



City of Gainesville Agenda Item Report

File Number: 2024-210

Agenda Date: March 7, 2024

Department: Department of Housing & Community Development

Title: 2024-210 Quarterly Housing Update (B)

Department: Housing and Community Development

Description: Quarterly update on the City's housing initiatives.

Fiscal Note: Funding for these initiatives has been allocated through various sources including the Community Development Block Grant Program, the HOME Investment Partnership Program, the State Housing Initiatives Partnership Program, the American Rescue Plan Act, HOME ARPA and the ConnectFree Program.

Explanation: The Department of Housing & Community Development (HCD) administers several federal, state, and local funding initiatives, including the following:

- Community Development Block Grant (CDBG), HOME Investment Partnership Program (HOME), State Housing Initiatives Partnership Program (SHIP), American Rescue Plan Act (ARPA), HOME ARPA, and ConnectFree. For FY23-24, the City received \$1,357,194 in CDBG funding, \$636,349 in HOME funding, and \$1,665,288 in SHIP funding.
- Last summer, the Commission awarded \$7.2 million of ARPA funding in development subsidies to five affordable housing developers. Staff has transmitted the ARPA subrecipient agreements to all five developers for review. One developer decided not to move forward with the project and the City Commission re-appropriated those funds for homeless support services.
- The City and Bright Community Trust have executed the American Rescue Plan Act subrecipient agreement and the Community Land Trust contract. As a part of the agreement, the City conveyed four lots to Bright Community Trust. Subsequently, Bright Community Trust has commenced construction of a home on one lot, and applied for permits to build homes on the other three lots.

Additionally, staff and Bright Community Trust have identified six more City-owned lots that are appropriate for Bright Community Trust to develop. The

City Commission has previously declared several of those lots to be surplus for the purpose of affordable housing construction. Furthermore, for the March 7, 2024 City Commission meeting, staff has submitted an agenda item, recommending that the Commission also declare the remaining lots as surplus for the purpose of affordable housing construction.

- Under the HOME-ARPA program, the Department of Housing & Community Development and the Department of Sustainable Development are collaborating to redevelop five city-owned lots with Single-Family homes and Accessory Dwelling Units (ADUs). Last year, after thorough inspections, houses on four of the five lots were demolished to facilitate the development of the new homes and ADUs. Currently, staff is developing permit-ready ADU plans for these sites. In the future, those plans can also be used by neighbors wishing to build ADUs. Staff anticipates final plans being completed by the end of March.
- On September 7, 2023, the City Commission approved the revised ConnectFree resolution, and on November 1 the City began accepting applications for ConnectFree Assistance for new affordable housing projects. Since then, the City has received four applications from affordable housing developers. Staff will present ConnectFree funding recommendations for those projects to the City Commission March 21.
- HCD's current construction pipeline consists of 24 home rehabilitation projects including four house replacements, seven roof replacements and 13 major house rehabilitations. There are 141 households on the wait list pending eligibility review.
- In the first quarter of FY24, HCD invested \$559,891 in housing programs that served 29 households in the following manner: \$172,250 for down payment assistance, \$89,400 for house replacement, \$116,125 for major rehabilitation, \$9,664 for mortgage foreclosure intervention, \$120,895 for roof replacement, and \$51,556 for water/wastewater connections.

Strategic Connection:

- ☐ Goal 1: Equitable Community
- ☐ Goal 2: More Sustainable Community
- ☒ Goal 3: A Great Place to Live and Experience
- ☐ Goal 4: Resilient Local Economy
- ☐ Goal 5: "Best in Class" Neighbor Services

Recommendation: The City Commission hear the quarterly Housing update presentation from the Department of Housing & Community Development.