

STRATEGY A

ADVANCE HOME MAINTENANCE AND REPAIR PROGRAMS

Improving the condition and accessibility of the existing housing stock is one of the City's key housing needs. Nearly 30 percent of housing survey respondents indicated that their home was in poor or fair condition. Renters and low- to moderate-income households were more likely to report a home in poor or fair condition. Additionally, substandard housing was one of the key reasons that people looking to purchase a home chose to move to a different community rather than San Marcos. Helping people stay in their own home and keep it in good repair helps families and their communities. Homeownership helps families and individuals build savings over time. It strengthens communities and helps many kinds of businesses that support the local economy.

Rental properties in disrepair can make renters feel helpless. A rental registry program can be used to regulate and better control the quality of rental properties. Registration enables the City to locate property owners in the case of code violations and emergencies and ensures that property owners understand their obligation under City ordinances.

Of all the homeowners who rated their home in fair or poor condition in the survey, 73 percent could not afford to make necessary repairs. If this continues for months and even years, necessary repairs compound and can easily overwhelm a homeowner. A variety of different programs and partnerships, including programs geared towards homeowners needing to make repairs, dedicated maintenance funds, and partnerships with home maintenance businesses can be used to help homeowners get out from under an ever growing list of necessary home repairs. By assisting with funding, labor and connecting homeowners to key partners, struggling owners can get their home back to good working order.

The City can also increase code enforcement and strategically acquire vacant land or unoccupied structures to transition them to a positive public use or future affordable housing.

The recommendations for this strategy include programs and policies that help people stay in and improve their current living situation, assist neglected renters, and enhance properties that are in disrepair. On-going research of key metrics is essential to tracking the City's progress over time.



METRIC

Number of households assisted through repair and rehabilitation programs (location and demographics).

2019 Baseline Condition: ##

METRIC

Number of renovation permits issued.

2019 Baseline Condition: ##

METRIC

Number of serious code violations and repeat offenders.

2019 Baseline Condition: ##

METRIC

Number of rentals on rental registry.

2019 Baseline Condition: ##



Figure 13: Case Study; City of San Antonio Owner Occupied Rehabilitation and Reconstruction Programs

The City of San Antonio's Neighborhood and Housing Services Department provides a variety of rehabilitation and reconstruction programs to help low income residents repair and maintain the houses they already own.¹ Applicants must meet HUD Income guidelines and cannot exceed 80 percent of the Area Median Income. Some programs are offered citywide and others are district-specific. San Antonio's citywide rehabilitation and reconstructions programs include:

- **Green & Healthy Homes.** This program is available to owners and landlords of residential properties. It is intended to address and prevent housing-related health and safety hazards such as fire hazards, lead-based paint and asthma triggers. The program is targeted towards houses built prior to 1978 which have a child age 5 or under living or spending at least 6 hours per week in the house.
- **Minor Repair Program.** This program is intended to address health and safety hazards, ADA modifications and code issues such as electrical and plumbing, windows and doors, and other items in need of repair. Assistance is provided in the form of a one-time grant up to \$25,000.
- **Owner-Occupied Rehabilitation.** This program helps low- to moderate-income homeowners rehabilitate their substandard and non-code compliant residential property. Assistance is provided in the form of a deferred forgivable loan to cover the cost of the needed repairs.
- **Under 1 Roof Residential Roof Repair Program.** This program helps homeowners repair or replace worn roofs with an energy efficient roof. Assistance is provided in the form of a one-time grant up to \$14,000.

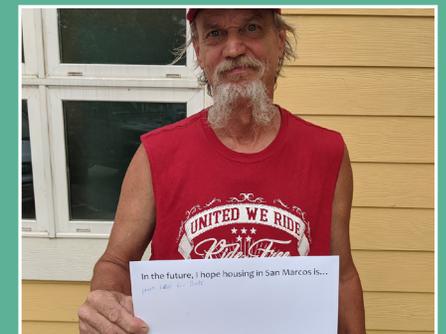


Image source: See 2 below

¹ City of San Antonio Neighborhood & Housing Services Department. *Repair & Remediation Programs*. <https://www.sanantonio.gov/NHSD/Programs/Repair#228782761-citywide>
² City of San Antonio (2018). *San Antonio's Housing Policy Framework*, p 45. <https://www.sanantonio.gov/Portals/0/Files/HousingPolicy/Resources/SA-HousingPolicyFramework.pdf>

Figure 14: Preventing Homelessness

The city is in an affordable housing crisis and if growth projections are correct, it will not improve unless bold and strategic measures are developed and enacted. Solutions must include preventing and diverting low-income families from entering homelessness. According to the U.S. Interagency Council on Homelessness one of the primary strategies to ending homelessness is "strengthening our ability to prevent it in the first place. To do that we must take a multi-sector approach that focuses on housing need, housing stability, and risks of homelessness across many different public systems." By boldly and strategically addressing our communities housing challenges this action plan is helping to prevent homelessness from occurring in the first place.



STRATEGY A: ADVANCE HOME MAINTENANCE AND REPAIR PROGRAMS

ACTION PLAN

ACTION ID	ACTION	DIFFICULTY	LEVEL OF EXPENSE	POTENTIAL PARTNERS	TYPE OF ACTION
A.1	Rental Registry Establish a rental registry program to promote the safety and well-being of all renters through health and safety standards and tenant-landlord counseling education.	Medium	\$\$	Real Estate Community, Tenants Council, ACT Program	Policy / Program
A.2	Owner Occupied Rehabilitation Programs Expand existing housing rehabilitation programs including, but not limited to a revolving loan fund for owner occupied rehabilitation, major repairs and minor repairs.	Medium	\$\$	Non-profit Sector, Financial Institutions	Program
A.3	Community Partnerships Develop and promote social enterprises (a cause-driven business whose primary reason for being is to improve social objectives and serve the common good) within the community that assist residents with repairs, materials, design and labor on existing homes for low to moderate income residents.	High	\$	SMCISD, Workforce Solution, Community Action, Gary Job Corp, Texas State, Builders Association, Private Building Industry	Project
A.4	Sustainable Funding Source Create a dedicated and stable funding source for home maintenance and repair programs. This could include TIF fund allocations, small stipend from closing costs for new single-family homes, a fee-in-lieu program from new development requests, etc.	High	\$\$	Development Community, Real Estate Industry	Policy / Program
A.5	Enhanced Code Enforcement Efforts If vacant land and/or unoccupied structures are too dilapidated to repair, consider obtaining the parcels and adding them to the land bank. The City should also increase enforcement efforts to address code violations in occupied structures prior to abandonment.	Medium	\$	City of San Marcos Planning & Development Services Department	Program

Figure 15: Funding Sources

Addressing the housing crisis in a holistic way will include both market-driven approaches and financial assistance programs directed towards some of the City's most vulnerable populations. Programs requiring financial assistance, such as the ones identified in Strategies A, B, and C of this action plan, are not inexpensive and will require a long-term and sustainable local funding source. Current federal and state funding allocated through Community Development Block Grants (CDBG) or Low Income Housing Tax Credits (LIHTC) do not provide the depth or flexibility in funding to meet the needs identified in this Action Plan. Throughout the country, there are a range of options that have been effective tools for increasing local housing funds from relatively simple real estate transaction fees to a recapture and set aside of additional tax increment, community benefit agreements, developer incentives, or local housing bonds. In developing a local funding source San Marcos has the opportunity to leverage growth and development to ensure that as we grow we are providing housing solutions for all.



STRATEGY B

IMPLEMENT LIFECYCLE AND DIVERSE HOUSING PRINCIPLES

One of the City's key housing needs is to diversify housing options. This includes family homes priced near or below \$200,000 and increased ownership product diversity.

The results of the housing survey indicated that the community thinks it is important to have a true mix of housing types to meet the needs of varying incomes, ages and household compositions. Lifecycle housing principles enable a diversity of housing types that respond to the evolving housing needs of residents as they age. This includes college students, young families, people with aging parents and seniors, among others.

Providing affordable and diverse housing options is partially predicated on development and zoning codes that allow and often incentivize, rather than inhibit, such uses. Key challenges with developing affordable housing often include the cost of land, lot and unit size requirements, lengthy permit processes, and neighborhood push-back. Recommendations for this strategy include policy and process changes to encourage development of diverse housing products. It also includes leveraging public lands to help offset the cost of developing affordable units. This reduction in cost can then be passed through to potential homebuyers.



METRIC

Number of lots rezoned to accommodate diverse housing types.

2019 Baseline Condition: ##

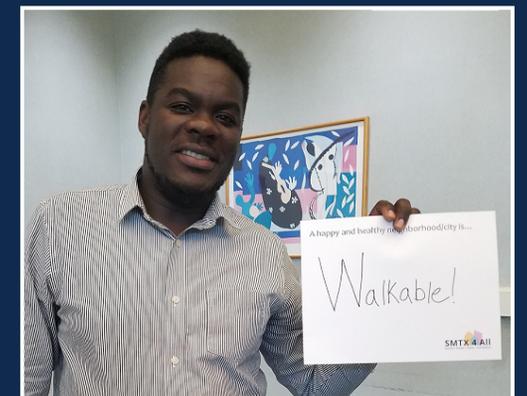
METRIC

Number of diverse housing types constructed, including: small lot single family, accessory dwelling units, townhomes, condominiums, all multi-unit complexes up to a maximum of 24 units per project.

2019 Baseline Condition: ##

Figure 16: Combining Transportation and Housing Costs

The traditional measure of affordability recommends that housing cost no more than 30% of household income. However, that benchmark fails to take into account transportation costs, which are typically a household's second-largest expenditure. Combining housing and transportation costs sets the benchmark at no more than 45% of household income. Typically a household's second-largest expenditure, transportation costs are largely a function of the characteristics of the neighborhood in which a household chooses to live. Compact and dynamic neighborhoods with walkable streets and high access to jobs, transit, and a wide variety of businesses are more efficient, affordable, and sustainable¹.



¹ Center for Neighborhood Technology. *Housing and Transportation Index* <https://htaindex.cnt.org/fact-sheets/#>



STRATEGY B: IMPLEMENT LIFECYCLE AND DIVERSE HOUSING PRINCIPLES

ACTION PLAN

ACTION ID	ACTION	DIFFICULTY	LEVEL OF EXPENSE	POTENTIAL PARTNERS	TYPE OF ACTION
B.1	Development Codes and Zoning Support diverse and vibrant neighborhoods by expanding the types of zoning districts and building types allowed within existing neighborhoods. Use a community driven process with a focus on accommodating residents through all stages of life.	Medium	\$	General Community Outreach, Small Scale Developers, Neighborhood Organizations	Policy/ Plan
B.2	Public Lands Leverage publicly owned lands for diverse affordable housing developments by taking a comprehensive inventory of land and its suitability for affordable housing development.	Medium	\$\$	Public and Quasi-Public Partnerships, Neighborhoods, Development Partners	Program / Project
B.3	Infill Housing Assistance Assist builders with fee waivers, clear path permitting, and regulatory incentives like reduced parking or additional units in exchange for permanently affordable housing in pre-identified infill sites.	Medium	\$	Landowners and Developers within Strategic Locations	Program/ Policy

Figure 17: Case Study; Incentives for Small Scale Development (Grand Rapids, MI)

In an effort to incentivize small scale development, the City of Grand Rapids, Michigan is changing select standards for development site layout and building placement. The following four changes were also discussed with developers and will encourage development of “missing middle” housing products such as duplexes, quadplexes and other options smaller than a large house.¹

- **Minimum unit width.** Reducing the minimum width for dwelling units from 18 feet to 14 feet.
- **By-right development of two-family units.** Allowing by-right construction of two-family residential developments in their Low Density Residential zone district when located on a corner parcel or within a specified distance of select commercial or transit related zones. Lot area and width requirements will be aligned with their single family residential requirements.
- **Minimum lot area.** Removing the minimum lot area requirement for multi-family residential developments.
- **By-right development of multi-family units.** Allowing by-right construction of multi-family units, with no more than four units per building, in their Low Density Residential zone district when located within a specified distance of select commercial or transit related zones, and when the development complies with form standards and maximum building footprint and width.

The City is also creating a Design Guidelines Manual to ensure that the character of existing neighborhoods is preserved.

¹ City of Grand Rapids. *Housing NOW!* <https://www.grandrapidsmi.gov/Government/Programs-and-Initiatives/Housing-NOW>

² <https://www.apartments.com/campus-two-triplex-development-seattle-wa/r8we352/>



Source: <https://www.apartments.com/campus-two-triplex-development-seattle-wa/r8we352/>



STRATEGY C

FOCUS ON PROGRAMS THAT CREATE, PRESERVE AND EXTEND LONG TERM AFFORDABILITY AND INDIVIDUAL WEALTH CREATION

A key housing need in the city is to prevent displacement. The city's housing market is generally affordable for people earning more than \$50,000 per year (depending on the type of housing they pursue). However, the 2017 median family income was \$49,551 and median household income was \$34,748. This means that homeownership in the current market is out of reach for many people in San Marcos.

Housing costs have been steadily increasing in San Marcos, with a significant increase in the last five years. Without the creation of programs targeted specifically towards long-term housing affordability, the impact of growing housing costs will continue to increase.

This strategy includes a variety of programs and policies that support the creation or preservation of affordable housing, or help individuals access housing that might be slightly out of their reach financially. A legal entity can be created to share in equity of housing as a means of keeping costs low for homebuyers. Other programs, such as land banking, can help to offset the cost and preserve land for future affordable housing. With a variety of potential solutions, it is recommended that a Community Advisory Group be created to help guide the long-term implementation of various programs.



METRIC

Number of parcels land-banked and number of parcels from land bank that are developed into affordable housing.

2019 Baseline Condition: ##

METRIC

Number of shared equity or land trust homes created.

2019 Baseline Condition: ##

METRIC

Number of households assisted through down payment assistance.

2019 Baseline Condition: ##

METRIC

Number of households assisted through other policies as implemented (e.g., tax exemptions).

2019 Baseline Condition: ##

METRIC

Inventory of City-owned parcels and whether they are suitable for affordable housing development.

2019 Baseline Condition: ##



Figure 18: Shared Equity Homeownership

Shared equity homeownership, or resale-restricted, owner-occupied programs are used to create permanently affordable housing options. A one-time public investment is used to offset the costs of housing. This makes the home affordable for a lower-income family. In return for purchasing a home at an affordable cost, the homeowners agree to limit their returns upon resale. In effect, homeowners “share” some of the proceeds from resale to pay the opportunity forward to the next qualified household who buys the home.¹

There are a variety of shared equity homeownership models, the most popular of which is community land trusts (CLTs). CLTs are often used to develop and steward affordable housing, commercial spaces and community gardens. The CLT is a nonprofit corporation that acts on behalf of the community. Land is held in a trust that is controlled by the community. The CLT leases land at a nominal price to a lower-income person so they are able to purchase the home at an affordable price.² When the owner sells the home, the sale amount is restricted to pass along the ownership opportunity to the next low-income homeowner. Shared equity models balance wealth building opportunities for low-income families with preserving the community’s investment.

What is Shared Equity Homeownership?

 <p>A one-time investment makes a home affordable for purchase by a working family with modest means, and the home remains affordable for family after family that purchases it.</p>	 <p>In return for being able to buy a home below its market-rate value, the family agrees to limit their proceeds when they sell so another family with a modest income can afford to purchase the home.</p>	 <p>The first family builds wealth and then “pays it forward.” The affordable house is self-sustaining, and the use of public funds is prudent since that one-time public investment serves an endless number of families.</p>
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What are the Benefits of Shared Equity Homeownership?

 <p>1 Provides greater likelihood of attaining and sustaining homeownership.</p>	 <p>2 Builds wealth among lower income and families of color.</p>	 <p>3 Ensures public investments go further and do more.</p>	 <p>4 Builds stronger, safer and higher-quality neighborhoods.</p>	 <p>5 Contributes to greater educational and job attainment.</p>	 <p>6 Creates jobs through the construction and rehab of housing.</p>
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¹ Grounded Solutions Network. Shared Equity Homeownership. <https://groundedsolutions.org/strengthening-neighborhoods/shared-equity-homeownership>
² Thaden, Emily. Shelterforce; The Voice of Community Development. The State of Shared-Equity Homeownership. 7 May, 2018. <https://shelterforce.org/2018/05/07/shared-equity/>

Image source: Grounded Solutions Network. Shared Equity Homeownership. <https://groundedsolutions.org/strengthening-neighborhoods/shared-equity-homeownership>



Figure 19: Case Study; Houston Land Bank

Houston Land Bank's (formerly known as the Land Assemblage Redevelopment Authority) mission is to "strategically acquire, dispose, and steward vacant, abandoned, and damaged properties into productive use to catalyze transformative community and economic development for the City of Houston." The Houston Land Bank has brought over \$37 million in property value back to the market since 2007. They work in neighborhoods that are in need of reinvestment. The cumulative effect of acquiring, flipping and selling properties has provided residents with an opportunity to build wealth through home ownership and led to increased tax revenue which helps to fund public schools, the City of Houston and Harris County programming.¹

Houston Land Bank offers programs for homebuyers, builders, partners and neighborhoods.²

- **Homebuyers.** They provide new affordable houses to qualified buyers through a partnership with the City of Houston Housing and Community Development.
- **Builders.** Builders can purchase lots at a discount to provide new affordable housing.
- **Partners.** The Houston Land Bank utilizes investment, redevelopment and contract partners to help accomplish their mission.
- **Neighborhoods.** Citizens can stay up to date with the Houston Land Bank's activities through transparent access to data and information.

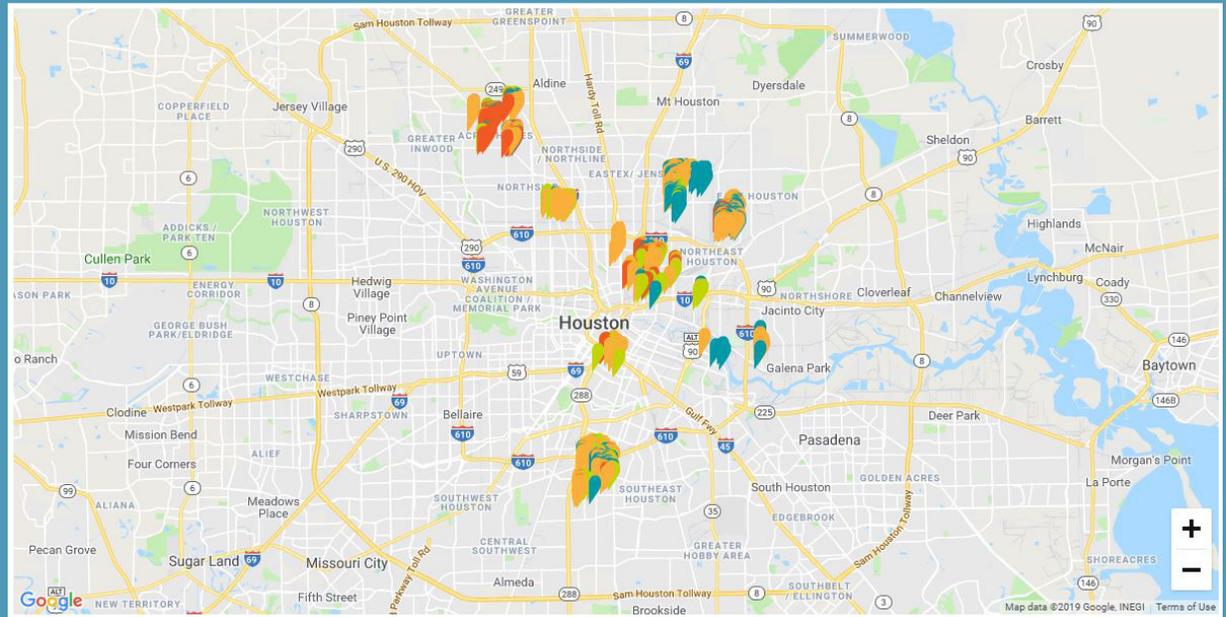


Image source: Houston Land Bank. Property Inventory. <http://houstonlandbank.org/property-inventory-and-historical-lot-home-sale/>



Image source: Houston Land Bank. For Homebuyers. <http://houstonlandbank.org/for-homebuyers/>



Image source: Houston Land Bank. For Homebuyers. <http://houstonlandbank.org/for-homebuyers/>



Image source: Houston Land Bank. For Homebuyers. <http://houstonlandbank.org/for-homebuyers/>

1 *Houston Land Bank. Our Impact.* <http://houstonlandbank.org/impact/>
 2 *Houston Land Bank. Our Programs.* <http://houstonlandbank.org/programs/>
 3 *Houston Land Bank. Property Inventory.* <http://houstonlandbank.org/property-inventory-and-historical-lot-home-sale/>
 4 *Houston Land Bank. For Homebuyers.* <http://houstonlandbank.org/for-homebuyers/>



STRATEGY C: FOCUS ON PROGRAMS THAT CREATE, PRESERVE AND EXTEND LONG TERM AFFORDABILITY AND INDIVIDUAL WEALTH CREATION

ACTION PLAN

ACTION ID	ACTION	DIFFICULTY	LEVEL OF EXPENSE	POTENTIAL PARTNERS	TYPE OF ACTION
C.1	<p>Community Advisory Group</p> <p>Create a process by which a Community Advisory Group can be developed along with a detailed outline of their roles & responsibilities. The Advisory Group will be tasked with implementation of and on-going administration of strategies within this plan. This will ensure on-going transparency and community involvement.</p>	Medium	\$	City of San Marcos Planning & Development Services Department, Neighborhood Residents and Advocates.	Program
C.2	<p>Stabilize Households</p> <p>Implement affordable housing tax and appraisal protection measures and work with partners to enhance awareness and resources around tenant rights and responsibilities.</p>	High	\$\$	Appraisal District, Hays County, School District, Neighborhood Organizations	Policy
C.3	<p>Down Payment Assistance</p> <p>Expand down payment assistance and home buyer counseling programs by supporting public-private partnerships with financial institutions and major employers. Consider a shared-equity approach for longer-term affordability, where appropriate.</p>	Medium	\$\$	Business Community, Financial Institutions, Major Employers, CDBG Staff and Community Beneficiaries	Program
C.4	<p>Land Banking</p> <p>Acquire public, vacant, flood prone, or dilapidated structures with the purpose of transitioning properties to a public use such as parkland or open space in flood prone areas and diverse types of affordable housing on suitable properties. This could include partnering with developers to expand affordable housing options in the City of San Marcos.</p>	Medium	\$\$	Affordable Housing Developers	Program
C.5	<p>Shared Equity</p> <p>Create a Community Land Trust or other forms of Shared Equity Ownership. Transition suitable land bank properties to permanently affordable housing through a public/private partnership with builders and a shared equity model.</p>	High	\$\$	Neighborhood Organizations, Appraisal District, School District	Program
C.6	<p>Legislative Adjustments</p> <p>Continue to work with partners to amend the State Law governing Land Bank and Land Trust Legislation. We need to ensure that the law is compatible and flexible to meet our local needs.</p>	Medium	\$	City of San Marcos Planning & Development Services Department, Bickerstaff	Regulation



STRATEGY D

PRE-APPROVE RESIDENTIAL DEVELOPMENT IN STRATEGIC LOCATIONS

The city needs more housing. Key needs include additional rentals affordable to people earning less than \$25,000, family homes near or below \$200,000, and increased ownership product diversity. Rental units in San Marcos are currently concentrated near the University and along the northwest side of the I-35 corridor. Owner-occupied housing units are mostly concentrated northwest of I-35, away from the corridor, and near Stokes Park, just southeast of I-35. As part of the Vision San Marcos Comprehensive Plan, the City identified a series of Intensity Zones where the majority of growth is anticipated over the next 30 years. It will be important to plan for and accommodate new residential development in these areas.

There will need to be significantly more residential housing in San Marcos in the coming years. A variety of regulatory and financial strategies can be used to allow, and even encourage, greater density and overall residential development in strategic areas. Opt-in overlay districts can be used to incentivize

development of affordable housing while preserving the character of existing neighborhoods. Proactively zoning undeveloped and infill areas to allow for residential growth can help to reduce the time and complexity of development. Allowing the formation of a TIF can help with on-going funding of housing in these key areas. The recommended actions for this strategy can work separately or together to encourage the development of diverse and affordable housing options for San Marcos residents.



METRIC

Number and type of development incentives utilized (and number of affordable units generated through incentives and level of affordability by AMI).

2019 Baseline Condition: ##

METRIC

Implementation of any zoning changes or overlays that facilitate diversity of housing choice.

2019 Baseline Condition: XX



STRATEGY D: PRE-APPROVE RESIDENTIAL DEVELOPMENT IN STRATEGIC LOCATIONS.

ACTION PLAN

ACTION ID	ACTION	DIFFICULTY	LEVEL OF EXPENSE	POTENTIAL PARTNERS	TYPE OF ACTION
D.1	Opt-In Zoning Overlay Districts Create Opt-In zoning districts in <u>High and Medium</u> Intensity Zones that offer an option for increased density and fast tracked permitting in exchange for affordable housing and other community benefits important to those strategic locations.	Medium	\$	Landowners and Developers within Strategic Locations	Policy / Program
D.2	Accommodate Growth through Appropriate Zoning The City should pro-actively zone both undeveloped and infill areas in accordance with the Comprehensive Plan to ensure that the capacity for residential growth is in excess of the anticipated population growth instead of relying on each individual project to request zoning.	High	\$	Landowners within Strategic Locations	Policy
D.3	Tax Increment Financing Utilize Tax Increment Financing mechanisms in strategic growth areas from the Comprehensive Plan to ensure that affordability is included in growth areas.	Medium	\$\$	Landowners within Strategic Locations	Policy / Program

Figure 20: Case Study; University Neighborhood Overlay Zoning (Austin, TX)

Austin’s University Neighborhood Overlay (UNO) zoning district was adopted in 2004. The purpose of the ordinance is to, “promote high density redevelopment in the area generally west of the University of Texas campus, provide a mechanism for the creation of a densely populated but livable and pedestrian friendly environment, and protect the character of the predominantly single-family residential neighborhoods adjacent to the district.”¹

There are nearly 55,000 students and faculty at the University of Texas. Student housing is provided but a large percentage of people live in the neighborhoods around the campus. In an effort to preserve the character of less dense neighborhoods, the City created this incentive-based overlay. The overlay provides an alternative set of development regulations (e.g., reduced parking, significantly increased density), in exchange for affordable housing.

Thousands of apartments have been added to the area since the rezoning. As of December 2018, over 10,000 new units/bedrooms were built or approved, over \$1 billion value of new buildings and over \$25 million annual tax revenue.²

¹ City of Austin. Ordinance No. 040902-58. <http://www.austintexas.gov/edims/document.cfm?id=3062>

² City of Austin Planning and Zoning Department (2018). Overview of the University Neighborhood Overlay (UNO) Planning Commission Briefing. <http://www.austintexas.gov/edims/document.cfm?id=311899>



Image source: City of Austin Planning and Zoning Department (2018). Overview of the University Neighborhood Overlay (UNO) Planning Commission Briefing. <http://www.austintexas.gov/edims/document.cfm?id=311899>

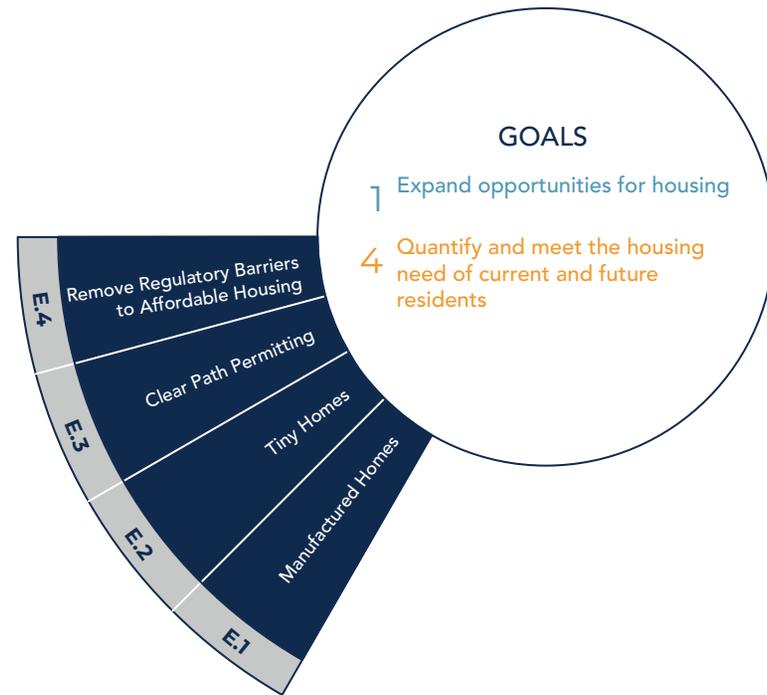


STRATEGY E

REMOVE REGULATORY AND PROCEDURAL BARRIERS TO ENCOURAGE DIVERSE AND AFFORDABLE HOUSING

Two of the top needs identified in the Housing Needs Assessment were more affordable rental units and homes priced near or below \$200,000. There will be a need for additional housing construction to help address this issue. Home pricing and timing of construction can be significantly impacted by regulatory requirements and approval procedures. Conversely, regulations can be intentionally written to encourage development of affordable and varying housing products.

The recommendations for this strategy include policies that remove barriers to the delivery of diverse and affordable housing. These include adding to the list of permitted uses and adjusting development standards to encourage more diverse housing types. These also include procedural and regulatory changes to create a clear path to a permitted development that helps the City address its growing housing challenges.



METRIC

Number of manufactured or tiny home parks and/or expansion to capacity for manufactured homes due to zoning changes.

2019 Baseline Condition: ##

METRIC

Number of accessory dwelling units (ADUs) permitted.

2019 Baseline Condition: ##

METRIC

Number and type of publicly assisted units and when the affordability contracts expire.

2019 Baseline Condition: ##



Figure 21: Case Study; Opportunity Village Eugene (Eugene, OR)

Opportunity Village Eugene (OVE) is a tiny house community that will provide 22 tiny homes to people in need of affordable housing. The development is being created by Square One Villages, a non-profit organization that creates self-managed communities of low-cost tiny homes. The residents selected for the property were either homeless or at very high risk of homelessness.¹

As a pilot project, the City of Eugene provided a one-year lease for one acre of land to OVE for \$1 per year.² (This lease has since been extended). Funds for development of the site were then raised by the local community. Local architects and builders are providing in-kind services to design and build some of the houses. The City is also providing some credit towards System Development Charges (essentially impact fees) to help reduce costs.

Each home is designed as a permanent dwelling on a slab foundation. The homes each include living and sleeping areas, a kitchenette and bathroom. The homes will also be supported by a larger community building with common areas and facilities.

OVE illustrates that with accommodating regulations; strategic partnerships; and a small amount of land; affordable, diverse housing products can be provided.



Image source: Stephens, Alexis. Tiny House Expedition. A New Tiny House Community for Low-Income. <https://tinyhouseblog.com/tiny-house-concept/new-tiny-house-community-low-income/>

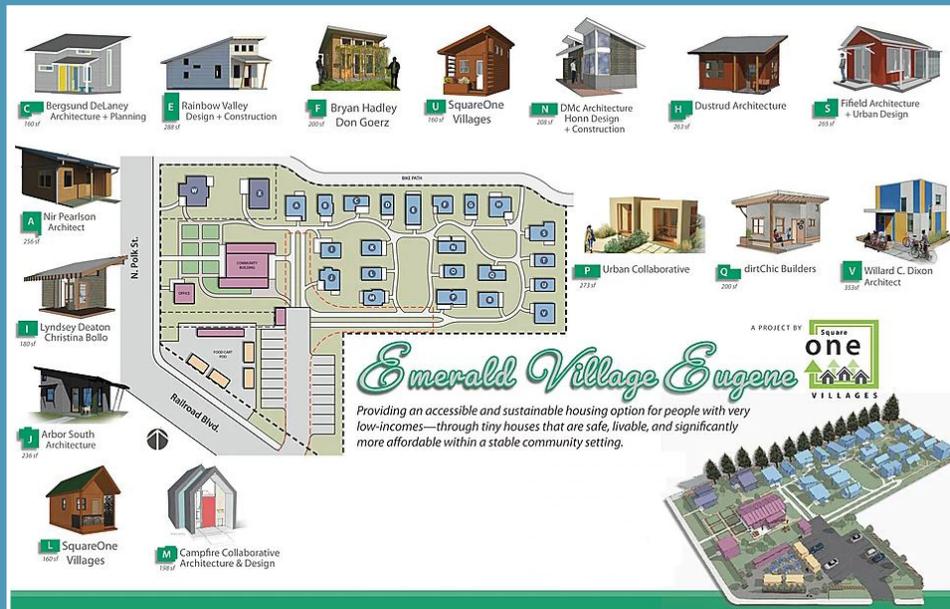


Image source: Stephens, Alexis. Tiny House Expedition. A New Tiny House Community for Low-Income. <https://tinyhouseblog.com/tiny-house-concept/new-tiny-house-community-low-income/>

1 Square One Villages. Emerald Village Eugene Fact Sheet. <https://www.squareonevillages.org/emerald>
 2 Stephens, Alexis. Tiny House Expedition. A New Tiny House Community for Low-Income. <https://tinyhouseblog.com/tiny-house-concept/new-tiny-house-community-low-income/>



STRATEGY E: REMOVE REGULATORY AND PROCEDURAL BARRIERS TO ENCOURAGE DIVERSE AND AFFORDABLE HOUSING.

ACTION PLAN

ACTION ID	ACTION	DIFFICULTY	LEVEL OF EXPENSE	POTENTIAL PARTNERS	TYPE OF ACTION
E.1	<p>Manufactured Homes</p> <p>Manufactured homes provide an opportunity to enter the housing market at a lower cost than conventional home. The City should look for additional opportunities to include or allow manufactured homes.</p>	Medium	\$		Policy
E.2	<p>Tiny Homes</p> <p>The City should review and modify land-use and zoning regulations to encourage tiny home ownership and community development, as they provide opportunities for affordable home ownership. Additionally, tiny homes used as Accessory Dwelling Units can increase the number of affordable rentals in the community while allowing for residents to stay in their homes by providing opportunities for them to generate income.</p>	Low	\$		Policy
E.3	<p>Clear Path Permitting</p> <p>Minimize the time it takes to build mixed income or affordable communities with a clear path permitting process. This includes a dedicated case manager, pre review prior to formal submittal, priority in the review queue and priority inspections.</p>	Low	\$	Landowners and Developers of Mixed-income or Affordable Communities.	Policy
E.4	<p>Remove Regulatory Barriers to Affordable Housing</p> <p>Remove regulatory barriers to affordable housing when developments include a percentage of affordability. Barriers may include:</p> <ul style="list-style-type: none"> • Impact fees • Parking requirements • Height requirements • Maximum density • Requiring full site plan review for projects with 12 units or less • Material requirements • Permit fees 	Medium	\$		Policy

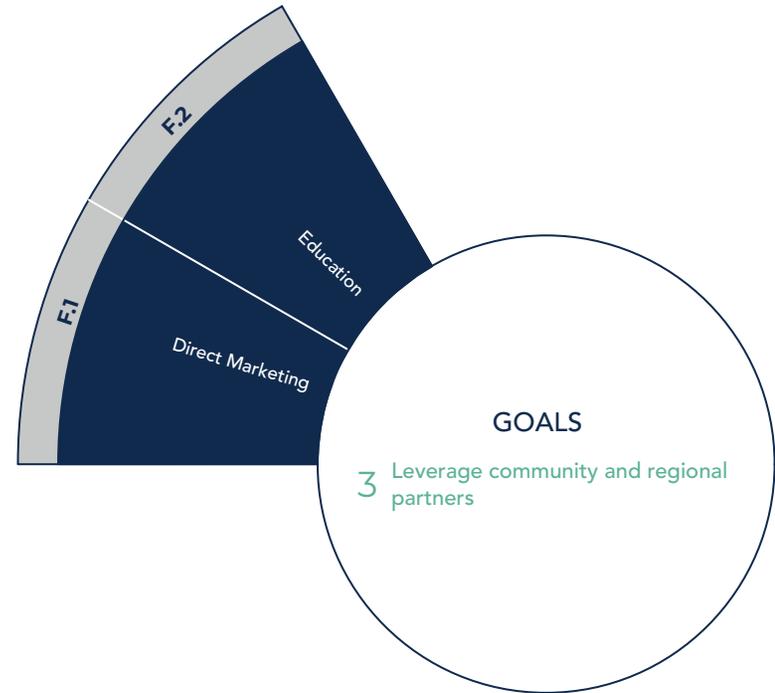


STRATEGY F

PROMOTE SAN MARCOS AS A PLACE FOR ALL TYPES OF HOUSING IN ALL TYPES OF PLACES FOR ALL TYPES OF PEOPLE THROUGH A ROBUST EDUCATION AND MARKETING CAMPAIGN

Addressing all of the key needs identified in the Housing Needs Assessment will require partnerships and community buy-in. While housing survey respondents indicated that providing diverse housing types was important, most did not want housing other than single family homes in their neighborhoods. A resistance to large student housing developments may be part of the community's sentiment. If the City is going to truly accommodate lifecycle housing throughout the community, a targeted education campaign will be needed to help residents understand the value and need for different housing types. Being situated relatively close to other strong housing markets, it is also necessary to strategically target and market to the development community.

The recommendations for this strategy include programs that promote affordable needs and opportunities to the community, the development community, and potential residents through major employers.



METRIC

Number of marketing efforts and/or educational and engagement opportunities for residents.

2019 Baseline Condition: ##



STRATEGY F: PROMOTE SAN MARCOS AS A PLACE FOR ALL TYPES OF HOUSING IN ALL TYPES OF PLACES FOR ALL TYPES OF PEOPLE THROUGH A ROBUST EDUCATION AND MARKETING CAMPAIGN.

ACTION PLAN

ACTION ID	ACTION	DIFFICULTY	LEVEL OF EXPENSE	POTENTIAL PARTNERS	TYPE OF ACTION
F.1	Direct Marketing <ul style="list-style-type: none"> Market affordable housing and benefits to the community. Market affordable housing and San Marcos to the development community, especially residential and affordable housing developers. Demonstrate the need and the support provided by the city and other partners. Market affordable housing to current and prospective major employers including Texas State University. 	Medium	\$\$	Chamber of Commerce, GSMP, University, Major Employers.	Program
F.2	Education <p>Fund proactive outreach and counseling on opportunities for affordability to low- and moderate-income households experiencing housing vulnerability.</p>	Medium	\$\$	Community Action, Non-Profit Sector, Financial Institutions, Texas State	Program

Figure 22: Case Study; City of Houston SAY YES To Quality Homes for All Incomes, in All Areas!

The City of Houston has seen home prices escalate beyond affordable levels for many entry level professionals. In an effort to increase awareness about the need for affordable home development and address community opposition and misconceptions, the Houston Housing and Community Development Department launched their “Can I Be Your Neighbor?” campaign. The campaign includes a series of flyers in English and Spanish (see excerpts above). Each flyer provides ideas and opportunities for people to participate passively and actively to help address the issue.¹

Image source: <https://www.houstontx.gov/housing/SayYes/>

¹ City of Houston. Housing and Community Development Department. SAY YES To Quality Homes For All Incomes, In All Areas! <http://www.houstontx.gov/housing/SayYes/housing/SayYes/>



THREE-YEAR ACTION PLAN

The housing challenges faced by the San Marcos community have been steadily growing over the years. This Plan includes 23 recommended actions to address the community’s housing needs. The following five actions have been prioritized into an initial three-year action plan. These actions have been identified

as having the greatest potential for impact and options for near-term implementation. The successful implementation of these actions is predicated on the provision of additional resources (e.g., funding, staffing). Incremental implementation steps and necessary resources are listed in the table below. The prioritization

and timeline for the remaining recommended actions will be further defined as the City implements the initial three-year action plan.

ACTION ID	ACTION	INITIATION TIME FRAME		
		2020	2021	2022
E.3	Clear Path Permitting Implementation Steps: 1. Appoint a dedicated case manager of projects that include housing identified as a need in the community. 2. Develop a pre-review group made up of staff members from Planning & Development Services and Engineering & Capital Improvements Departments. 3. Implement a prioritization strategy for permit reviews.	X		
C.5	Shared Equity Implementation Steps: 1. Obtain legal advice on the creation of a land trust and other forms of shared equity. 2. Set up the land trust. 3. Determine the land that will be used for the first project of the land trust.			X
C.4	Land Banking Implementation Steps: 1. Review City-owned property and determine appropriateness for use as affordable housing. 2. Identify properties that are appropriate for affordable housing in the tax-delinquent rolls. 3. Identify properties that are appropriate for affordable housing owned by government and non-profit partners.	X		
D.2	Accomodate Growth through Appropriate Zoning Implementation Steps: 1. Identify areas in <u>High and Medium</u> Intensity Zones from the Comprehensive Plan that are vacant or underdeveloped and are appropriate for higher density zoning districts. 2. Utilize a small area planning process in Existing Neighborhoods on the Comprehensive Plan to build community support for zoning districts that provide opportunities for additional diverse housing that fits into the neighborhood. 3. Proceed with a rezoning in Intensity Zones while ensuring mixed incomes and diverse communities.		X	
A.4	Owner Occupied Rehabilitation Implementation Steps: 1. Expand existing housing rehabilitation programs including, but not limited to a revolving loan fund for both major and minor repairs.		X	

