



# Columbus Housing Strategy

## Affordable Housing Bond

### **Need**

Market cannot deliver new housing affordable to those earning below 80% AMI given the cost of construction, land, and finance therefore a subsidy is required to bring income restricted and protected affordable housing to Central Ohio's workforce. Additionally, there is an increased need for units for those earning below 30% Area Median Income and bond dollars are critical to the development of permanent supportive units for those individuals and families.

### **Impact of 2019 City Bond Dollars**

In 2019 the bond dollars supported 21 projects with gap subsidy to build more than 1,300 units affordable to individuals and families below 80% Area Median Income.

### Resulted in Protected Affordability

These units are not just less expensive units. They are income restricted and compliance with the income requirements is required for the period of affordability. As the market changes these rents remain affordable to individuals and families at those income levels. The City bond dollars are either paired with funding that has compliance and reporting requirements to maintain affordability like Low Income Housing Tax Credits or an agreement is made with the City and developer to establish compliance and reporting requirements for the project with the City to maintain the affordability requirements.

### Leveraged Other Private and Public Funds

The bond dollars leverage other public and private dollars to bring the projects into the community. For each City of Columbus bond dollar in a project more than \$6 dollars were invested by the private sector and other public entities.

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## Brought Affordable Unit to the Market Faster

As housing prices continue to rise the need to bring affordable units online quickly is critical. The bond dollars allowed our partners to bring the units online at a rate twice as fast as the market had previously delivered without assistance.

## **How 2022 Bond Dollars will be Used**

Based on the outcomes of the 2019 bond dollar investments and the housing needs facing our city the following allocations have been recommended.

### \$80 Million – New Affordable Rental Housing

Continued invest through capital subsidy in new rental units affordable to those individuals and families earning below 80% of the Area Median Income is a critical part of our housing infrastructure.

### \$50 Million – New Affordable Homeownership

In partnership with Central Ohio Community Land Trust and others bringing affordable homeownership opportunities to the city the bond dollars can provide the subsidy needed for each new home to remain permanently available for affordable homeownership for families in Columbus. To date, 75% of the land trust buyers were people of color, among those households 65% were female head of household.

### \$40 Million – Preservation of Existing Affordability

Most of our current affordable housing is naturally occurring and currently unprotected and subject to rent increases as markets change. This funding would provide tools to lock in the affordability of existing units in the City. The focus would be on neighborhoods experiencing the housing prices changes most acutely.

### \$30 Million – Permanent Supportive Housing

We do not have sufficient housing available for those earning less than 30% of the Area Median Income and for those that require wraparound supportive services. The 2019 bond funds supported 100 units of permanent supportive housing, but given the critical need for these units the 2022 bond dollars will include dedicated funding for these units.