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# Building Homes in America's Cities: A Progress Report

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On February 4, 1999, the U.S. Department of Housing and Urban Development (HUD), the National Association of Home Builders, and the U.S. Conference of Mayors ratified a partnership to promote construction of 1 million market-rate homes in urban areas throughout the Nation over the next 10 years. The initiative came at a propitious moment. After years of housing decline, many central cities are beginning to attract new residents looking for urban living environments. Suburbanites are being drawn by the ambience of historic neighborhoods and by downtowns newly energized by shopping, entertainment, and cultural activities. Reaping the benefits of long-term revitalization efforts, many cities are prompting growing numbers of individuals and couples—upwardly mobile youngsters as well as empty-nesters and retirees—to reconsider the benefits of urban versus suburban living. In addition, smart growth campaigns across the country are heightening attention to the environmental, social, and economic values of in-town living and working. All the ingredients appear to be at hand for a boom in city residence, especially in homeownership—an essential component in the rebirth of our Nation's urban centers.

However, development of market-rate homes in urban areas is still problematic, hobbled by complex and often obsolete codes and regulations, by negative perceptions of inner-city neighborhoods, by difficulties in assembling developable, financially feasible homesites, and by worn down infrastructure systems. In essence, the partnership set out to level the playing field—to make home development as attractive to builders in cities as to those in suburban areas. To spur such development, the partnership selected 18 pilot cities as sites for collaborative public-private programs and activities. The partnership intends to communicate results and best practices from these pilot-city experiences for the use of cities across the Nation. The programs and activities undertaken by the dozen cities whose programs are profiled here provide a rich array of opportunities for other cities to emulate.

This article begins with a summary of national statistics on increasing housing construction in cities, which shows the partnership to be exceeding its target of

producing 100,000 new homes in urban areas each year.<sup>1</sup> The article then describes the results of a study, initiated by the U.S. Conference of Mayors, that identifies and comprehensively describes the programs of six pilot cities and presents selected best practices from six additional pilot cities with whom the partnership is working as part of its effort to accomplish its goal of producing 1 million new homes in urban areas within 10 years.

### **Progress of the “Building Homes in America’s Cities” Partnership**

Aggregate measures for the Nation show that new housing construction in cities is exceeding the target of 100,000 new homes per year set by the Building Homes in America’s Cities partnership 2 years ago.

- | In 1999, 118,456 more permits for new homes were issued in all of the Nation’s cities than would otherwise have been expected based upon new housing construction during the remainder of the 1990s. This level of activity exceeded the target level by more than 18 percent.
- | Urban housing development is continuing to exceed targets during 2000. Through July 2000, 183,388 more permits than expected were issued in the Nation’s cities.

In the past year and a half, urban home construction activity has actually been stronger than the associated regional market. Between January 1999 and July 2000, city housing permit activity was 35 percent greater than the average between 1990 and 1998. New construction activity in the suburban portion of these urban markets was only 21 percent ahead of the average level of activity during the 1990–1998 period.

Statistical analysis based on center-city housing activity during the past 20 years indicates a significant increase in housing activity during 2000. The increase in urban housing production has occurred in both the single- and multifamily housing market. Between January 1999 and July 2000, 29 percent more single-family permits were issued than would otherwise have been expected—a total of 96,000 additional new housing permits. During the same period, 48 percent more multifamily permits were issued than otherwise would have been expected—81,300 additional permits.

Table 1 shows the cities nationwide with the largest number of permits issued from the beginning of 1999 to mid-2000 in excess of the amount projected from recent experience. A table showing permit activity for all cities is included in appendix B.

**Table 1.** Cities With the Largest Gains in Permits Issued, January 1999 to July 2000

| <b>City</b>    | <b>Permits Issued, From<br/>January 1999 to July 2000</b> | <b>Number of Permits Above<br/>Recent Experience</b> |
|----------------|---|--|
| New York, NY   | 20,850  | 10,685   |
| Charlotte, NC  | 23,010  | 10,551   |
| San Antonio TX | 15,437  | 8,171  |
| Mesa, AZ       | 10,942  | 6,245  |
| Columbus, OH   | 12,552  | 6,138  |
| Austin, TX     | 13,509  | 5,971  |
| Raleigh, NC    | 9,869   | 5,428  |
| San Diego, CA  | 11,122  | 5,075  |
| Atlanta, GA    | 7,563   | 5,010  |
| Chicago, IL    | 8,881   | 4,578  |

Three of these cities—San Antonio, Columbus, and Chicago—are among the pilot cities participating in developing best practices for the Building Homes in America’s Cities partnership.

### **Analysis of Case Studies of and Best Practices From 12 Pilot Cities**

The balance of this progress report describes the results of a study, initiated by the U.S. Conference of Mayors, that has focused on identifying and comprehensively describing the programs of six pilot cities. The cities chosen had demonstrated significant progress in developing market-rate housing in the past 1 or 2 years and represented a geographically mixed sample. To supplement findings from these case studies, selected best practices in six additional pilot cities were also analyzed. Appendix B indicates the cities and their programs and best practices.

For this study, market-rate home construction includes homes priced for both middle- and moderate-income households. Many of the city programs essentially write down initial development costs (for example, by providing low-cost land, infrastructure, or financial assistance). The finished product, therefore, initially may be priced somewhat lower than prices for market-rate homes elsewhere in city and suburban upscale neighborhoods as a lure to potential homebuyers. Price escalation occurs,

however, as neighborhoods stabilize and the marketability of the homes is proven. The incentive programs thus establish a maturing-market period that primes the pump of in-city home demand.

## Overall Findings

The researchers have been struck by the ingenuity of local public officials, homebuilders, and other housing interests in crafting workable programs. As shown in appendix B, several cities have undertaken similar efforts—mayoral summits, for example—that call attention to city opportunities and city assemblage of tax-delinquent properties. However, many cities also are experimenting with innovative ideas, such as twists on tax increment financing, training of real estate agents, builder monitoring of regulatory processes, and conversion of obsolete office buildings. Some cities initiated programs years ago that are being broadened under the Building Homes banner, whereas others are starting virtually new campaigns. All are based on establishing close working relationships among city agencies and between agencies, homebuilders, Realtors®, and nonprofit community development corporations. In all, the efforts of these cities provide a fertile sampling of possibilities for similar programs in other cities.

## Collective Findings: Themes and Variations

The survey of 12 cities has identified and described 57 local programs aimed at increasing the supply of market-rate housing in urban neighborhoods. (Additional programs identified, but not described, in the best practices cities would increase the total considerably.) The 57 programs can be categorized into 7 types of incentives:

- ‡ City assemblage and cost write downs of housing sites.
- ‡ City assistance in development financing and tax reductions.
- ‡ City reduction of infrastructure costs for new housing.
- ‡ Mayoral summits and housing agency reorganizations.
- ‡ Education and information campaigns.
- ‡ Regulatory relief (such as streamlining and expediting permits and inspections).
- ‡ Neighborhood conservation programs that provide a positive development climate.

Table 2 indicates the city programs in each category based on the principal aims of the programs. It should be noted, however, that many cities offer multiple incentives and assistance for the construction of market-rate housing. In Chicago, for example, the city bundles tax-delinquent, vacant, and redevelopable properties to form developable sites; offers these sites to developers at minimal prices; and provides tax relief, low-cost loans, infrastructure improvements, and other aids that cut costs and reduce risks. It also can be observed that the program categories build on longstanding experience in stimulating interest in urban homebuilding. In this respect, the types of incentives are not as new as the specific applications of these ideas by individual communities—the ways they are tweaked and trimmed to meet local market, neighborhood, and administrative conditions.

Table 2. Types of Incentive Programs

|  |  |
|--|--|
| <p><b>City Assemblage,<br/>Cost Write Down of<br/>Housing Sites</b></p>            | <p>Chicago: HomeStart, New Homes, City Lots programs.<br/>Cincinnati: Homesteading program.<br/>Dayton: Program to recycle tax-delinquent, abandoned, vacant properties.<br/>Houston: Land Bank of Tax-Delinquent Properties.<br/>Sacramento: Redevelopment and Capital District Properties.<br/>San Antonio: Affordable Housing Task Force, Surplus Property programs.</p>  |
| <p><b>City Assistance in<br/>Development<br/>Financing, Tax<br/>Reductions</b></p> | <p>Baltimore: Tax abatement, State gap financing for Class B office building conversion.<br/>Chicago: HomeStart, New Homes, tax increment financing (TIF) for Housing, TIF Neighborhood Investment programs.<br/>Cincinnati: Housing Rounds, low-cost renovation loans, mortgage assistance.<br/>Sacramento: Redevelopment financing assistance.<br/>San Antonio: Tax abatements.<br/>Seattle: Multifamily housing tax abatements, first-time homebuyer loans, location-efficient mortgage program, transferable development rights (TDRs) and housing bonus incentives.</p> |
| <p><b>City Reduction of<br/>Infrastructure Costs</b></p>                           | <p>Chicago: New Homes for Chicago program offers fee waivers, off-site facility construction.<br/>Houston: Tax Increment Reimbursement Zones, city reimbursement of developer costs.<br/>San Antonio: Tax Increment Reinvestment Zones, impact fee waivers.<br/>St. Louis: Sales tax allocation for infrastructure improvements.</p>   |

Table 2. Types of Incentive Programs (continued)

|   |   |
|---|---|
| <p><b>Mayoral Summits and Housing Agency Reorganization</b></p> | <p>Denver: Mayoral summits on downtown revitalization, including housing.<br/>Houston: Homeownership campaign, new Redevelopment Authority.<br/>Sacramento: City Housing Strategy.<br/>San Antonio: Community Revitalization Action Group.<br/>Seattle: Housing Summit, Mayor’s Housing Office.</p>   |
| <p><b>Education, Information Campaigns</b></p>                  | <p>Cincinnati: Homeownership Partnership sponsors Web site, neighborhood guidebook, Real Estate Ambassadors; Citiramas; homeownership counseling.<br/>Columbus: Residential market study.<br/>Houston: Homeownership Campaign, Model Homes Park, City Parade of Homes.<br/>San Antonio: Affordable Showcase of Homes, Downtown Alliance Redevelopment Study.</p>                      |
| <p><b>Regulatory Relief</b></p>                                 | <p>Chicago: Building permit self-certification of preapproved designs.<br/>Houston: Builders Association white paper of streamlining recommendations, authorization of third-party building inspectors.<br/>Seattle: Fast-track permitting, Seattle-Specific Housing Designs, parking reductions.<br/>Tampa: Permit streamlining, city/builder monitoring of application process.</p> |
| <p><b>Neighborhood Conservation</b></p>                         | <p>Cincinnati: Homeownership and Neighborhood Revitalization program.<br/>Houston: Neighborhoods to Standard program.<br/>San Antonio: Neighborhood Sweep, Neighborhood Improvement Challenge programs.</p>   |

In addition, these programs usually operate in tandem with or as part of broader, ongoing city housing and neighborhood conservation programs, including traditional housing assistance programs such as those funded through HUD’s Community Development Bloc Grants (CDBG), the HOME program, HOPE VI, and other housing programs. Indeed, several communities count recently constructed HOPE VI projects as successful examples of introducing market-rate housing in areas previously considered unsuitable for homeownership. Emulating the HOPE VI model, city officials have learned to leverage traditional Federal, State, and local public funding sources to attract private housing investments in downtowns and

inner-city neighborhoods. City housing programs also have taken full advantage of low-income housing and historic preservation tax credits to attract private-sector housing investments in these areas. In addition, HUD regional and local staffs and community builders have helped identify potential funding opportunities and shaped program objectives.

The following section briefly describes some of the incentives cities offer to encourage the development of market-rate housing.

#### **City Assemblage and Cost Write Down of Housing Sites**

One of the first and most difficult requirements for building in-city homes for middle-income households is obtaining sites that are large enough, unencumbered with legal problems, and priced low enough to be readily developable. Availability of low-priced land allows builders to offset the construction and market risks often attached to infill development, especially in the early stages of community reinvestment. At the same time, many city neighborhoods are afflicted with abandoned, derelict buildings and vacant lots that deter private interest in residential investments. In addition, cities collect tax-delinquent and surplus public properties that often sit on the books for years.

Most of the cities studied have fashioned programs to recycle these properties for reuses such as market-rate housing. Chicago's program is perhaps the most ambitious; it assembles properties; resolves hazardous waste, tax, and legal issues; and attractively packages them for redevelopment by private builders. Baltimore saw vacancies in Class B office buildings as an opportunity for expanding downtown market-rate housing. Houston created a redevelopment authority for the sole purpose of acquiring, holding, and reselling unused or underused properties for new housing. San Antonio established a city council task force to identify properties that could be made available for housing development. In Sacramento, the city/county redevelopment agency acquires land for housing development and the Capital District agency puts surplus State land to use for housing.

The new twist in these programs is active solicitation of developer interest in such properties. Cities lure builders with \$1 land prices; promises of city loans, grants, and facility improvements; and underwriting of homebuyer costs. Cities have become aggressively entrepreneurial in pushing housing development. Cincinnati's annual homesteading lottery, real estate agent training program, and homeownership Web

site push the envelope further, broadening interest in in-city housing and making market entry easier for prospective homebuyers.

### **City Assistance in Development Financing**

Many cities provide various types of loans, grants, and tax abatements to reduce private needs for front-end financing and homebuyer mortgage costs. Chicago's HomeStart program advances funds to develop housing on city-owned properties, with the developer accepting a fee instead of equity interest. Baltimore provides 10-year tax abatements for conversions of Class B office buildings to residential use, and the State of Maryland offers gap financing for the same purpose. Seattle provides tax abatements for multifamily housing and low-cost loans to first-time homebuyers. The city also innovated a Hometown Home Loan program to provide low-cost loans for employees of major hospitals, the Seattle School District, and other city institutions. In addition, Seattle initiated the Nation's first location-efficient mortgage program to cut mortgage costs or raise income-to-value ratios for homes near transit lines.

Financing programs rely on city bond issues—Chicago's HomeStart program was funded by \$100 million in tax-exempt revenue bonds—as well as CDBG and other Federal and State funding sources. This year, Cincinnati's Housing Rounds program is providing \$1.35 million for gap financing of developer-proposed home construction, for example, partly from CDBG funds and partly from the city budget.

### **City Reduction of Infrastructure Costs**

One incentive for home development on infill sites is public funding of all or some infrastructure costs associated with new homebuilding. Although basic infrastructure supposedly serves infill sites, builders frequently find it necessary to upgrade water and sewer lines, improve streets and sidewalks, and provide landscaping on land adjoining the site. Many cities are using city funds to pare down these development costs. St. Louis, for example, produced revenues from a half-cent sales tax adopted for general use on infrastructure improvements throughout the city to be useful in spurring housing development. Chicago's New Homes program offers to waive fees and contribute to offsite facility costs. Houston and San Antonio use revenues generated by tax increment financing districts to reimburse developers for front-end expenditures for infrastructure improvements. All of these approaches for reducing development costs help to bring projects in at marketable price levels.



### **Mayoral Summits and Housing Agency Reorganization**

The mayors of several cities proclaimed production of market-rate housing a major objective of their administrations. In Seattle, Denver, and Houston, for example, mayors convened downtown or housing summit meetings to attract attention to housing needs and nurture support for housing initiatives. In January 2000, Houston Mayor Lee P. Brown launched his program to increase the rate of homeownership in the city by fostering more development of market-rate housing. He and city staff met with homebuilders to create the Houston HomeTown campaign. Next, Mayor Brown set up a housing office within his administration to pursue a broad-based group of incentives.

Paul Schell, on becoming mayor of Seattle in January 1998, convened the Seattle Housing Summit to bring together a wide range of interests to brainstorm ideas for increasing market-rate and affordable housing in the city. He, too, created an Office of Housing reporting directly to him and responsible for increasing the housing supply for middle-income as well as low- and moderate-income residents. These attempts to raise the level of visibility for market-rate housing production help create the foundation for subsequent program implementation.

### **Education and Information Campaigns**

Closely allied to mayors' efforts to stimulate market-rate housing production are educational and informational campaigns aimed at gathering public consensus, catching consumers' attention, and making the real estate industry aware of in-city housing opportunities. Two of the case-study cities, Columbus and San Antonio, have commissioned market studies to demonstrate to builders the reality of in-city demands for housing. Homebuilders in several cities—Cincinnati and Seattle among them—have organized annual "Citiramas," or home shows, that rival suburban shows and display the attractions of city neighborhoods. Houston is planning to go one better, creating a permanent model homes park with an information center to showcase city style homes.

Cincinnati's Homeownership Partnership decided to educate the market by sponsoring a Web site that provides detailed descriptions and maps of the city's 51 neighborhoods, along with basic information about the city for newcomers and a list of real estate agents knowledgeable about city neighborhoods. The partnership also published a guidebook to city neighborhoods and organized a training course for real

estate agents (“Real Estate Ambassadors”) to familiarize them with the city’s history and housing opportunities.

### **Regulatory Relief**

Homebuilders in all 12 pilot cities have supported improvement of city regulatory environments that help to make housing development less costly. Builders commonly complain about needlessly complex requirements and procedures that raise costs and provoke expensive delays in gaining project approvals and completing construction. All of the case study cities have championed collaborative efforts between city agency staffs and representatives of homebuilders’ organizations to ease unnecessary constraints on the development process.

At the urging of builders, and with their cooperation, Tampa streamlined its permitting process some years ago. It did not stop there: Monthly, now quarterly, meetings have been scheduled between city staff and builders to work out current issues and make course corrections. The Greater Houston Builders Association, at the request of the mayor, formulated a white paper recommending dozens of regulatory and policy changes to make the city more attractive for homebuilding. Many of the recommendations published in January 2000 already have been implemented.

Three of the cities have taken unusual steps to expedite housing construction. Chicago borrowed a New York City program that permits self-certification of preapproved home designs, thus bypassing a series of administrative reviews. Houston just authorized (subject to Harris County’s approval) the use of private inspectors to augment the city’s overworked inspection department. And Tampa, with homebuilders’ support, is raising building fees by 15 percent to pay for a fully electronic application and inspection system. It will allow builders to file applications by e-mail and provide all inspectors with cellular phones, computers, and facsimile machines in their cars so that they can communicate instantly between the job site, builders’ offices, and the central office.

### **Neighborhood Conservation Programs**

Part of attracting new homeowners to in-city neighborhoods is the visible upkeep of facilities and home conditions. Most cities have long established neighborhood conservation programs for this reason—some more successful than others. Attracting development of market-rate housing, however, puts new emphasis on stabilizing and

improving neighborhoods. Among the case study cities, Houston, Cincinnati, and San Antonio have targeted fix-up efforts to certain neighborhoods that agree to partner with the city in upgrading the area. Houston organized its Neighborhoods to Standard program in 1996. With a liaison in the mayor's office and coordination among the city agencies, it focuses on improving public facilities and services such as trash removal, ditch cleaning, and street repairs. The program proved popular, with 58 neighborhoods of all sizes signing up in the first 3 years and more than 100 participating today. San Antonio has a similar program, Neighborhood Sweeps, that focuses city cleanup and improvements on selected neighborhoods. San Antonio also has established a Neighborhood Improvement Challenge program that provides small grants for neighborhood improvements. Chicago provides grants within tax increment financing districts for exterior improvements of owner-occupied homes.

## Lessons Learned

In the first years of these programs to stimulate development of market-rate, owner-occupied housing in cities, experience has demonstrated the value of certain approaches, summarized as follows:

- | **Nurturing Public/Private Partnerships.** All of the cities have realized the benefits of securing consensus and coordinated actions among public, nonprofit, and private actors in the development process. City officials and agencies have looked to builders and real estate agents as prime movers in successful housing production. Builders have understood the necessity of city efforts to level the playing field in comparison to suburban venues for homebuilding.
- | **Recycling Development Sites.** Cities are now recognizing the real estate assets available in nearly forgotten lists of tax delinquent, abandoned, and surplus properties. Heightened builder interest in developing in-city homes has stimulated city agencies to dust off those lists and initiate programs to market properties. Not only do these programs stimulate homebuilding, they improve neighborhoods in visible ways that generate greater interest in in-city development.
- | **Targeting Neighborhoods.** Some neighborhoods are better poised for revitalization than others. Recognizing this, cities have begun to focus rebuilding efforts in neighborhoods where developable sites can be made quickly available, the location is advantageous, and resident cooperation and support is forthcoming. Understanding that public funding resources remain limited, cities are selecting areas that promise significant leveraging of private investments for public investment.

- | **Expecting the Necessity of Infrastructure Investments.** Long-neglected neighborhoods cannot be expected to provide a pristine platform for new development. In many cases, developers of infill sites find that basic infrastructure (water and sewer lines, roads, and sidewalks) needs replacing or upgrading, and community amenities (parks and schools) must be newly created or rebuilt. Cities can improve the marketability of neighborhoods by investing in these kinds of facility improvements as well as in improved services in the area.
- | **Responding to the Gentrification Issue.** The city programs profiled in this study have carefully balanced desires for stimulating development of market-rate housing and needs for expanding the supply of affordable housing. In some cases their programs have required some proportion of new home construction to be affordably priced for in-city residents and have provided grant and loan programs to help achieve this. In other cases cities have selectively located combinations of market and below-market housing.

## Conclusion

The best conclusion is a success story. Dayton's revitalization of the inner-city Wright-Dunbar neighborhood, named after the Wright brothers and African-American poet Paul Dunbar, exhibits many of the techniques used by other cities. The city's program has motivated development of 38 new homes and rehabilitation of 28 abandoned houses since 1997. Before that date the neighborhood had almost disappeared: There were fewer than 20 occupied homes among more than 75 abandoned houses and at least as many vacant lots. In 1990 the National Park Service designated an area to become the Dayton Aviation National Historic Park just north of Wright-Dunbar, spurring the city to restore the historic neighborhood.

The city aggressively acquired properties, primarily through foreclosure, and sold eight vacant lots and three run-down houses to the local homebuilders association for \$1 each. The builders developed 8 new homes (the first in Wright-Dunbar in more than 50 years), restored the 3 houses, and featured them in a Citirama, a 10-day event that featured food vendors, musicians, local artwork, and a gospel choir and that drew nearly 20,000 visitors. The city also poured more than \$22 million into rebuilding water and sewer lines, streets, and sidewalks. A major feature was the 7-acre Oak and Ivy Park, named after one of Dunbar's poems, that won a U.S. Conference of Mayor's award in January 2000. The housing prices in Wright-Dunbar are the best reflection of Dayton's success: Before 1997, houses sold for \$15,000 to \$30,000; after 1997, houses have been selling for \$165,000 to \$220,000.

## Endnote

<sup>1</sup> This is a work in progress and is not intended for attribution at this time. Research began in July, and, although some case studies have been reviewed by local information sources, reviews and revisions are still in progress.

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## Appendix A: Examples of HUD Assistance in City Market-Rate Housing Programs

Cities have long depended on HUD and other Federal programs to help finance local housing improvements. CDBG monies have widely been used in neighborhood conservation programs and increasingly are assisting in city efforts to establish positive climates for production of market-rate housing. The HUD HOME and HOPE VI programs currently are highly visible in helping cities improve housing and housing environments. Local departments of housing and community/neighborhood development are relying on these and other Federal and State funding sources to provide seed money for encouragement of market-rate housing. Some specific examples of HUD involvement in local responses to the Building Homes initiative are briefly summarized below.

- | Houston's announcement of its new program to promote market-rate housing development specifically cites the national Building Homes program as the basis for the city's efforts—"Houston HomeTown is the local initiative that builds on the Federal program."
- | Seattle, in a letter to HUD describing its programs for implementing the Building Homes initiative, acknowledged the help and support of the Secretary's representative and the local Community Builder in HUD's regional office.
- | Cincinnati officials specifically credit the use of CDBG funds in their Housing Rounds program of financial aid for housing development.
- | Chicago's New Homes and New Homes/Condominium and Rehabilitation programs use HUD funds to spur development of moderate-income housing, often side-by-side with new market-rate housing.
- | San Antonio homebuilders work through a nonprofit affiliate to develop affordable single-family homes on properties conveyed by the city. In this work they liaison with HUD, Fannie Mae, and other groups to obtain advice and funding assistance.
- | In connection with the Columbus market study, HUD representatives attended the presentation of findings and then met with local officials to express interest in assisting downtown housing and to make them aware of the availability of mortgage insurance and its use in Cleveland and Dayton. They specifically requested references of interested parties to their office.
- | St. Louis market-rate housing initiatives include HOPE VI projects using HUD funds for both market-rate and below-market housing.

- | Sacramento's Fremont project of upscale and affordable rental housing is using HOME funds. The Riverview Plaza mixed-income housing project uses HOME and Urban Development Action Grant funds, as well as tax credits.

## Appendix B. Summary of Pilot City Programs

### Chicago

- | *HomeStart\** program finances market-rate housing development through developer request for proposals process.
- | *New Homes for Chicago\** provides home construction subsidies for moderate-income families.
- | *New Homes for Chicago/Condominium Rehabilitation\** focuses subsidies on housing rehabilitation.
- | *City Lots\** program provides city-owned land and noncash subsidies.
- | *TIF for Housing* provides gap financing and infrastructure improvements.
- | *TIF Neighborhood Investment* provides grants for improving owner-occupied homes.
- | *Building Permit Self-Certification* authorize new construction based on approved prototype designs.

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### Houston

- | *Mayor-Led Homeownership Campaign* collaborates with homebuilders to stimulate in-city housing construction.
- | *Neighborhoods to Standard* program targets selected neighborhoods for improved infrastructure and city services.
- | *Builders Association white paper* recommends actions to remove obstacles to in-city housing construction.
- | *Tax Increment Reinvestment Zones* reimburse developers for improvements to city-owned utilities.
- | *Housing Manager Appointed* oversees implementation of homeownership initiative.
- | *Land Bank of Tax-Delinquent Properties* are managed by a newly created redevelopment authority.
- | *Reimbursement for Developer-Provided Infrastructure* is similar to reimbursements available in suburban jurisdictions
- | *Model Homes Park* showcases in-city homes and offer homeownership information.



‡ *City Parade of Homes* is similar to annual suburban event.

‡ *Third-Party Building Inspectors* expedite housing construction.

### **Cincinnati**

‡ *Cincinnati Homeownership Partnership* was created by the mayor to market city neighborhoods as desirable housing locations; sponsors a Web site, and published a neighborhood guidebook.

‡ *Real Estate Ambassador* is a training program for real estate agents about in-city housing opportunities.

‡ *Homeownership and Neighborhood Revitalization* focuses redevelopment and rehabilitation activities on selected neighborhoods.

‡ *Homesteading Program* recycles vacant or deteriorated properties through an annual lottery.

‡ *Citirama* is a city/builder annual program that develops new homes for sale.

‡ *Housing Round Investments* are through developer requests for proposals.

‡ *Homeowner Counseling* is provided for new homeowners.

‡ *Low-Cost Renovation Loans* includes repair guidance.

‡ *Freddie Mac Alliance* arranges flexible mortgages for first-time homebuyers.

### **Sacramento**

‡ *City Housing Strategy* (1991) provided 65 recommendations for expanding in-city home construction.

‡ *City/County Redevelopment Agency* assists developers in building in-city housing.

‡ *Boarded and Vacant Homes* program recycles dilapidated housing for rehabilitation.

‡ *Painted Ladies Home Improvement Program* provides low-interest financing for improving historic homes.

‡ *Capital Mall* is housing development on State surplus land in this special district.

### **San Antonio**

‡ *Community Revitalization Action Group* was formed by the mayor and council to initiate housing and other efforts.

‡ *Incentive Tool Kit* applies to core area, including impact fee waivers, tax abatements, expedited permitting, and one-stop permitting.

- | *Affordable Showcase of Homes* is similar to the upscale showcases elsewhere in the city.
- | *Tax Increment Reinvestment Zones* reimburses homebuilders for infrastructure improvements.
- | *HOPE VI* is a project through city/homebuilders collaboration.
- | *Citywide Reconstruction Program* provides city-funded low-cost loans for rebuilding deteriorated homes.
- | *Neighborhood Sweeps* targets city cleanup and improvement efforts to selected neighborhoods.
- | *Affordable Housing Task Force* of the city council members identifies redevelopable land for city purchase and conveys the information to the Homebuilders' Association for development.
- | *Surplus Property* program conveys surplus city properties to nonprofit housing agencies.
- | *Neighborhood Improvement Challenge* program provides small grants for neighborhood improvements.
- | *Downtown Alliance Redevelopment Study* will identify housing opportunities and needed incentives.

### **Seattle**

- | *Housing Summit* convened by mayor to identifies ways to increase market-rate, affordable housing in the city.
- | *Creation of Housing Office* within the executive office increases the supply of housing for middle-income residents.
- | *Multifamily Housing Tax Abatements* promotes market-rate housing in target neighborhoods.
- | *First-Time Homebuyers Loans* will reduce mortgage costs.
- | *Hometown Home Loan* program provides low-cost loans for employees of major in-city institutions.
- | *Location-Efficient Mortgage* program lowers down payments and provides a 25 percent discount on transit passes.
- | *TDR and Housing Bonus* programs provide incentives for low-/moderate-income housing in or near downtown (proposed changes include middle-income component, other locations).

- | *Fast-Track Permitting* increased 24-hour reviews from 30 percent of project applications to 65 percent.
- | *Seattle-Specific Housing Designs* were solicited through a citywide competition to promote compatible infill housing.
- | *Parking Reduction Ordinance* will lower parking standards in densely built neighborhoods with transit service, thus reducing development costs.

### Best Practices

**Baltimore, Maryland:** Class B office building conversion will increase the supply of downtown market-rate housing

**Columbus, Ohio:** Residential market study will identify in-city housing development opportunities.

**Dayton, Ohio:** City assembly of tax delinquent, abandoned houses and vacant lots for rebuilding as market-rate homes has been organized.

**Denver, Colorado:** Mayoral summits on downtown revitalization, including housing, have taken place.

**St. Louis, Missouri:** Half-cent sales tax has been implemented to fund capital improvements, including housing infrastructure.

**Tampa, Florida:** Permit streamlining and followup monitoring process through city/homebuilder collaboration has occurred.

\* Programs benefit from city recycling of tax-delinquent, abandoned, and surplus properties.