Community-Wide Housing Strategy

Equitable Development Discussion
February 1, 2020
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A Growing Housing Need
In Cincinnati and Hamilton County

Poverty, Income & Housing
Housing Gap
Cost Burden

<table>
<thead>
<tr>
<th>Household Income</th>
<th>Total Households</th>
<th>Affordable and Available Units</th>
<th>Gap</th>
</tr>
</thead>
<tbody>
<tr>
<td>$14,678 or less</td>
<td>55,600</td>
<td>15,581</td>
<td>-40,019</td>
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<td>$24,464 or less</td>
<td>90,946</td>
<td>52,611</td>
<td>-38,335</td>
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<td>$39,142 or less</td>
<td>138,559</td>
<td>125,073</td>
<td>-13,486</td>
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<td>$48,927 or less</td>
<td>165,531</td>
<td>163,191</td>
<td>-2,340</td>
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<tr>
<td>$58,712 or less</td>
<td>190,342</td>
<td>193,252</td>
<td>2,910</td>
</tr>
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</table>
Poverty

Poverty has been rising
The number of Hamilton County families in poverty grew by 27% between 2000 and 2017.

In 2017, 22.4% of families in Cincinnati, and 8% in suburban Hamilton County, were living below the poverty line.

U.S. Census Bureau, 2000-2017
Peer Cities

Population vs. Poverty
Many of Cincinnati’s peer cities saw similar population decreases between 2000 and 2017, but Cincinnati saw higher increases in poverty than these peers.
Housing Costs

Rising Costs for Renters
Tenants in both the city and county are seeing their rents go up, even as costs for homeowners fall.

OTR/Pendleton Housing Inventory
Based on a study by CBI, nearly 3,000 units of affordable housing (or 73% of units affordable at 0-30% AMI) were lost from OTR 2002-2015. A majority of these units were rented to people of color.
In the Cincinnati metro area, a household must earn $17 per hour to afford a fair market rate 2-bedroom apartment without being cost-burdened.

This is slightly lower than for peer cities, but since minimum wage in Ohio is $8.55, a renter would still need to work 2 full-time minimum wage jobs just to afford a 2-bedroom apartment.
Renter Cost Burden by Race

Even higher burdens among Black renters
In both the city and county, Black renters are more likely to be moderately and severely cost-burdened than Whites or Latinos.
Expanding Units

2017 Ham. Co. Affordability Study
A snapshot of expected expiration dates as of 2016 shows that 42% of homes kept affordable by HUD contracts are set to expire before 2030. About 72% of LIHTC units are also scheduled to expire before 2030.

Subsidized Housing Expirations by Decade

HUD Picture of Subsidized Households; OHFA LIHTC Database, 2015
Evictions

Hamilton County Eviction Report
From 2014 to 2017, an average of 12,439 residential evictions were filed in Hamilton County. The eviction filing rate (8.7%), or percentage of renter-occupied units that experience an eviction filing, sits well above the nation’s average (6.3%).

Hamilton County evictions are highly concentrated in predominantly Black neighborhoods.

Formal Eviction Decisions, 2017
- Tenant’s Favor: 0.4%
- Dismissal: 51.0%
- Landlord’s Favor: 48.6%

A landlord may dismiss their case if:
- They reach an informal agreement with tenant
- Tenant vacates the premises
Why a housing strategy?

- The scope + complexity of the problem demands a holistic response.
- A chance to bring all the stakeholders to the table & build collective capacity.
- Document that will unify and align advocates’ collective strategies and efforts.
- We want to guide philanthropic dollars, but also municipal policy.
- Provide specific policy recommendations.
Why a housing strategy?

Realistically, what will this plan achieve?

- Provide an **assessment** of current needs
- Establish **key goals** (with the idea that the City and County can adopt them)
- Provide a **suite of tools, policies and funding** for a range of strategies
- We want to guide philanthropic dollars, but also municipal policy.
Since 4th Quarter 2018

The working group process:

- Over **250** working group participants
- A total of at least **48** meetings
- **17** Community Engagement forums for input

Narrowed to **5 topic areas**
Assessed **need** and developed a set of **over 100 recommendations**
Overview

*Cincinnati and Hamilton County face complex, interlocking housing challenges.*

These challenges must be addressed via *production, preservation, and protection.*
Proposed Vision Statement:
Everyone has access to a spectrum of quality, affordable housing within their neighborhood of choice.

**Proposed Guiding Principles:**
- Put People First
- Promote Choice
- Foster Diversity
- Advance Equity
- Cultivate Collaboration
- Challenge the status quo
- Confront racist and discriminatory policies and practices
Introducing Fair Share Expectations
Dedicating Permanent Funding for the Housing Trust Fund
Increasing Development & Property Management Capacity
Proactive Code Enforcement + Home Repair Grant/Loan Program
Tenant Right to Counsel, ‘Pay to Stay,’ and Landlord/Tenant Mediation

Broad themes across working groups

- Renter Protections
- Housing Quality & Conditions
- Local Capacity
- Innovative Financing Streams
- Equitable Production Goals & Distribution
- Eviction & Property Taxes
These are based on recurring recommendations...

**Tenant Rights** to Counsel, ‘Pay to Stay,’ and Landlord/Tenant Mediation

Proactive **Code Enforcement** + Home Repair Grant/Loan Program

Increasing **Development & Property Management** Capacity

Dedicating Funding for the **Housing Trust Fund**

Introducing **Fair Share** Expectations
Access to Homeownership
Four Key Ideas

- **Property tax relief** for low-income homeowners, esp. in rapidly appreciating neighborhoods.
- **Proactive Code Enforcement** combined with home repair programs, loans, and incentives for small landlords.
- **Open new pathways to homeownership** through homesteading and alternative credit building strategies.
- **Increase coordination** to offer one portal for homeownership resources, information, and data.
New Production
Four Key Ideas

- **Address wage gap** by challenging companies to pay a living wage
- **Increase by-right zoning** for multifamily development
- **Streamline approvals** and waive fees in exchange for affordable units
- **Expand the pool** and build the capacity of small developers, contractors, and property managers
Affordable Rental Preservation
<table>
<thead>
<tr>
<th>Four Key Ideas</th>
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<tr>
<td>Create a <strong>system to flag expiring units</strong> and offer incentives for preservation and rehabilitation</td>
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<tr>
<td>Combine <strong>data-driven code enforcement</strong> with robust home repair programs and access to loans</td>
</tr>
<tr>
<td>Protect against displacement using tenant <strong>legal protections, emergency rental assistance, and legal aid</strong></td>
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<td>Change the narrative around affordable housing through outreach and information campaigns</td>
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Policy & Zoning
Four Key Ideas

- Reform the zoning code to incentivize affordable development through density bonuses, require in-lieu fees, and permit accessory dwellings.
- Support a tenant association to educate tenants on their rights and mediate with landlords. Adopt new tenant protections.
- Conduct a “Fair Share Study” and evaluating progress.
- Dedicate permanent funding streams to the Housing Trust Fund and set up an oversight board.
Homelessness
Four Key Ideas

- **Support existing programs** that are proven to reduce and prevent homelessness
- **Require affordable development** in exchange for public land, subsidies, or incentives
- **Enact tenant protections** such as a right to counsel, just cause eviction legislation, and a ‘pay to stay’ ordinance
- **Dedicate permanent funding streams** to the Housing Trust Fund and use it to fund deep, permanent affordability
CoHear
Four Key Ideas

- Provide **emergency rent and utility assistance** to families on the brink of homelessness.
- Require affordable development in exchange for public land, subsidies, or incentives.
- Pursue **creative homeownership programs**, such as renter equity and co-op models, and alternative credit histories.
- Build property management capacity and allow (and train) tenants to invest in their properties.
4. Next Steps
Timeline

- **Nov.**
  - Preliminary Recommendations
  - Consultants present draft targets and preliminary recommendations.

- **Dec.**
  - Finalize Targets, Recommendations
  - Working groups finalize reports and prioritize recommendations. Targets are refined.

- **Jan.**
  - Draft Plan
  - Plan is drafted and presented to steering committee for review

- **2020 Q1.**
  - Present Final Plan
  - Recommendations, targets, motivation, and implementation strategy are included in final plan
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