

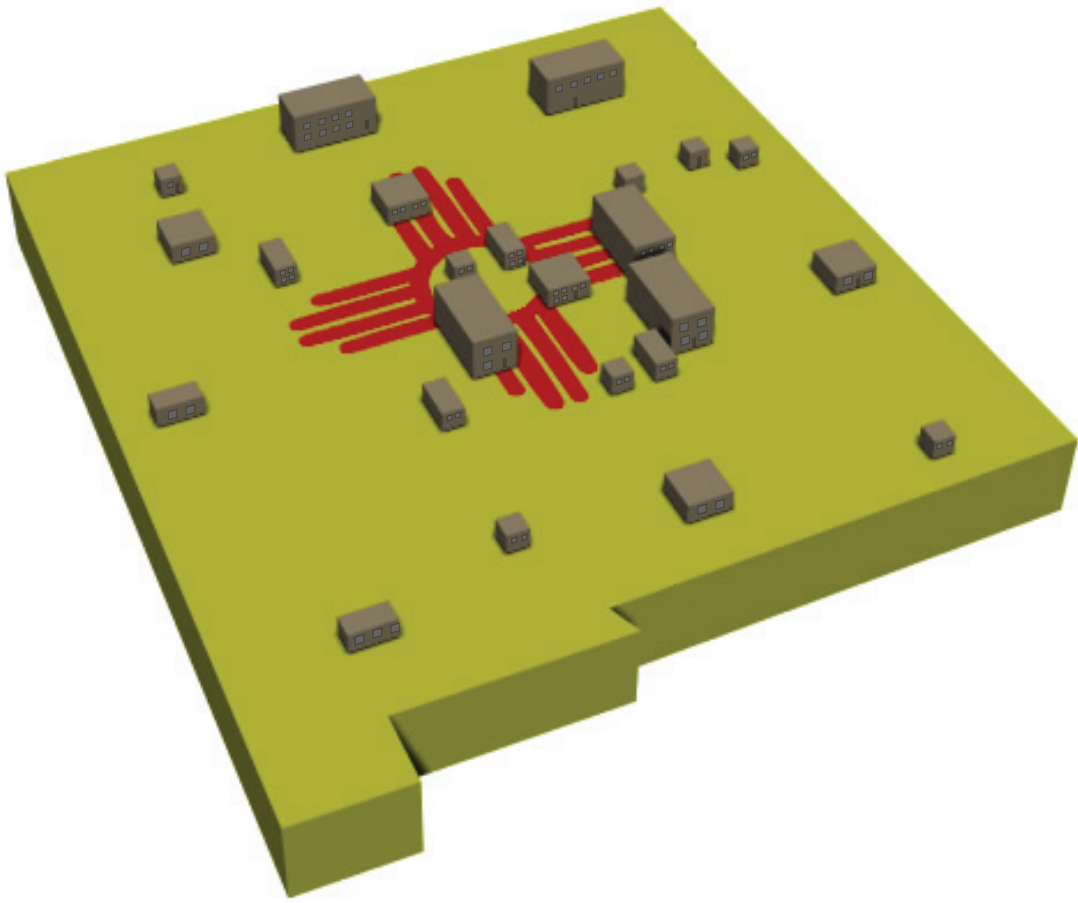


AFFORDABLE HOUSING PLANNING

a “how to” guide for communities in New Mexico



NEW MEXICO MORTGAGE FINANCE AUTHORITY



The affordable housing plan (AHP) is a planning tool that helps communities identify both the existing and the projected future housing needs. Developing an AHP requires collecting, organizing, analyzing and understanding information related to your community's housing context. Understanding the housing context will enable your community to determine the need for affordable housing.

After exposing any affordable housing gaps, the AHP identifies specific obstacles to affordable housing and unique opportunities available meet the need. Then, the plan determines how, when, and where local housing issues will be addressed by establishing goals, policies, and quantifiable objectives to increase affordability by housing types and tenure. The programs will address specific needs for construction, rehabilitation, preservation and financing of affordable housing.

Affordable Housing Plan Sections:

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DEMOGRAPHIC PROFILE

The AHP must begin by presenting a summary of the existing conditions in the community. This summary should also describe changes within the community over time. Understanding the implications of demographic trends allows the community to develop an affordable housing plan addressing both existing and future needs.

STEP #1

Include demographic information necessary for understanding the community population dynamics:

- income
- age groups
- gender
- types of households
- groups with special needs

What does our community look like?
What will our community look like in the future?

HOUSING PROFILE

Describe housing in the community and compares this information to conditions in the county and state. It is also beneficial to describe conditions according to specific parts of the community, so that similarities and differences between neighborhoods can be understood and the relative needs of different parts of the community identified and taken into consideration. These details move beyond statistics to ground the AHP in the different circumstances in different parts of the community.

HOUSING MARKET ANALYSIS

Inventory the units available to residents and area employees. This snapshot of the housing market should be analyzed to show costs, rents, vacancy rates and sales prices. Understanding the age, condition of units and the amount of owned and rental units and the number of affordable units will help determine the housing needs of the community.

STEP #2

Compare:
the number of existing households
housing units by tenure [ownership/rental]

STEP #3

Conduct a windshield survey to collect additional information on community needs:
rehabilitation
acquisition rehabilitation
commercial revitalization
infrastructure upgrade

STEP #4

Compare the area median income to the price of for sale and rental housing and identify the income/affordability ratio in your community. Compare these to the needs of potential home owners and renters.

STEP #5

Determine the cost to produce housing in your community. Develop a process for comparing development costs with the affordability ratio to ensure that subsidies go only to those developments that need subsidy to ensure affordability.

What housing is available in our community?
How does our housing in our community compare?

How affordable is the housing in our community?

HOUSING NEEDS ASSESSMENT

Draw on the profile, demographic trends, housing conditions, market analysis, and windshield survey, to accurately assess your housing needs. The assessment would describe housing needs for specific segments of the population in order to understand how future development could meet local needs.

The need should be articulated according tenure [ownership/rental], amount of units and the necessary price points for the different population groups. By comparing the community's total need to the units actually created by the market, housing programs could be better focused to meet local needs.

STEP #6

EXISTING NEEDS

After recognizing the existing affordable housing needs of the community, projected population growth and job generation will show the additional housing units needed by residents, commuters, and new workers.

Develop a survey to more than just census information in order to analyze the gaps in affordable housing for specific populations:

- cost-burdened households
- overcrowded households
- special needs
 - people with disabilities
 - elderly
 - large households,
 - female-headed households
 - homeless
 - others

STEP #7

PROJECTED NEEDS

Based on anticipated growth, the plan must identify the number of new units needed, according to tenure, housing type and cost, to meet both the current need and expected future demand.

Show how to meet projected community affordability housing needs, including cost-burdened households and overcrowded households through:

- existing housing stock
- the number of affordable homes to be created
 - new construction
 - rehabilitation
 - preservation

What are all of the affordable housing needs in our community today?

What will the affordable housing needs in our community be tomorrow?

Determine the extent to which zoning and other land use controls influence the overall cost of housing and the development of affordable housing. The land use analysis includes an examination of current zoning, the size and existing use of parcels and constraints related to environmental conditions considered for development and the availability of infrastructure.

Thorough analysis should determine if the community's land use planning and redevelopment policies, procedures and will result in the maintenance and expansion of the housing supply to sufficiently shelter the residents living and expected to live in the community.

STEP #8

POTENTIAL AFFORDABLE HOUSING

Identify the sites with the potential to be developed in the future. Calculate the build out capacity of these to provide an idea of the amount of affordable housing that could be developed in the community under current rules.

Evaluate the suitability, availability and realistic development capacity of developable sites, including appropriate zoning for special needs housing, e.g.:

- multi-family rental,
- transitional and homeless shelters,
- mobile homes, etc.

STEP #9

IDENTIFY CONSTRAINTS

Constraints to developing affordable housing within the community may include a range of influences, including both governmental and non-governmental barriers to affordable housing. The community should also consider constraints beyond their jurisdiction and their control.

Governmental Constraints

- land use controls
- process costs
- subdivision regulation--lot size, reeet widths, etc.
- codes and enforcement
- fees and exactions
- processing and permit procedures
- on/off site improvements
- reasonable accommodation

Non-governmental Constraints

- price of financing
- availability of financing
- price of land
- availability of land
- cost of construction
- local capacity to assist/finance/manage construction
- provide housing support services
- administer housing funds/programs
- cost of labor
- availability of contractors with development expertise

How does land use policy impact the development of affordable housing in our community?

State your community's finalized housing goals and objectives. Although a broad list of goals may be developed, the goals should be prioritized. Review the goals to understand and explain relationships among them and to ensure that they are mutually reinforcing. Specific housing policies and measurable objectives demonstrate how the community will transition from its current state to reach the stated goals.

After developing specific goals, selecting priorities, determining relationships, and developing ways to accomplish the goals, the community must translate the information into policies that can achieve the goals. Housing policies propose accomplishments that address specific needs identified by the housing assessment.

STEP #10

Estimate the number and percentage increase of units, by income level, to be constructed, rehabilitated or conserved over a set period of time.

STEP #11

Identify programs necessary for reaching affordable housing goals and designate responsible agencies responsible:

- constructing new and improving existing housing stock
- promoting access to affordable housing (equal housing opportunity)
- increasing capacity of residents to:
 - lower housing cost burden
 - build long term equity
 - stabilize housing situations through:
 - home-buyer training
 - rental vouchers
 - assistance for people with disabilities, etc.

STEP #12

Promote potential regulatory concessions and incentives for removing or mitigating governmental and non-governmental constraints

STEP #13

Identify potential sources of federal, state and local financing and subsidies to support affordable housing.

What are the affordable housing goals in our community?

How will our proposed policies specifically address our communities affordable housing needs?

QUANTIFIABLE OBJECTIVES

Incorporating specific, measurable components to affordable housing policies simplifies the process of tracking progress toward achieving our community's affordable housing goals.

Product evaluations review the amount and type of products or services without factoring in outcomes. Process evaluations describe how the organization and administration of a program. Impact evaluations consider the intended and unintended effects of program activities on the community.

STEP #14

Consider all related issues such as public participation, job/housing mix, consistency with existing planning and land use policy, protection of ecological resources, promotion of efficient development patterns and green building.

STEP #15

Develop an Affordable Housing Ordinance that complies with the Affordable Housing Act.

How will our community monitor our progress and measure success in reaching our goals?



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