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NEIGHBORHOOD
REVITALIZATION & HOUSING

"We have failed to fully appreciate how deeply housing is implicated in the creation of poverty"

~Matthew Desmond

There is no community program, project, or initiative that can truly seek to promote equity, opportunity, or advancement without addressing housing. Having a place to call home is a critical element of identity development, basic shelter and security is a psychological need. Studies have repeatedly shown the correlation between quality, stable, and affordable housing and improved academic performance in children and youth, long-term economic stability, improved health outcomes, increases in neighborhood purchase power and quality, and decreases juvenile crime rates.

Armed with this information, the Neighborhood Revitalization and Housing Subcommittee (NRH) spent months identifying Tuscaloosa's barriers to affordable and equitable housing and uncovering unaddressed issues that stagnate neighborhood revitalization. The NRH was comprised of long-time community and housing advocates, ranging from non-profit housing developers to social activists. During the meetings, members began to craft the outlines for significant neighborhood revitalization and housing programs and initiatives that will have an impact on generations to come.

Create dedicated funding source for Low to Moderate Income (LMI) and Workforce Housing* ($2.5 - $3 million annually)

Implementation Time-frame:	Intermediate to Long-Term
Project UNITY Subcommittee(s):	Neighborhood Revitalization and Housing
Lead Organization:	City of Tuscaloosa
Potential Partnerships:	Tuscaloosa Housing Authority, Habitat for Humanity, other local housing developers, community foundations and non-profits

The Neighborhood Revitalization and Housing Subcommittee (NRH) recommends the creation of a dedicated permanent funding source for Low to Moderate Income (LMI) and Workforce Housing. The NRH subcommittee established a need to promote the development of multiple housing types in all areas of the City to address access to housing for LMI and Workforce population. According to the City of Tuscaloosa's 2018 Affordable Housing Study, a significant portion of the City's population is cost burdened meaning that they are paying over 30% of their income towards housing expenses. A major barrier to affordable housing development is simply the cost of development, which includes land acquisition, infrastructure, building materials, etc. As a result, affordable housing for LMI and Workforce population is difficult to produce without some type subsidy.

Furthermore, it should be also noted that to achieve an increase in affordable housing units, it is imperative that the current affordable housing stock for the City's LMI and Workforce population be maintained. The Affordable Housing Study identified that the majority of Tuscaloosa's housing was built prior to 1980. In addition, local affordable housing providers have identified that there is a high demand for rehabilitation that would take several years to address with funding that is currently available. The NRH Subcommittee also identified that the household incomes of the City's LMI and Workforce population make it difficult to address the rehabilitation needs without some type of subsidy.

A dedicated permanent funding source will allow the City to be in a better position to have a greater impact on increasing and maintaining affordable housing. In addition, this dedicated funding source will allow for a greater leveraging of existing programs that support housing to include HOME, CDBG, low income housing tax credits, Housing Choice Voucher Program, etc.

Key Elements of the Recommendation

1. Permanent and dedicated City of Tuscaloosa Investment in Housing

The NRH recommends the creation of a dedicated funding source for Low to Moderate Income (LMI) and Workforce Housing.

   a. The subcommittee recommends a minimal annual funding of $2.5 - $3 million annually
   - This funding amount is recommended by local housing providers to leverage with other funding sources in effort to address the current housing shortage in the aforementioned categories.

   b. Eligible uses of funds would include land acquisition, infrastructure, housing rehabilitation to include homeowner and multi-family, neighborhood facade improvements, neighborhood cleanup, and other construction related costs that support the development and/or maintenance of LMI and Workforce housing in critical areas.

   c. Leverage seeking mechanisms will be utilized. This fund would not be a sole funder of any project and would require appropriate leveraging that models the Low Income Housing Tax Credit Program (LIHTC).

   d. An application process would be developed to apply for funding. This will be a competitive process that will evaluate the project, how well funding is leveraged, and the project's alignment with the City's priorities and goals

Strategic Affordable Housing Development Implementation Plan (SAHDIP)

Implementation Time-frame:	Intermediate
Project UNITY Subcommittee(s):	Neighborhood Revitalization and Housing
Lead Organization:	City of Tuscaloosa
Potential Partnerships:	City of Tuscaloosa-Office of Community and Neighborhood Services, Urban Development Planning Division, Neighborhood Revitalization and Housing Subcommittee, and other community stakeholders

The NRH Subcommittee understands that it is necessary to develop a tool to guide investment of City resources in LMI and Workforce Housing. In order to ensure a more targeted approach in allocating City funding, a Strategic Affordable Housing Development Implementation Plan (SAHDIP) is required. This implementation plan's purpose is to develop housing production goals over the next ten years to include timelines, partners, specific action steps, and funding approaches. The SAHDIP's approach will incorporate the findings from the 2018 Affordable Housing Study and Framework to include targeted areas for growth, revitalization, priority development zones, and opportunity areas for rehabilitation.

Key Elements of the Recommendation

1. **Data-based implementation strategies for effective and efficient housing development**

The NRH recommends the development of a Strategic Affordable Housing Development Implementation Plan (SAHDIP)

    a. The development of this plan would serve as a guide in the implementation of LMI and Workforce housing priorities throughout the City. This plan would be critical in providing guidance for the City's Housing funding allocations (This includes the City's local, state, and federal funding)

Revamp the "Tuscaloosa Housing Finance Corporation" to implement SAHDIP

Implementation Time-frame:	Short-Term
Project UNITY Subcommittee(s):	Neighborhood Revitalization and Housing
Lead Organization:	City of Tuscaloosa
Potential Partnerships:	City of Tuscaloosa- Office of Community and Neighborhood Services, Urban Development Planning Division, Neighborhood Revitalization & Housing Subcommittee, and other community stakeholders

The SAHDIP will require oversight in its implementation. The City has an existing Tuscaloosa Housing Finance Corporation whose function is to facilitate the development, acquisition and improvement of housing in the City of Tuscaloosa. The NHR Subcommittee recommends revamping the Tuscaloosa Housing Finance Corporation to provide oversight in the implementation of SAHDIP.

Key Elements of the Recommendation

1. Revamp the "Tuscaloosa Housing Finance Corporation" to implement SAHDIP

The NRH recommends the City of Tuscaloosa reconvene the Tuscaloosa Housing Finance Corporation to oversee the management and operability of the SAHDIP. Additionally, this body would advise the City's elected officials on the allocation of non-federal funding to support housing

To achieve this, the NRH endorses:

   a. **Amendment of the articles of incorporation to update the function and composition of membership to implement SAHDIP**

Strengthen property maintenance enforcement practices

Implementation Time-Frame:	Short-Term
Project UNITY Subcommittee(s):	Neighborhood Revitalization and Housing
Lead Organization:	City of Tuscaloosa
Potential Partnerships:	City of Tuscaloosa-Office of Community and Neighborhood Services, Urban Development- Inspections Division, Urban Development- Planning Division

The 2018 Affordable Housing Study identified that that there is a great deal of aging housing concentrated in our vulnerable areas of Tuscaloosa. The NHR Subcommittee understands that developing an approach to maintaining and/or revitalizing Tuscaloosa's neighborhoods is critical in addressing LMI and Workforce housing. In addition, the subcommittee also understands that a holistic approach is needed in order to improve existing housing conditions to include not only identifying the problem, but also identifying resources to solve the problems.

Throughout the subcommittee's review of affordable housing, it was clear that challenges exist in maintaining affordable housing. This is due to a host of issues to including the availability of household funds, access to financing, and property maintenance education.

Furthermore, the subcommittee also acknowledged that some of the property with maintenance issues is rental property and requires recommendations to address this issue as well.

Key Elements of the Recommendation

1.   **Establishing a comprehensive property maintenance ecosystem**

The NRH recommends developing a property maintenance system that incorporates national best practices, technology, data and education

   a.   **Bolster Technological and Data based methodology**
      ◾ Community Blight System
         ● Use data and technology to track code compliance trends and more efficiently target compliance efforts.
         ● Focus enforcement efforts – prioritize enforcement efforts on "worst of the worst" or things that are a threat to neighborhood safety, crime, or further disinvestment.

b. **Utilize a cooperative compliance model**

- Code Enforcement Officers would provide wrap around services with inspections and issuance of code violations to include how to address the problems and comply with the codes.

c. **Develop a housing maintenance education program**

- This will include the development of literature and other resources as a preventative tool.
- Collaborate with housing providers to partner in the implementation of the program.

d. **Develop and enforce a plan to address vacant properties with absentee landlords to correct code violations**

- In particular, to address repeat code violation offenders who might address the bare minimum on their property, which often leads to more code violations.

Address overall neighborhood nuisance issues through code enforcement to include, but not limited to unauthorized home businesses and advertisements on trees, streets, fences, etc.

Implementation Time-frame:	Short-Term
Project UNITY Subcommittee(s):	Neighborhood Revitalization and Housing
Lead Organization:	
Potential Partnerships:	City of Tuscaloosa-Urban Development- Inspections Division, Urban Development- Planning Division, Infrastructure and Public Services Department

Nuisances can greatly affect the whole neighborhood by potentially contributing to blight, discouraging reinvestment, and consume police and other city services. In addressing neighborhood revitalization, the NHR Subcommittee deemed it necessary to strengthen the City's approach in dealing with two particular reoccurring issues to include unauthorized home businesses and flyer advertisements

Key Elements of the Recommendation

The NRH endorses addressing overall neighborhood nuisance issues through code enforcement to include, but not limited to unauthorized home businesses and advertisements on trees, streets, fences, etc. This recommendation will include:

a. **Address nuisance issues that arise from businesses operating illegally out of the home**
   - Unauthorized home businesses could be operating in an area that it is not zoned for which can cause neighbors to be negatively impacted. This can include increased traffic in the neighborhood, noise pollution, exterior presence of supplies and vehicles, etc.

b. **Address nuisance issues that arise from unsightly clutter of advertisements in neighborhoods**
   - Flyers and other signs are often posted on utility poles, fences, and various other fixtures. This can contribute to liter or blight in a neighborhood.

Increase housing opportunities through increased investment in Housing Rehabilitation Program

Implementation Time-frame:	Intermediate to Long- Term
Project UNITY Subcommittee(s):	Neighborhood Revitalization and Housing
Lead Organization:	City of Tuscaloosa
Potential Partnerships:	City of Tuscaloosa-Office of Community and Neighborhood Services

Rehabilitation of housing is essential to neighborhood revitalization. The Affordable Housing Study identified that there is a great deal of aging housing concentrated in our vulnerable areas of Tuscaloosa. Losing affordable housing units can be detrimental to our community as there are already limited opportunities for a lot of families. Emergency Home Repair is a solution to not only improve our neighborhoods, but also stabilize families with suitable living environments.

The City of Tuscaloosa currently has a high demand for LMI homeowner rehabilitation with limited funding available. One of the main sources operating current homeowner rehabilitation is Community Development Block Grant (CDBG) funds, which is able to address 10-15 houses annually. Homeowners, however, are currently waiting long periods of time to have issues addressed which often leads to other repair issues developing on the property.

Key Elements of the Recommendation

1.   Fortify Housing Rehabilitation Program

The NRH recommends leveraging housing rehabilitation as a cost-effective and immediate means to maintain and increase housing opportunities within Tuscaloosa.

   a.   **Address aging housing stock through setting priority zones based on crime areas, code violations, and aging housing.**
   - The priority is to maintain/promote affordability and health and safety. SAHDIP would guide for implementation of housing rehabilitation program.

   b.   **This program is also designed to provide remediation support for the previous recommendation of code enforcement.**
   - Properties that lack the financial resources or access to financing would be eligible to apply to this program.

   c.   **The NRH recommends the identification and annual allocation of dedicated non-federal funding from the City of Tuscaloosa for housing rehabilitation.**
   - This funding would be leveraged with other funding sources to address the growing need.

Establish Homeowner Facade Program and Neighborhood Cleanup

Implementation Time-frame:	Short-Term
Project UNITY Subcommittee(s):	Neighborhood Revitalization and Housing
Lead Organization:	City of Tuscaloosa
Potential Partnerships:	Community Neighborhood Associations, City Councilors, Non-profit community developers, non-profit organizations

The preservation of housing and neighborhoods is vital in maintaining the availability of affordable housing. The appearance of our neighborhoods plays an important role in the perception of the quality of our community. A tool that can assist with preserving the quality of Tuscaloosa's neighborhoods and housing is a homeowner façade and neighborhood cleanup program. This allows for funding to be utilized to improve exterior areas of housing which will provide a positive impact to not only our neighborhoods, but the entire city by ensuring the continuation of visually unified, attractive residential neighborhoods.

Key Elements of the Recommendation

1. Develop program guidelines and eligibility

The NRH recommends developing program policies and procedures to ensure proper management of the Homeowner Facade Program and Neighborhood Cleanup.

   a. **This program will be targeted in underserved areas to provide facade improvements to include exterior paint, replacement of rotten wood, etc.**

   b. **This program will also coordinate cleanup of nuisances to include tires, etc.**

   c. **The goal of this program is to concentrate funding in one area at a time to achieve noticeable improvements.**

   d. **SAHDIP would serve as guide for implementation**

2. Funding required for proper implementation

The NRH recommends the identification and annual allocation of dedicated non-federal funding from the City of Tuscaloosa for these programs

Build a Neighborhood Association Development Program

Implementation Time-frame:	Short-Term
Project UNITY Subcommittee(s):	Neighborhood Revitalization and Housing
Lead Organization:	City of Tuscaloosa
Potential Partnerships:	Office of City Attorney, Various Neighborhood Associations, unincorporated subdivisions and neighborhoods, Alabama Secretary of State

Empowering neighborhoods and their residents is important in maintaining housing and revitalization. The purpose of neighborhood associations is to bring together residents from a section of the city who share common goals and want to create a place to meet other residents, share concerns, offer solutions, and create a greater sense of community. Benefits of neighborhood associations include the following:

- Cleaner, safer, healthier neighborhoods
- Creates communication networks with local government, businesses, and other groups with the goal of creating partnerships
- Provide means of communicating with neighbors
- Collaboratively work together to reduce and prevent crime through crime prevention programs
- Encourage the exchange of ideas in an effort to promote cooperative action.
- Solve problems that exist or arise within the neighborhood

Key Elements of the Recommendation

1. Develop program guidelines and eligibility

The NRH recommends developing program policies and procedures to ensure proper management of the Neighborhood Association Development Program. The goal of the program will be to:

a. **Provide neighborhoods with technical assistance for setup of a neighborhood association**

b. **This could serve as a tool to empower neighborhoods to collaboratively make decisions to protect, preserve, and promote their community.**

Identify and remove zoning barriers as it relates to affordable housing

Implementation Time-frame:	Intermediate
Project UNITY Subcommittee(s):	Neighborhood Revitalization and Housing
Lead Organization:	City of Tuscaloosa
Potential Partnerships:	Urban Development- Planning Division, Planning and Zoning Commission, Tuscaloosa Housing Finance Corportation

Housing affordability has become a high-profile issue in recent years as sustained economic growth has pushed up housing prices in cities across the nation. Tuscaloosa's housing prices, according the Affordable Housing Study, are increasing and are above pre-recession levels. In addition, the same study identifies that 70% of people working in Tuscaloosa commute in from outside of the City suggesting that there might not be an adequate supply of housing. In fact, the need for more affordable housing units is currently being experienced across the U.S. One of the greatest challenges identified by housing developers and providers are costs associated with the regulatory requirements of housing construction.

Local governments are realizing that restrictive zoning and outdated land-use regulations can suppress housing supply and drive up housing costs. The reduction of regulatory barriers that limit the market's ability to build small, lower cost homes on expensive land can offer the approach needed to address the shortage of affordable housing.

Key Elements of the Recommendation

1.   Develop zoning that promotes affordable housing

The NRH endorses the development of zoning the facilitates access and availablity of affordable housing. The NRH seeks to accomplish this through:

a. Implement opportunities to build smaller format housing products that LMI families, entry-level members of Tuscaloosa's workforce, local college graduates and other moderate income households could afford to purchase.

b. Update the zoning ordinance to include and define a wide range of housing types – duplexes, triplexes, accessory dwellings, tiny houses, and other housing solutions, allowing development of these housing types BY RIGHT where appropriate and removing regulatory barriers that increase cost of housing development.
- These alternate housing types wouldn't be allowed in all single-family residential zones, but would be appropriate in some existing zones with smaller minimum lot sizes, etc.

c. Revise regulations to support and encourage redevelopment

d. Adjust nonconforming use standards.

e. Eliminate or revamp time-consuming regulatory processes (PUD, etc).

f. Re-write regulations to make sure redevelopment fits into the existing context or planned
   context and that the procedural path for redevelopment is streamlined

g. Administrative adjustment procedure to allow for minor adjustments to
   dimensional and certain development and design standards

h. Alternative compliance provisions for parking and landscaping and other standards.

Infrastructure planning that will promote housing growth in the areas of Low to moderate income and workforce income housing

Implementation Time-frame:	Intermediate to Long-Term
Project UNITY Subcommittee(s):	Neighborhood Revitalization and Housing
Lead Organization:	City of Tuscaloosa
Potential Partnerships:	Infrastructure and Public Services Department, Office of Community and Neighborhood Services, Urban Development

Affordable housing production is a critical need across the country. As many localities continue to explore ways to encourage housing development, many are looking at various opportunities that might jump start the effort. In addition to addressing potential regulatory barriers that increase housing production costs, many communities are looking at ways to further supporting housing. Development costs are the main driver of housing prices. As a result, it is important to determine potential opportunities by the City to lower development costs to encourage more development of LMI and Workforce Housing. Infrastructure cost sharing represents a way the City can encourage and support affordable housing development.

Key Elements of the Recommendation

The NRH recommends infrastructure planning that will promote housing growth in the areas of Low to moderate income and workforce income housing.

1. Apply Framework's methodology to direct infrastructure investments

Using the growth priorities and annexation plan within Framework, the City has guidance for making decisions about expanding boundaries through annexation and planning infrastructure investments to support growth.

   a. Growth priority areas:
   - Priority infill and redevelopment – where infill and redevelopment growth is encouraged. Areas may be served by utility infrastructure today but may need upgrades
   - Primary Expansion area – land outside the city where provision of utility service exists or could be provided based on infrastructure in the area today.
   - Secondary Expansion area – areas that could support extension of wastewater utility service in the near or mid-term
   - Future Service/Expansion area – wastewater utility extension could occur in the long-term.

b. Water and wastewater expansion should be informed by the following assumptions:

- Typically the cost of establishing new public utilities for development is borne by the developer
- There should not be an assumption that annexed land will receive utility service or access services
- The availability and timing of utility service is dependent on many factors and will be determined on a case-by-case basis
- Modeling may be conducted to assess the impacts of proposed improvements on the infrastructure system
- There should be no future city wastewater utility extensions within unincorporated areas.

Develop and maintain a Housing Resource Matrix

Implementation Time-frame:	Short-Term to Intermediate
Project UNITY Subcommittee(s):	Neighborhood Revitalization and Housing
Lead Organization:	City of Tuscaloosa
Potential Partnerships:	Community Housing partners, developers, West Alabama Coalition for the Homeless

Tuscaloosa consists of great social service agencies whose focus is to serve our vulnerable populations. These agencies are tasked with addressing the growing need for services in the Tuscaloosa community. In addition, it is often difficult for citizens to navigate how to access the services that are available to them. Developing a centralized resource with this information updated frequently will allow for easier citizen access. The Housing Resource Matrix will serve as a guide to provide renters, homeowners, landlords, and community organizations with information on the resources available in the City of Tuscaloosa to address housing and other social service needs. This guide can also be utilized as a tool to provide a more coordinated effort in delivering services and encourage more partnerships with service providers.

Key Elements of the Recommendation

The NRH recommends establishing a centralized housing resource to promote awareness of available services, avoid duplication, and to more effectively leverage community resources.

1. **Determine Scope of the Housing Resource Matrix**

This would provide renters, homeowners, landlords, and community organizations with information on the resources available in the City of Tuscaloosa to address housing needs.

2. **Responsibility for maintenance**

This service is currently a scattered effort in the community, but this recommendation involves centralizing the maintenance of this matrix under the roof of the City of Tuscaloosa. An appropriate housing of this matrix should be in the Office of Community and Neighborhood Services where the Continuum of Care's Coordinated Assessment, a tool that connects citizens to services, is currently housed.

3. **Coordination among organizations**

Development and maintenance of this matrix will involve coordinating with the Continuum of Care, Housing Providers, Ministerial Alliance, Human Services Providers, etc.

4. **Recommendation requires added position that can be funded by a combination of federal and general fund dollars.**

The NRH recommends that the City of Tuscaloosa identify and provide an annual allocation of non-federal monies to ensure proper staffing for initiative.

Expand housing literacy for renters and homeowners

Implementation Time-Frame:	Short-Term
Project UNITY Subcommittee(s):	Neighborhood Revitalization and Housing
Lead Organization:	City of Tuscaloosa
Potential Partnerships:	City of Tuscaloosa-Office of Community and Neighborhood Services

While accessing the housing needs of Tuscaloosa, it became evident that in addition to increasing the housing supply, housing education services are equally important. During the NRH's evaluation of housing and related needs, it was identified that barriers exist with renters and buyers having adequate credit and income to qualify for housing. Furthermore, it was also identified that post purchase and rental counseling was also critical as a preventative measure to avoid foreclosure and eviction where possible. HUD Certified Housing Counselors are important to accessing and maintaining housing in that they provide the critical housing education that can help alleviate the aforementioned barriers. A HUD Certified Housing Counselor can provide assistance with preventing foreclosure, buying a home, protecting your credit, and other housing related issues. These services are available to tenants, homeowners, homeless, and homebuyers.

Key Elements of the Recommendation

The NRH recommends the expansion of Expand housing literacy for renters and homeowners to increase community- wide housing stability

1. **Leverage City of Tuscaloosa Housing Counseling Programs (HCP)**

The NRH endorses increasing the availability of HUD Certified Housing Counseling Services. This will include hiring and maintaining a full time permanent staff of HUD certified Housing Counselors.

   a. The HCP will be a critical affordable housing tool to assist our citizens in acquiring or maintaining affordable housing. Citizens will have access to Pre-Purchase Counseling, Post Purchase Counseling; Pre-Rental, Post Rental Counseling, Rent Delinquency Counseling, Mortgage Default Counseling, Consumer Education, Budgeting & Money Management, Fair Housing, and several other Counseling choices.

2. Develop appropriate educational materials for distribution through various channels and audiences

    a.   Development of web-based materials in the subject matter of financial literacy and budgeting as this is becoming an emerging need.

    b.   Development of housing education to include financial literacy for students and their families

    c.   Enhance fair housing education throughout the City to citizens, landlords, lenders, and realtors. This is critical piece in educating all parties on the rules, which is a tool in maintaining and acquiring housing.

Address shortage of availability of rental units to receive tenants with HUD subsidies

Implementation Time-frame: Short-Term

Project UNITY Subcommittee(s):   Neighborhood Revitalization and Housing

Lead Organization: West Alabama Coalition for the Homeless (WACH)

Potential Partnerships: City of Tuscaloosa, Tuscaloosa Housing Authority, Alabama Apartment Association, local landlords

The U.S. Department of Housing and Urban Development (HUD) allocates housing subsidies for rental units to the Tuscaloosa community annually. Rental unit subsidies are provided to address those that are cost burdened by housing expenses and are very low income individuals or families. These subsidies are critical for many to maintain housing that would otherwise not be affordable for their household. Voucher programs (i.e. Housing Choice Vouchers), a housing subsidy administered by the Tuscaloosa Housing Authority, allows for participants to select their own housing with the requirement that it meet HUD's guidelines. A challenge experienced with Vouchers is identifying units to participate. At the time of this recommendation, there was a 64% success rate for clients with vouchers finding units to rent. Furthermore, other agencies providing rental assistance have identified challenges in finding units for their clients.

Key Elements of the Recommendation

The NRH recommends a collaborative approach to housing subsidized tenants.

1. **Establish relationship building forums with housing service providers and landlords to address barriers.**

2. **The West Alabama Coalition for the Homeless (WACH) will establish and coordinate these forums**