

HOUSING RECOVERY PLAN
FOR
ARANSAS COUNTY, TEXAS

Draft Strategies
December 15, 2017

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AGENDA

Defining the Housing Problems

Draft Housing Strategy

Discussion

PEGASUS PLANNING AND DEVELOPMENT

Market Analysis, Economic Development and Revitalization

Specializations:

- Strategic Planning
- Market Analysis
- Workforce Housing Analysis
- Downtown Revitalization
- Impact Analysis
- Private-Public Partnership
- Economic Development
- Entrepreneurship
- Urban & Regional Planning
- Land Development
- Feasibility Study
- Scenario Modeling / Analysis



*Austin, Texas
San Marcos, Texas
Buda, Texas
Palacios, Texas
Cibolo, Texas
Schertz, Texas
Jarrell, Texas
Rockwall, Texas
Meridian, Idaho
Boise, Idaho
Bowling Green,
Kentucky
State of Mississippi
Gulfport, Mississippi
State of Louisiana
Pensacola, Florida
Emporia, Kansas
State of Vermont
Puyallup, Washington
Stillwater, Oklahoma
Fort Smith, Arkansas
Helena, Arkansas
Arkadelphia, Arkansas*

Housing Unit Mix – Aransas County (2016)

Unit Type	Estimated & Rounded #s
Total Households	15,600-16,000
Single Family Units	10,000-11,000 units
Multi-family Units	2,170 units
Mobile Homes	2,300-3,300 units
RVs (1/3 full in off season = utilized as primary residence)	202 units
Vacation Homes - Percent of total are seasonal, recreational or occasional use	26%

Note: Estimates from American Community Survey and Aransas County Appraisal District

Income Qualifications

HUD 80% of MFI Limits for Housing Assistance (Aransas County, 2016)

Aransas County, TX								
Income Limit	1-person	2-person	3-person	4-person	5-person	6-person	7-person	8-person
FY2017 Low-Income Limits	\$30,600	\$35,000	\$39,350	\$43,700	\$47,200	\$50,700	\$54,200	\$57,700

To Qualify for HUD funding, housing NEEDS to be for those making less than 80% of the Median Family Income.

Households Making <80% MFI (Pre-Hurricane)

Owners & Renters Spending >30% of their Income on Housing

Low Income Owners (68%)			
Income	Households	Total of all Households	
Less than \$20,000	665	1085	61%
\$20,000-\$35,000	357	1514	24%
Total	1022	2599	39%

Low Income Renters (32%)			
Income	Households	Total of all Households	
Less than \$20,000	745	789	94%
\$20,000-\$35,000	319	447	71%
Total	1064	1236	86%

- Low Income HHs both rent (32%) and own (68%), and both renters and owners are burdened by housing costs.
- Owners may pay less in housing cost because **Mobile Homes** are cheaper than apartments

Workforce Housing - *defined*

- ✓ Housing for those making less than 80% MFI
- ✓ Housing that doesn't cost more than 30% of your income
- ✓ Leaving 70% for food, transportation, clothing and other necessities

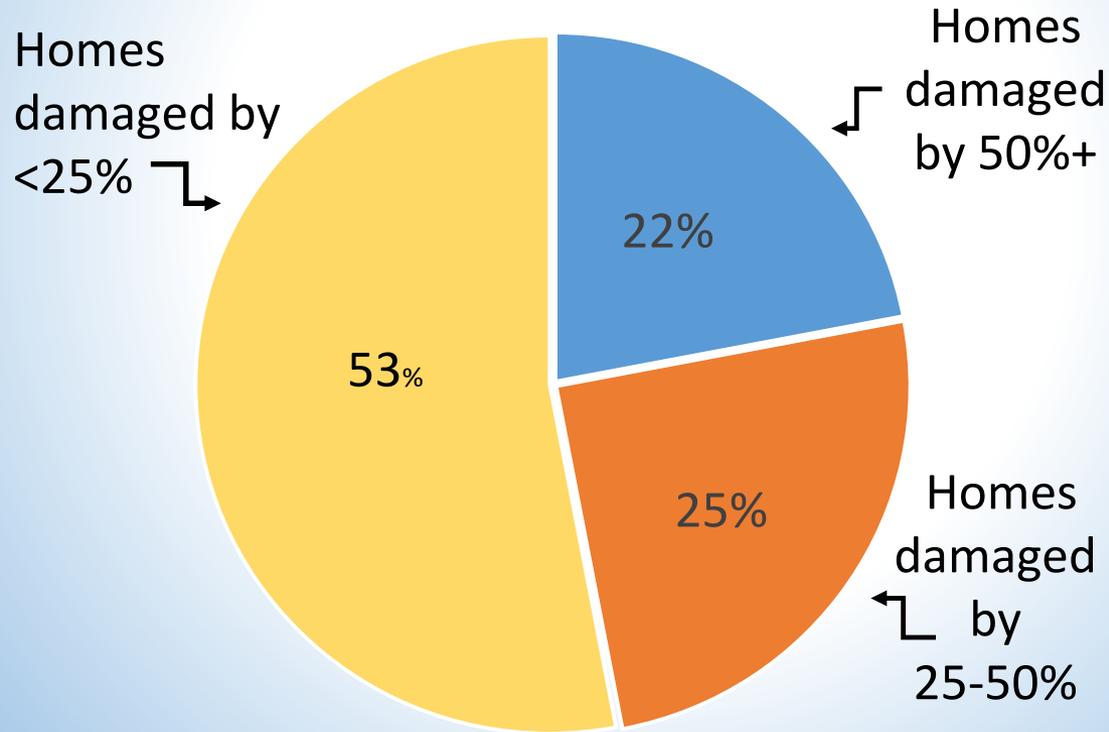


Located in the high-cost community of Aspen, Colorado, Benedict Commons was developed by Jonathan Rose and Jim Curtis working with the city of Aspen to provide affordable housing to workers.

Housing Damage

% of Units Damaged by Severity

TOTAL HOUSEHOLDS – 16,000



Housing Recommendations

Housing Needs by Income Level and Own vs Rent (2 Person HH)

Home Type	Total	< \$20,000/yr	<\$35,000/yr	Unrestricted
SF Home	3150	650	875	1625
Multifamily	565	170	113	282
New WF Units	250	200	50	0



Rent - \$500/mo
Own - NA



Rent - \$600/mo
Own - \$122,000

(4 Person HH)
\$43k/yr
Rent - \$830/mo
Own - \$175,000

Assumptions: Insurance - \$100-125/mo, Annual Taxes - \$200-250/mo, No Down pymt

Major Housing Challenges

- **Housing Availability**

- Very short supply of workforce housing made worse by loss of units
- Short term units (rental & hotel) occupied by contractors and storm victims
- No MF Lease & Repair units; 123 MHUs installed to date
- Approximately 600 apartment units destroyed or are long term rebuilds

- **Capacity**

- No existing Community Development Corp or Housing Agency
- Little existing builder/developer capacity

- **Communication**

- How to communicate to relocated workers and to those needing housing

- **Land**

- Pre and post storm land prices significantly drive up costs

- **Jobs**

- Only 350 of 1300 businesses open; reduced hours of operation due to lack of workers; without housing, workers can't come back

- **Floodplain regulations**

- 50% rule – If a structure is damaged >50%, the entire structure must be brought into floodplain and building code compliance

Non-Profit Partners in Place to Date

- Habitat for Humanity
- Mennonites
- Rebuilding Together
- Samaritan's Purse
- UMCOR
- NeighborWorks
- Baptist Men
- SBP
- People Fund
- Other partners to come!



Housing Programs – USDA

Program	Type	Applicant	Uses
Single family loans - Section 502	Direct loans	Families/individuals	Buy, build improve, repair or rehab perm residence
Single Family Loans - Section 502	Loan guarantees	USDA approved lenders	Purchase new or existing home for perm residence
Single Family Home Repairs - Section 504	Direct loans and grants	Homeowners, 62 year old+	Repair or replace: roof, heating, structural repair, water/sewer connect fees etc
Mutual Self-Help Housing -Sect 502	Direct loans	Families/individuals	Construction of new home by applicant or nonprofit group
Mutual Self-Help Housing - Section 523	Grants	Non-profits/public bodies	Tech assistance to supervise small groups of families to build each others homes
Multi-Family Rental Housing - Sections 515	Direct loans	Individuals, non-profit	New construction & rehab of existing multi-famiy
Multi-Family Rental Housing - Section 538	Loan guarantees	Individuals, partnerships, LLC, state & local agencies	New construction, permanent loan or substantial rehab of multi-familly rental
Housing Preservation Grants - Section 553	Grants	Public bodies and non-profits	Finances repair and rehab activities for single family and small rental properties

USDA is only ONE example of Housing Programs to help rebuild

Housing Issues/Solutions

- **Regulatory**

- Adopt Inclusionary Zoning Ordinance
- Reduce Process time / Development Process
- Evaluate/Modify Tree Ordinance
- Allow smaller lots/houses
- Amend Comp Plan Update(s) if necessary

- **Site Cost Issues**

- Provide Needed Infrastructure in Key Areas
- Waive Impact Fees for WF Housing Units

- **Financial**

- Incentives for Builder/Developer (Land, Fee Waiver)
- Assistance for Homebuyer/Renter

- **Construction Types**

- Encourage Innovative Material Usage (SIP, Modular)

- **Education**

- Homebuyers/Renters
- Developers/Builders

Cities can provide incentives to promote the development of affordable units like streamlining the development process, offering parking reductions, providing tax abatements, reducing development fees, offering cash incentives, or dedicating general obligation bond dollars in exchange for workforce housing units.

Means To Our Goals

Opportunities for Innovation

- Alternative construction methods
- Developer Agreements
- Community Land Trusts
- Extreme Neighborhood Makeovers
- Homestead Preservation District
- Tax Increment Financing
- Utilize public land for new development
(city, county, TXDOT)

Traditional But Important Approaches

- PUD Agreements
- Construction Loans
 - Low interest interim, permanent,
 - Line of Credit
 - Guarantees
- Unit Buy-Down Grants
- Tax incentives – accelerated depreciation
(pending legislative changes)
- Infrastructure Grants
- Waiver of Fees
- Uplift Grants

Workforce Housing Examples

*33-unit mixed-income and mixed-use
HOUSING LAND TRUST in East Austin.*



*22 Unit Senior Affordable Housing
Project in Central East Austin.*



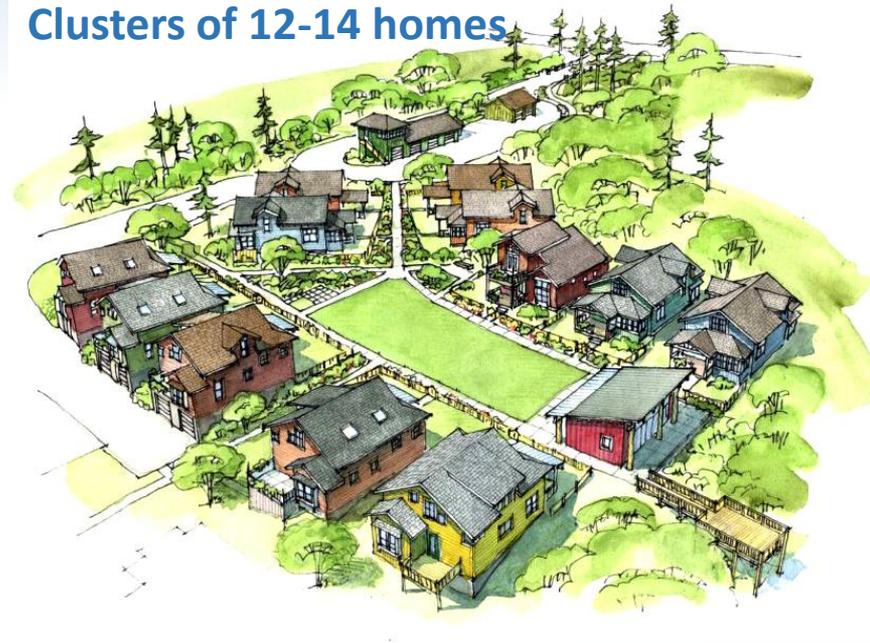
*51 affordable live/ work units for
artists and their families in El Paso, TX*



Innovative Housing Development

- Clustered Housing
- More open space and parkland
- Smaller lot sizes
- Smaller setbacks
- More Environmental protection
- More mixed-use

Clusters of 12-14 homes



Smaller Lots / Agrarian



Common spaces

Implement Heritage District Plan



**DRAFT
FOR DISCUSSION**

SCALE: 1" = 50'-0"

Request of Feds/State: Housing

- **Assistance to Refine and Establish Programs Now**
 - Finalize non-profit relationships & agreements
 - Finalize developer RFP process & agreements
 - Set up incentive programs
 - Finalize funding request and commitments
- **Redesign coordinated case worker system** that matches and facilitates housing options (including new), providing a seamless transition for program recipients

Housing Goals:



- 1. Repair/rebuild 3,150 single family units**
- 2. Repair/rebuild 565 multifamily units**
- 3. Add 200-300 units of workforce housing**
- 4. Encourage Mixed-use / Mixed-income**

Key Short-term Strategies

- ✓ Individual Recipient Program
- ✓ Target Memorial Park Neighborhood
- ✓ Build on City-owned Properties
- ✓ GLO to re-build two (2) apartment complexes
(waiting on final GLO/Fed rules)



Individual Recipient Programs

- **Down Payment Assistance**
- **Mortgage Assistance**
- **Credit Counseling**
- **Rental Assistance**



Neighborhood-Focused Program *(near Memorial Park)*

Multi-Faceted Approach

- 20% of Residents Sign Petition to Participate
 - City Provides Infrastructure/Street Repair
 - Non-profit Volunteers Repair & Uplift
 - Non-Profit or Developers/Builders do New Build on CITY-OWNED LOTS
 - Builder Incentive – Rental
 - Builder Incentive – For Sale
 - Individual Recipients
- **EDUCATION TO NEIGHBORHOOD**
 - **DEVELOP BUDGET FOR INFRASTRUCTURE and STREETS**
 - **RFP – DEVELOPERS/BUILDERS**



City-owned Infill Lots

1. SOLICIT AND QUALIFY DEVELOPERS/BUILDERS
2. SELECT SEVERAL RESPONDENTS

- ❖ *DONATED LAND IS MAIN INCENTIVE*
- ❖ *TARGETED FOR WORKFORCE HOUSING*
- ❖ *OUTCOME - AT LEAST 25 UNITS BEFORE JUNE!*



Key Short to Mid-term Strategies

- ✓ **Funding for Heritage District & Downtown**
- ✓ **Infrastructure and Financial Assistance to Target Areas for Private Developers building SF and MF Housing**



Key Mid to Long-term Strategies

- ✓ **Mixed-use development with Housing in Downtown**
- ✓ **Housing Land Trusts with TXDot and ISD Land**
- ✓ **Artist Housing Downtown**



Next Steps

- **Pegasus to prepare Housing Strategy by mid-January**
- **Continue to be a part of the SOLUTION**
- **Help Recovery Team with Communications to dislocated workers**

QUESTIONS OR COMMENTS

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