Regional collaboration to support the development of affordable housing in resource-rich areas

Overview
Individual jurisdictions generally develop their own systems and guidelines to carry out housing assistance programs and activities at the local level.

However, municipalities that are seeking to improve access to affordable housing in resource-rich areas may want to consider looking beyond their own boundaries and creating regional programs in cooperation with neighboring jurisdictions that include resource rich neighborhoods. Similarly, jurisdictions with resource rich neighborhoods may want to partner with neighboring jurisdictions on a regional program to facilitate the creation and preservation of affordable housing in resource rich areas.
Efforts to pool resources and otherwise share responsibility for program administration on a regional basis will likely encounter some friction as cities, towns and counties identify differences in eligibility criteria or other program requirements that will need to be reconciled in order for the program to operate smoothly and efficiently. However, by working together on a regional basis, communities can expand the housing and location options available to their residents and ensure subsidies are available where they are most needed and provide the greatest benefits. There are a variety of ways that communities can work together to support the development of affordable housing near transit stations, job centers, and in other resource-rich areas, including by pooling housing subsidy resources and conducting joint planning sessions along regional transit corridors.

Approach

The most effective and realistic approach to regional collaboration to promote affordability in resource-rich areas will depend on a variety of factors, including the geography of the region, the availability and source of resources, and the nature and strength of the relationships between localities within a region. If those relationships do not already exist, it may make sense to start by establishing a working group or consortium of regional stakeholders who meet on a regular basis to share ideas and discuss strategies for improving housing affordability throughout the region. Participants can include representatives from local housing departments, local housing authorities, and other local government agencies; metropolitan planning organizations and other state or regional planning agencies; and other sectors including the business and social services communities, philanthropy, and academia. This type of information-sharing can help to build trust and relationships, and establishes a foundation from which programmatic partnerships can be developed. To facilitate this process, participants in a regional consortium may wish to identify a lead agency or non-profit partner that has primary responsibility for developing shared priorities and guidelines and/or administering parts of the program on a regional basis.

Beyond sharing ideas and strategies, local jurisdictions can also engage in joint planning for the creation of affordable housing. The expansion of an inter-jurisdictional transit system can be a catalyst for this level of regional cooperation. Through an intentional regional planning process, local jurisdictions can establish a framework for inclusive development that helps ensure all neighborhoods around planned transit stations (and other growing areas) include housing affordable to households at all income levels. Incentives for developing a policy framework for
inclusive development near planned transit stations are included in the Federal New Starts program application criteria, which means regions are more likely to get federal funding for new transit systems or expansions if they have these affordable housing (and other land use) policies in place.

Cities and counties may also wish to consider combining resources or broadening program coverage to support the creation of affordable housing in resource-rich areas throughout the region. This approach is currently being used in the Chicago metropolitan area, through a voluntary partnership called the Regional Housing Initiative. Public housing authorities from 3 counties and 4 cities have established an intergovernmental agreement that allows them to pool a portion of their project-based Housing Choice Vouchers for use throughout the region. The vouchers create affordable housing in lower-poverty areas where they might otherwise be unavailable or unusable. More generally, the partnership reduces administrative barriers that make it difficult for residents to use tenant-based vouchers in other communities.

In addition to sharing federal assistance, communities can also look at opportunities related to local programs and locally-generated funds. For example, cities and counties can amplify the impact of their housing trust funds by joining forces to create a regional trust fund. With a larger pot of funding and the commitment of many local leaders, regional trust funds may be better-positioned to leverage private resources and direct spending to areas where it is most needed. (See ARCH Housing Trust Fund example below.) Communities can explore options for interjurisdictional cooperation in other types of programs as well. A transfer of development rights program, for example, could be adopted on a regional basis to facilitate preservation of affordable housing in one jurisdiction by allowing increased density in another. Similarly, jurisdictions could work together to develop and support an employer-assisted housing program that encourages employers to support affordable housing throughout the region, or to adopt a coordinated set of linkage fees that fund a regional housing trust fund while minimizing the possibility that a linkage fee in one jurisdiction will push developers to another jurisdiction in the same region.

**Eligibility**

Communities seeking to focus affordable housing investments in resource-rich neighborhoods will need to clearly define the characteristics and thresholds used to identify these areas. Program staff can use a variety of factors to define these areas, including:

- Poverty level
- Concentration of existing affordable rental housing
• Public school performance
• Availability of frequent and reliable public transit; local transportation costs
• Labor market engagement; proximity to job centers, including those with large concentrations of low-wage workers
• Access to healthcare providers
• Access to fresh, healthy food
• Presence of parks and recreational facilities
• Air and water quality; proximity to waste disposal facilities and other sources of pollution
• Crime levels

Examples
• The Regional Housing Initiative is a partnership that covers Chicago and Cook County as well as 3 neighboring counties and 4 cities. Through an intergovernmental agreement, the jurisdictions pool project-based vouchers and maintain a centralized, regional waiting list. Vouchers are only attached to units located in “opportunity areas” of participating jurisdictions, often in the suburbs, allowing tenants to find affordable housing in low-poverty, resource-rich neighborhoods they would not normally have been able to access. The partnership has also helped to alleviate a jobs-housing mismatch as jobs for lower-income workers have grown in suburban areas that typically lack sufficient affordable housing. For more information on the Regional Housing Initiative in Chicago, click here.

• The ARCH Housing Trust Fund supports development of affordable housing for low- and moderate-income households in East King County, WA. The trust fund is managed by a nonprofit organization, A Regional Coalition for Housing (ARCH), which was established through an interlocal agreement among several suburban governments in the Seattle metropolitan area. Participating jurisdictions now include 15 cities and King County, each of which contributes to the trust fund based on guidelines that establish a target contribution range and ensure equitable distribution of resources among members. While trust fund awards are not limited to resource-rich areas, ARCH encourages projects that are located in transit-oriented development areas and near employment centers and services. ARCH also participates in a shared application process that allows affordable housing developers to apply for multiple sources of funding with a single application. For more information on the ARCH Housing Trust Fund in East King County, click here.

• The Denver Regional Transit-Oriented Development Fund was created by the City and County of Denver, the Colorado Housing and Finance Authority and Division of Housing, and Enterprise Community Partners in partnership with philanthropic
organizations and commercial banks. The Fund aims to create and preserve affordable housing near existing and planned transit stations in seven counties in the Denver region by providing flexible acquisition loan capital that enables qualified borrowers to act quickly and compete with private sector developers. The fund initially operated only in the City of Denver, and was expanded to transit corridors in neighboring jurisdictions in 2014. For more information on the Denver Regional Transit-Oriented Development Fund, click here.

**Related resources**

*General*
- Regional Approaches to Affordable Housing, American Planning Association (February 2003) – While not specific to development in resource-rich areas, this report provides historical background on regional collaboration in the U.S. and detailed examples of regional initiatives in support of affordable housing development.

*Implementation*
- New Starts: Leveraging the New Transit Policy Guidance to Create Inclusive Communities of Opportunity, Enterprise Community Partners (August 2013) – This brief provides background on the Federal transit Administration’s New Starts program, and describes how program guidance can be used to promote equitable transit-oriented development and effective collaboration across jurisdictions.
- Supporting and Sustaining Interjurisdictional Collaboration for Housing and Community Development, Chicago Metropolitan Agency for Planning, Metropolitan Mayors Caucus, and Metropolitan Planning Council (December 2012) – This report distills lessons learned from efforts to promote regional cooperation in the Chicago metropolitan area. Recommendations address the structure of a collaborative effort, the role of outside facilitators and technical assistance providers, and options for measuring results.

*Local examples*
- Housing Collaboratives, Metropolitan Planning Council – This web page provides short case studies of three regional housing collaboratives in the Chicago region. Each collaborative profiled addresses issues of local concern – from neighborhood stabilization in the wake of the foreclosure crisis to senior housing for residents seeking to age in place.

See also:
- Targeted efforts to create and preserve dedicated affordable housing in
resource-rich areas
Targeted efforts to expand the supply of rental housing and lower-cost housing types in resource-rich areas
Density bonuses