

ARPA YEAR 2 AFFORDABLE HOUSING FUNDING REQUEST

Innovative Housing Solutions for Families

Challenge

During the workgroup conversations, a resonating theme was housing needs for families. In Davidson County, 38% of all households with children under the age of 18 are earning below 60% of the area median income (AMI) and more than 2/3 of these households are cost-burdened. More startling, data from the local Continuum of Care reports a record level of family homelessness, and area shelters are at capacity.

Much of the new housing inventory, including affordable housing inventory, is typically one to two-bedrooms and is not able to support a larger family. Utilizing resources to advance housing options for families has far-reaching implications for other aspects of families' and children's lives, including increased economic stability, improved health, and increased educational achievement. Data shows that students without stable housing attend school at lower rates than their peers and do not perform as well on cognitive development tests.

Proposed Activities

Activity	Description	Amount Requested	Performance Metric	Implementation Strategy
Co-op Housing for Families	New construction of housing for families at or below 50% AMI	\$7 Million	108 new units	RFP for partner with experience in developing co-op housing. Designated set-aside in a Barnes funding round.

Justification

In addition to cost, a primary threat to housing stability for families is displacement from existing housing especially when affordable inventory is extremely limited. Traditional funds for affordable housing often limit creativity and innovation needed to expand housing options for families. Co-op housing offers an innovative, non-traditional option for families through equitably shared ownership and control.

Impact

Rental co-op models decrease the barrier to entry of ownership and increase housing security. In addition to offering needed housing security, co-op housing for families below 50% of the AMI could yield positive impacts on educational outcomes, health access and job security. Units must remain affordable for a minimum of 20-30 years. However, the Housing Division will work to identify publicly-owned land for potential development and will utilize and encourage (if privately developed) the land trust model or ground leases to ensure long term affordability.

The program will prioritize at-risk families that are experiencing a housing crisis, such as:

- Experiencing homelessness
- One or more forced moves in the past 12 months
- Doubled-up for economic reasons or living in hotels or motels
- Severely cost burdened – paying more than 50% of their income on housing costs
- Missed one or more rent or utility payments in the past 12 months
- Received an eviction noticed an/or was evicted in past 12 months
- A family who is fleeing or attempting to flee domestic violence
- Loss of employment or reduction in wages.

Unless otherwise prohibited by local, state, or Federal law, these programs will be open to all at-risk families (defined above) regardless of immigration status.