing not just on vacant land holdings, but also on underutilized public parking lots and in conjunction with new public facilities, such as community centers, libraries, schools and police stations.

Pairs Well With

Land banks: public land can be placed into a land bank for future affordable housing use. Community land trusts can help manage public land for community uses.

Resources

43. Case Studies: Washington, D.C., and Montgomery County, MD

44. More Information: Public Benefit from Publicly Owned Parcels: Effective Practices in Affordable Housing Development

U

G

B

How can market activity help generate revenue for affordable housing investments?

Commercial/Residential Linkage Fees

Assessments on new market-rate commercial or residential development to produce affordable housing. As opposed to requiring new units on-site, linkage fees, also known as impact fees, mitigate the need for workforce housing through funding for new affordable housing developments.

Making it Work

Fee programs can charge developers a fee per square foot for a broad range of development types. Many places require a nexus study to quantify the impact that new development will have on the community and justify the fee levels. Successful impact fees are set at rates that are high enough to ensure adequate funding for affordable housing development in high-opportunity areas. However, if linkage fees are set too high, they could dissuade developers and diminish construction needed to generate fees.

Pairs Well With

Housing trust funds can combine linkage fees with other revenue sources to provide an ongoing dedicated revenue source to support affordable housing.

Resources

45. More Information: Linkage Fee Programs

U

G

B

Tax Increment Financing (TIF)

Revenue generated by borrowing against the projected increased property tax collection within designated redevelopment (urban renewal) districts. All or a portion of the tax increment can be set aside for affordable housing preservation and production.

Making it Work

TIFs typically provide needed public investment in distressed neighborhoods with limited property value growth. TIF programs without legally binding affordable housing requirements can still address affordable housing development by setting aside a percentage of revenue.

Pairs Well With

Housing trust funds can combine TIF revenue with other revenue sources to provide an ongoing dedicated revenue source to support affordable housing.

Resources

- 46. Case Study: Portland, OR TIF set-aside for affordable housing
- 47. More Information: TIF for Affordable Housing
- 48. More Information and Case Studies: Affordable housing tax increment financing (TIF)

U

G

B

Community Benefit Agreements/ Development Agreements

Agreements negotiated among community groups, a municipality and a developer that require specific terms in exchange for local support and/or planning approvals. Community Benefit Agreements (CBAs) aim to mitigate impacts of the project through local benefits like workforce training, local hiring targets and affordable housing investment.

Making it Work

CBAs are often applied to specific projects, multi-parcel developments, subsidized developments, or projects on publicly owned land. Direct negotiations enable communities to extract demands that exceed local development standards and give developers an opportunity to suggest alternatives that might work better for their projects.

Resources

- 49. More Information: Communities Benefits Toolkit
- 50. More Information and Case Study: Negotiated Agreements

U

G

B

How else can we fund affordable housing investments?

Housing Trust Funds

Funds that collect locally generated revenues in one place to support public investments in affordable housing. These funds play a crucial role in drawing additional state and federal funding, and they can be used to support a wide range of activities, including affordable housing preservation, new home construction, property acquisition, loans, homelessness prevention, and operational support for low-cost rental housing.

Making it Work

Dedicated revenue sources—such as property tax levies, document recording fees, real estate transfer taxes, and development impact fees—provide stable support for the trust fund. Additional annual appropriations help ensure a consistent funding stream, even in times of market fluctuations.

Pairs Well With

Policies that generate revenue for affordable housing, such as commercial/residential linkage fees, tax increment financing, and more. Policies and programs that need revenue, including capital needs (like acquisition and rehabilitation) and operating funding needs (like housing counseling and education).

Resources

- 51. Expert Organization: Center for Community Change: Housing Trust Fund Project
- 52. Case Studies: 2016 Housing Trust Fund Survey Report
- 53. More Information: Housing Trust Funds: The Basics

U

G

B



How can we address homelessness?

Housing First

Homeless assistance approach that prioritizes providing permanent housing to people experiencing homelessness, thus ending their homelessness and serving as a platform from which they can pursue personal goals and improve their quality of life.

Making it Work

Housing First programs often provide rental assistance that varies in duration depending on the household's needs. Permanent supportive housing provides long-term rental assistance and supportive services. Rapid re-housing provides housing identification, short-term rental assistance, and case management and services. Quality emergency shelters are still needed for the short term, but people experiencing homelessness should be provided permanent housing as quickly as possible.

Pairs Well With

Housing trust funds can fund construction of permanent supportive housing, rental assistance, and services.

Resources

- 54. More Information: Housing First
- 55. Expert organization: National Alliance to End Homelessness
- 56. Expert organization: Corporation for Supportive Housing



U

G

B

Resources

An online version of this toolkit, with links to the featured resources, can be found at:

www.groundedsolutions.org/housing-policy-toolkit

1. Example Ordinance: Seattle Just Cause Eviction Ordinance

www.seattle.gov/dPd/cs/groups/pan/@pan/documents/web_informational/dpdd016420.pdf

2. More Information and Case Studies: Equitable Development Toolkit (PolicyLink)

www.policylink.org/sites/default/files/just-cause-eviction-controls.pdf

3. Expert Organization: National Housing Law Project

www.nhlp.org

4. Example Ordinance: City of San Francisco Rent Control Policy

www.sftu.org/rentcontrol

5. Expert Organization: Tenants Together

www.tenants-together.org

6. More Information: Rent Control Toolkit

www.actionnetwork.org/forms/download-our-rent-control-toolkit

7. Example Ordinance: Washington, D.C., Tenant Opportunity to Purchase Act

www.ota.dc.gov/page/tenant-opportunity-purchase-act-topa

8. Case Study: Washington, D.C.

www.dcfpi.org/wp-content/uploads/2013/09/9-24-13-First_Right_Purchase_Paper-Final.pdf

9. Expert Organization: ROC USA

www.rocusa.org

10. Example Program: Denver Regional TOD Fund

www.urbanlandc.org/denver-transit-oriented-development-fund

11. More Information: Preserving, Protecting, and Expanding Affordable Housing: A Policy Toolkit for Public Health (ChangeLab Solutions)

www.changelabsolutions.org/publications/affordable_housing_toolkit

12. Expert Organization: National Housing Trust

www.nationalhousingtrust.org

13. Case Study: City of Portland/State of Oregon

www.preserveoregonhousing.org/about.php

14. Expert Organization: National Housing Trust

www.nationalhousingtrust.org

15. Example Program: City of Dallas

<http://dallascityhall.com/departments/housing-neighborhood-revitalization/Pages/HomeRepair.aspx>

16. Expert Organization: Rebuilding Together

www.rebuildingtogether.org

17. Case Study: Regional Atlanta Initiative

www.piecebypieceatlanta.org/index.html

18. Expert Organization: Center for Community Progress

www.communityprogress.net

19. Example Program: City of Dallas' Urban Land Bank

<http://dallascityhall.com/departments/housing-neighborhood-revitalization/Pages/LandAcquisition.aspx>

20. Case Studies and More Information: Revitalizing Foreclosed Properties with Land Banks

www.huduser.gov/portal/publications/landbanks.pdf

21. Expert Organization: Center for Community Progress

www.communityprogress.net

22. Example Ordinance: Seattle Rental Registration and Inspection Ordinance

www.seattle.gov/DPD/codesrules/licensingregistration/RRIO/aboutrrio

23. More Information: Proactive Rental Inspection Programs

www.changelabsolutions.org/sites/default/files/Proactive-Rental-Inspection-Programs_Guide_FINAL_20140204.pdf

24. Expert Organization: National Community Reinvestment Coalition

www.ncrc.org

25. More Information: A Step-By-Step Guide for Organizations Launching a Local Housing Counseling Agency

www.hudexchange.info/resources/documents/Housing-Counseling-Establishing-Non-Profit-Entity.pdf

26. Example Program: City of Austin Down Payment Assistance Program

www.austintexas.gov/department/down-payment-assistance

27. Example Program: San Francisco Down Payment Assistance Loan Program (DALP)

www.sfmohcd.org/downpayment-assistance-loan-program-DALP

28. More Information: Bridging the Down Payment Gap

www.freddiemac.com/purchasemarket/docs/dpa_lender_fact_sheet.pdf

29. More Information and Case Studies: Equitable Development Toolkit (PolicyLink)

www.policylink.org/sites/default/files/limited-equity-housing-cooperatives.pdf

30. Expert Organization: Urban Homesteading Assistance Board

www.uhab.org

31. Expert Organization: National Association of Housing Cooperatives

www.coophousing.org

32. More Information: Start-Up CLT HUB

www.groundedolutions.org/start-upclthub

33. Expert Organization: Grounded Solutions Network

www.groundedolutions.org

34. More Information and Case Studies: Evaluation of Shared Equity Programs

www.urban.org/research/publication/affordable-homeownership

35. Expert Organization: Grounded Solutions Network

www.groundedolutions.org

36. More Information: InclusionaryHousing.org

www.inclusionaryhousing.org

37. Case Study: Boston's Inclusionary Development Policy

www.bostonplans.org/getattachment/cfeecd1c-e81e-4bd8-927b-da0e6ebac2db

38. Example Ordinance: City of Boulder

www.bouldercolorado.gov/housing/inclusionary-housing

39. Case Studies: Fair Housing and Equity Assessments (Multiple Regions)

https://www.hud.gov/sites/documents/FHEACASESTUD_CV.PDF

40. Case Study: Cook County, IL

www.nlihc.org/article/cook-county-illinois-adds-voucher-holders-protected-class

41. Expert Organization: Poverty & Race Research Action Council (PRRAC)

www.prrac.org

42. More Information: State, Local, and Federal Laws Barring Source-of-Income Discrimination

www.prrac.org/pdf/AppendixB.pdf

43. Case Studies: Washington, D.C., and Montgomery County, MD

www.washington.uli.org/wp-content/uploads/sites/56/2015/02/ULI_PublicLandReport_Final020615.pdf

44. More Information: Public Benefit from Publicly Owned Parcels: Effective Practices in Affordable Housing Development

www.enterprisecommunity.org/resources/public-benefit-publicly-owned-parcels-19782

45. More Information: Linkage Fee Programs

www.inclusionaryhousing.org/designing-a-policy/program-structure/linkage-fee-programs

46. Case Study: Portland, OR TIF set-aside for affordable housing

www.nlihc.org/rental-programs/catalog/portland-tif-finance-set-aside-affordable-housing

47. More Information: TIF for Affordable Housing

www.hudexchange.info/resource/794/tif-for-affordable-housing

48. More Information and Case Studies: Affordable housing tax increment financing (TIF)

www.countyhealthrankings.org/policies/affordable-housing-tax-increment-financing-tif

49. More Information: Communities Benefits Toolkit

www.forworkingfamilies.org/resources/policy-tools-community-benefits-toolkit

50. More Information and Case Study: Negotiated Agreements

www.inclusionaryhousing.org/designing-a-policy/program-structure/negotiated-agreements

51. Expert Organization: Center for Community Change: Housing Trust Fund Project

www.housingtrustfundproject.org

52. Case Studies: 2016 Housing Trust Fund Survey Report

www.housingtrustfundproject.org/wp-content/uploads/2016/10/HTF_Survey-Report-2016-final.pdf

53. More Information: Housing Trust Funds: The Basics

www.nhc.org/policy-guide/housing-trust-funds-the-basics

54. More Information: Housing First

www.endhomelessness.org/resource/housing-first

55. Expert organization: National Alliance to End Homelessness

www.endhomelessness.org

56. Expert organization: Corporation for Supportive Housing

www.csh.org



**GROUND
SOLUTIONS
NETWORK**

strong communities
from the ground up