

WORKING WITH LOCAL GOVERNMENT

Local government structure varies from jurisdiction to jurisdiction, often depending on the size of the community. On one end of the spectrum, multiple functions may be pooled into one department or division, with a single person wearing many hats. On the opposite end, departments may focus on a particular function, with individuals concentrating on areas within that focus. As such, the local public agencies and officials involved with implementing inclusionary housing requirements vary across jurisdictions.

The table at the end of this section provides information on the departments and/or divisions that have a hand in overseeing and implementing the inclusionary policies in the jurisdictions within the Sacramento region. Regardless of the local government structure, though, most jurisdictions will have some common roles in dealing with inclusionary housing policies.

Project review and approval. Most jurisdictions will require that an inclusionary housing plan detailing how the developer will fulfill the project's inclusionary obligations be submitted along with the overall project application. The plan will be evaluated to determine whether it meets the jurisdiction's inclusionary requirements, complies with applicable land use and zoning regulations, and is feasible to secure financing and be developed as planned.

If the developer is proposing an alternative to constructing the inclusionary units on-site, staff will also evaluate the merits of that request. Most jurisdictions require a developer to show that constructing the units on-site is not feasible and/or that an alternative method is more effective in meeting the jurisdiction's affordable housing needs. In addition, staff will also review any requests for incentives such as fee deferrals or modified development standards.

As is usual with the application review process, staff will negotiate the inclusionary plan with the developer throughout the review period to come to a workable solution for both sides within the confines of applicable requirements. During this process, staff may provide technical assistance to the developer in areas of affordable housing design, finance or construction techniques to make an affordable housing project workable. Larger jurisdictions with more experience can often provide valuable information to ensure a viable plan. They can also provide examples of successful developments and contact information for potential partners.

The inclusionary housing plan will be reviewed by planning staff. In some communities, housing or redevelopment staff may also evaluate the inclusionary proposal. It is beneficial to have the plan evaluated from more than just a land use and zoning compliance perspective. In particular, it is helpful to have someone who is familiar with affordable housing funding programs evaluate the plan so they can comment on compliance with funding program requirements and scoring criteria. For example, an inclusionary plan may fit in with all applicable zoning requirements, but if the units are not near any public transportation options, shopping opportunities, or community outlets, its ability to compete for tax credits is low. If there are concurrency requirements, the housing staff could comment about funding cycles of the proposed financing that will help the developer know when to begin construction.

If a jurisdiction's planning and housing staff are not one and the same, it is helpful for the developer to meet with both functions together early in the review process. This can save all parties much time and energy. With both departments at the same table, a proposal can be evaluated from both perspectives – does it meet the community's affordable housing needs and is it in compliance with the area's land use and zoning regulations– at the same time. This prevents a developer from having to go back and forth between the two groups to work out details, especially if approval is required from both areas. It also enables the two departments to be familiar with each other's concerns and have a complete picture of the inclusionary proposal.

Funding assistance. Jurisdictions may provide both direct and indirect funding assistance for the development of affordable housing. Directly, several localities pass through federal or state funds, such as HOME Investment Partnership (HOME) and Community Development Block Grant (CDBG) funds. Some also operate their own locally funded programs, such as Affordable Housing Trust Funds and Redevelopment Area Tax Increment Financing, as well. In these instances, jurisdictions will evaluate applications as to whether the proposed projects meet the program criteria and funds should be awarded. In addition, many jurisdictions will also assist developers with completing funding applications for programs

they do not oversee, such as Low Income Housing Tax Credits. Local agencies are often very knowledgeable about funding program requirements and evaluation criteria. With this know-how, they can help point out deficiencies in the project and suggest ways the developer can make the application more competitive.

In addition, jurisdictions may also provide assistance to lower-income homebuyers. Aid may come in the form of downpayment or closing cost assistance or even mortgage loans with friendly terms. Some localities offer assistance to all inclusionary homebuyers in the form of secondary mortgages, which help get the monthly first mortgage payments down to a level that the buyer can afford.

Monitoring. Localities will monitor the inclusionary units for continued affordability over the required time frame and ensure that the units are occupied only by income-eligible households. If the inclusionary units received any form of public funding assistance, jurisdictions will also likely monitor the units to ensure all guidelines associated with the funding source are being followed. Often these monitoring requirements will be more extensive than the inclusionary requirements. Monitoring will generally take place annually for rental housing and the process may involve subsidy providers in addition to the local jurisdiction.

The monitoring for ownership inclusionary units is generally less burdensome than for rental housing. Annual monitoring is not usually done unless there is some form of on-going assistance to the buyer. When homes are resold, the jurisdiction will become involved to ensure that the sale is conducted in accordance with any applicable guidelines and the new buyers are aware of all the restrictions that accompany the unit.

Buyer Qualification. Many jurisdictions will be involved in some capacity with the sale of the for-sale inclusionary units. Some may have a limited role, providing the developer with sales price limits, referring low-income buyers, or confirming buyer eligibility. Others will be more hands-on, actually coordinating the majority of the sales process. Regardless of their formal role in the process, staff is able to assist the developer in learning this new

Sales Staff and Property Management Training

The City of Roseville conducts training sessions with a developer's sales or property management team to ensure they understand all the requirements under the inclusionary policy, including areas such as certifying income eligibility, purchase price/rent limitations, and resale restrictions. Included in Appendix E is an example of a handbook the City of Roseville prepares for purchasers of affordable units.

area of business when needed.

Incentive Offers. Most jurisdictions provide the developer with incentives to help offset the costs of developing the inclusionary units. Incentives may include things such as fast-track processing, density bonuses, fee waivers or deferrals, or modification of development standards. Requests for incentives are generally evaluated as part of the project review and approval process.

Who Do You Work With?

Jurisdiction	Department/Division*	Role
Davis	Planning & Building Department Parks & Community Services Department Administrative Services Department (in City Manager Office)	project review and approval funding assistance point of contact, monitoring
Folsom	Planning Division (in Community Development Department) Redevelopment Division (in Neighborhood Services Department)	project review and approval review of inclusionary housing plan, funding assistance, monitoring
Isleton	City of Isleton	all functions
Nevada County	Housing & Community Services Planning Department (in Community Development Agency)	review of inclusionary housing plan, funding assistance, monitoring project review and approval
Rio Vista	Community Development Department	all functions
Roseville	Housing Division (in Economic & Community Services) Economic Development Division (in Economic & Community Services)	project review and approval, monitoring fee deferrals
Sacramento	Housing & Redevelopment Agency Planning Department	review of inclusionary housing plan, funding assistance, monitoring project review and approval
Sutter County	Planning Division (in Community Services Department) Housing Authority	project review and approval funding assistance, monitoring
West Sacramento	Grants & Community Investment Department (in Redevelopment Agency) Planning Division (in Community Development Department)	review of inclusionary housing plan, funding assistance, monitoring project review and approval
Winters	Community Development Department	all functions
Woodland	Community Development Department	all functions
Yolo County	Planning & Public Works Department	all functions

* Contact numbers for departments/divisions are listed on each jurisdiction's policy summary sheet in Section 1.