



Advancing Middle-Income Housing Development: Strategies & Opportunities

Tuesday, May 28, 2024 | CCI Summer Conference

Opportunities to Support Middle-Income Housing

Proposition 123 Programs

- Land Banking is a big one relevant to local governments.
- Start [talking to DOLA](#) about gap financing as soon as possible – they’re restructuring and have experts who can get into the conversations early to help strategize.
- Explore [CHFA’s Affordable Housing Financing Fund](#), especially with respect to land banking.

Middle Income Housing Authority (MIHA)

- This state authority can do some of the same things as a local housing authority, but at a greater scale. It’s policy entrepreneurship that takes the risk of funding out of local communities.
- If you own public land, MIHA is an option to develop that land without losing control of the land to a private developer. The program generally requires MIHA to own the property, but communities are finding solutions to keep ownership within the community while still using the power of the statewide authority.
- Lower cost of bonds helps developers hit Area Median Income targets.

Public/Private Partnerships (P3s)

- You can do for-sale and for-rent in a single transaction; you can have relatively higher AMIs; you can build public benefits (like renewable energy CBAs) into projects; and you can do geothermal at scale for housing developments. There are many opportunities to meet community needs through P3s.
- To do so, make your risk tolerances and preferences very clear.

Middle-Income Access Program (MIAP)

- Two key features... It’s a subordinate loan, which is nowhere else available in the United States. It’s also a portfolio loan: your state’s own authority holds the loan on their balance sheet, meaning they’re in it for the long haul.

Middle-Income Housing Tax Credit (MIHTC)

- Mirrors the Low-Income Housing Tax Credit approach – which helps low-income projects pencil out – to provide a financial resource to support middle-income housing projects (which currently have no such financial incentives).

County Action Ideas

- **Take inventory of your land**, if you haven't already done so. It's a hot commodity for housing, so it's critical information to have. What's infrastructure-ready? What could be annexed for housing projects?
- **Ask your employers what their employees need.** Getting this information from your employers gives you a different perspective than most other tools and surveys.
- **Identify who else can be your public/private partners.** Counties are often the strongest partners, and housing authorities are great partners. But who else is in your community? Who are the housing-related non-profits in your community?
- **Opt into Proposition 123** to ensure access to the funds and open up opportunities in your jurisdiction.
- **Continue the dialogue.** We need all entities engaging to solve these problems, and to do so creatively.
- **Get educated on – and educate others on – housing terminology.** At what AMI level are my firefighters, nurses, teachers, etc.?
- **If possible, have staff inventory what similar communities are doing and why.** Continue those conversations to follow the lessons they've learned. *Alternatively, proactively reach out to CCI staff when you take action in your own community so CCI can generate an inventory.*
- **Talk to other commissioners about what it takes to be a good partner in P3 transactions.** When the county has strong relationships with the developer, it makes a huge difference in equipping developers to do their work.

“Master to PhD”

- **Innovate and educate your contemporaries.** You're a leader in the space; if you don't innovate from what you've since 1980, are you still leading?
- **Move up the bond learning curve.** Talk to a consultant about options or to other commissioners who are experts. A better bond rate requires more risk – it's important to understand what approach makes the most sense for you.

Panelists

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