

Housing Opportunities Development

Housing developers agree that any kind of development is a very cumbersome process, whether it is for-profit or non-profit. There are many issues to consider before starting any project. We offer a list of some ideas to help you get started with your project.

Project Idea

There are a number of things you should consider when designing your project:

- 1) What **type of development** do you want to pursue: infill, acquisition, preservation, redevelopment, new construction, rehabilitation?
- 2) What is your **time frame**? Is this a short-term, long-term, or continuous (such as rental assistance) or limited project?
- 3) What are the **costs** involved: land purchase, materials, permits and fees, labor, management, insurance, etc?
- 4) What is the **specific need** that the project addresses: homelessness, lack of assisted housing, housing for special needs population (elderly, single parents, disabilities, etc.), affordable single family residency housing, affordable multifamily housing, homeownership counseling/education?
- 5) What is the proposed **service area**: neighborhood, city, county?
- 6) What are the service criteria? Who is going to benefit from the project and what are the criteria used to select participants: need (such as only students for student housing), income, residency area, age group, other?
- 7) What are the **potential problems**: neighborhood opposition, city council disagreement, state regulations, lack of financial support, red tape and permits or liability issues? What are the potential **solutions**? Who are your potential **allies**?
- 8) Who is **responsible** of providing the service? How is the service going to be **delivered**?

Specific Plan

Once you have the project idea developed, you need to make a specific plan to attain your objective.

- 1) Consider all sources of funding from: Federal government ([HUD Funds Available](#), [HUD Grants Index](#), [Other HUD Grants Available](#)); local government [CDBG](#), [RDA](#) loan and grant funds, or Notices of Funding such as the [Workforce Housing Incentive Grant Program](#)); other organizations ([Clearinghouse Database Search](#)[♦]). Examples of the programs covered by all

[♦] *The Clearinghouse is a source of information on over 200 housing programs, government, private lenders and foundation grants. Each program listing identifies the goals, eligible activities and type of funding, as well as such critical and timely information as application deadlines and current funding*

of the above providers are: technical assistance, insurance mortgages, construction loan and permanent loans. It is always best to stay in touch with your local planning or housing agency for current information on availability of funding.

- 2) Consider global tax credits such as: [Low Income Housing Tax Federal \(LIHTC\)](#) and [Low Income Housing Tax State Credit](#), both administered by the California Tax Credit Allocation Committee and only rental housing projects are eligible; [Historic Tax Credits](#); [Housing Tax Exempt Bonds](#); [Renewal Communities](#); [urban Empowerment Zones](#); and [Urban Enterprise Communities \(RC/EZ/EC\)](#) tax credits for housing rehabilitation and construction; and [Tax Information for Charities and Other Non-Profits](#). Also, search the [Low-Income Housing Tax Credit \(LITCH\) Database](#) to get information on the projects and housing units being produced in your locality (use left menu to access geographic data on LIHTC production).
- 3) Consider partners that will help your project: government; nonprofits (consult the [Southern California Association of Non-Profit Housing](#) Directory and [Northern California Association of Non-Profit Housing](#) Directory); for profits. A partnership has pros (i.e. experience, contacts, advice) and cons (i.e. loss of independence in the planning and implementation process).
- 4) Consider other information: [HUD information for grantees and nonprofits](#), [Nonprofit participation in housing programs](#), [Office of Community Planning and Development](#), [Establishing a Non-Profit Organization](#), [Tax Information for Charities and Other Non-Profits](#) ; [Starting a Business in the U.S. \(for profit and non-profit\)](#); [HUD's Affordable Housing Programs](#) (requiring non-profits participation); [HUD's Matrix of Systems per Working Group](#) information of what HUD system or database resource might be useful to you as a non-profit.

Suggestions from Non-Profits

Once you are ready to seek approval for your project and you have thought and planned everything through, you are ready to consider some suggestions gathered from non-profits that have already worked in housing projects.

Consider other things you haven't considered before and that might influence your project: Did you include parking, is it adequate? How do you know? Did you consider the impact on the local school district? Is transportation close by? Is this a friendly building? Are the materials adequate?

Emphasize the good points of your project: Getting a project approved is also a matter of marketing and public relations. Learn how to sell it effectively to the City and its residents. Emphasize amenities, like a projected child care facility, or benefits, like increased home values and tax revenue due to development of a vacant property. Anticipate all possible objections and negative comments about your project, but **do not** address them before the City Council or any Commission does. Be ready to answer, but do not alert them to objections they have not thought about.

availability. Its information is primarily geared to assisting housing sponsors (private and nonprofit developers) and units of government.

Know your community: Research demographic and economic characteristics of the area. Do surveys, talk to people, know what they want, know what they need, work with them, gather their support. Use task forces. Offer amenities (i.e. child care center) to make people and officials like you. Do you know if prospective grantees like your project? What would they change and what would they keep? Why?

Know the law: Review and locate the general plan and zoning plans because sometimes they have conflicting data. Look for consistency in housing fabric. Present the law and how the project fits into the law.

Increase density: More dense projects are likely to draw environmentalists support.

Learn from similar nonprofits and developers: Talk to them. Ask about what they could have done better. What went right? What went wrong? What useful advice do they have for you?

Open channels of communication with city officials: Network with the planning department. Educate city attorneys about the law. Speak early before filling of documents. Read and know your staff report and respond to each issue. Know your request. Address each topic in your specific request.

Partnership: Diverse groups accomplish more.

Suggestions from Government Officials

Ask staff for relief: They might be able to provide some, especially when it comes to affordable housing. It might come in the form of political support, recommendations to a commission, deferred payments or guidance.

Be aware of what the City is doing: What tools does it have, how can they be used? Once the strengths are assessed, a strategy to tackle the problems can be set up.

Be politically savvy about City Hall: It speeds up the approval process by contacting the right people, and it makes staff's work easier.

Check the Building and Safety list of nuisance properties: Potential revitalization sites can be found there. Also, ask the city for a list of *city owned properties*. This is also a good source to find affordable housing sites.

Educate the public about what affordable housing means.

Know the community: Know its pros and cons.

Lobby Council members when there are difficult projects: Get them to assist on your project meetings (private, neighborhood, etc.), agitate.

Partnership: Profit from other organizations' experience and contacts. It is also useful to establish work relationships and to identify sites.

Possess financial know-how: Learn where the sources of financing for your project are located.

Realize that an outsider has the power to influence the outcome on ways a city staff can't: Staff is bounded to support the position of the elected official it is serving. However, by brainstorming, questioning, dialoguing, depicting alternative scenarios and sharing information with staff, new approaches can be created and that communication process can help shape policy and change outcomes.