



To: Mayor and Board of Aldermen
From: Judy Daniel, AICP, Planning Department
Date: February 16, 2021
Subject: 2021 Update – Affordable Housing Commission
2021 Update – Housing Elements Implementation Vision 2037 Master Plan

From May 2019 through February 2020 the committees of the Affordable Housing Commission met to discuss policies and potential actions to address the affordable housing needs in Oxford, as recommended in the Vision 2037 Comprehensive Plan. The first group of recommended actions was sent by the Executive Committee to the Mayor and Board of Aldermen in late December of 2019. In February 2020, those actions were considered by the Mayor and Board of Aldermen at a worksession, and staff was directed to take action on some of those requests, provide more information on some, and defer others for the time being. Before those decisions could be relayed to the members of the Executive Committee, and before staff could take action on them, the Covid crisis began and the work of the Affordable Housing Commission was put on hold. In January of this year, staff was directed to take up this work once again.

Meetings are now scheduled for February 23 and February 24 for the Executive and the Affordable Housing Issues Working Committee. The initial year of work for the Commission should be completed by May or June. Once that task is completed, staff will make recommendations regarding whether there is a need for ongoing efforts through an Affordable Housing Commission on a regular, occasional, or on an as needed basis. One of the items on the agendas for these meetings will be the deferred report of the action decisions of the Mayor and Board of Aldermen from February 2020. As it has been a year since you took those actions, this report summarizes, for your recollection, your decisions at that time.

In addition, a summary update of progress toward the Housing related implementation elements of the Vision 2037 Comprehensive Plan is attached for your review. It has been almost five years since that Plan was adopted by the City in August of 2016. Happily, significant progress can be reported only five years into that 20-year vision. Of the twelve elements, four have already been achieved, there is progress on four more, and the Affordable Housing Commission will be evaluating the final four now that their work is resuming. A full 5 Year update on progress toward the Implementation Goals of that Plan will be presented by the Planning Department in May.

The decisions of the Aldermen regarding the recommendations of the Affordable Housing Commission Executive Committee last year are noted below. Staff will be happy to answer any questions regarding this update.

1. **Zoning Incentives for Senior Housing Development in the TNB and SMF districts.** There was support for moving forward with the request to consider new zoning incentives for Senior Housing Development in the TNB (Traditional Neighborhood Business) and SMF (Suburban Multi-Family) zoning districts. Staff was directed to draft a zoning text amendment to be considered by the Ordinance Review Committee and the Planning Commission.

Comments from the request: There is already a Height bonus for restricted senior housing in TNB and SMF by Special Exception. The request was to allow it as a “Special” use (approvable with staff discretion. The Director’s decision would be appealable to Planning Commission) when at least 50% of the units will be rented or sold as affordable dwelling units for 10 or more years. This provision would be enforced via deed restriction.

2. **Density Bonuses & Use Type Allowances for affordable housing development in five zoning districts: Suburban Multi-Family (SMF), Neighborhood Residential (NR), Traditional Neighborhood Residential (TNR), Suburban Residential (SR), Planned Unit Development (PUD), and Traditional Neighborhood Development (TND).**

SMF: There was support for moving forward with the request to consider new zoning incentives for affordable housing in the SMF (Suburban Multi-Family) district. Staff was directed to draft a zoning text amendment for the SMF district to be considered by the Ordinance Review Committee and the Planning Commission.

NR: The Aldermen were not comfortable with the request for changes to the NR (Neighborhood Residential) district at the time, noting that residential densities were fairly recently increased in several zoning districts including this one when the Land Development Code was updated in 2017. They suggested reconsideration of this request in another one to two years.

TNR: The Aldermen were not comfortable with the request for changes to the NR (Neighborhood Residential) district at the time, noting that this particular neighborhood was created for the sole purpose of preserving older existing neighborhoods when the Land Development Code was updated in 2017. They suggested reconsideration of this request in another one to two years.

SR: There was support for moving forward with this request for changes to modify housing type allowed but not density. Staff was directed to draft a zoning text amendment for the SMF district to be considered by the Ordinance Review Committee and the Planning Commission.

PUD and TND: There was support for moving forward with this request to require an affordable housing component in larger developments in these districts. Staff was directed to draft a zoning text amendment for the SMF district to be considered by the Ordinance Review Committee and the Planning Commission.

Comments from the requests:

Suburban Multi-Family District – The current density standard is 52 bedrooms per acre and 40 feet in height (for multi-family structures). The request would allow (by special exception) up to 60 BR/AC (for units of 3 bedrooms or fewer) if no less than 25% of the dwelling units are rented as affordable units for five or more years. The provision would be applicable to projects rented by the unit only, not for sale and not if to be rented by the bedroom. The restrictions would be via deed restriction. Income qualifications management method needed for the reserved units. Possibly via contract with Oxford Housing Authority.

Neighborhood Residential (NR) District - The current standard is 9 dwellings per acre and a height of 30 feet/ 2 stories, and a minimum lot size of 5,000 sf (10,000 sf for attached structures).

- Detached dwellings permitted by right: Minimum 25%, Max 100% detached.
- Townhomes: 75% permitted by right/100% by special exception
- Attached Dwellings: 75% by right/100% by special exception, but only if considered “affordable”

The request was to allow a density bonus for detached dwellings by special exception from 9 up to 12 DU/Acre, if 25% of dwelling units are affordable, also by special exception.

Traditional Neighborhood Residential (TNR) District - The current zoning standard allows up to 9 dwellings per acre, a height of 30 feet / 2 stories, with a minimum lot size 7,500 sf (15,000 sf for attached structures)

- Detached dwellings All developments of 2-4 structures must have 50% detached dwellings, and all development of over 4 structures must have minimum 25% detached dwellings.
- Development with any attached dwellings requires SE if more than 25% are proposed to be 3BR or any are proposed to be 4BR.

The request was to reduce the restrictions on new attached dwellings in TNR, by Special Exception, when “affordable” units are proposed by reducing the percentage of detached units required.

Suburban Residential District - The current zoning standard allows detached dwellings only, with a density of 6 dwellings per acre, minimum 7,200 sf lot. The request is to allow attached dwellings in new developments of more than 4 homes, but no increase density or change lot size requirement. This provisions would be allowed by special exception only, and on for lots on primary streets.

PUD/TND Districts - The request is to require a 20% affordable housing component for any PUD or TND with a residential component of more than 25 dwellings. This request would only be pertinent for new PUD or TND developments.

3. **Create New Residential Zoning District** – Staff was directed to draft a more complete text of this potential new zoning district, and to return to the Aldermen with that within two months. They felt the need to see more than the conceptual idea.

Comments from the Request: The recommendation was to create a new zoning district: Urban Neighborhood Residential district (10-14 du/ac), with Attached as a Special use (approvable by staff), detached and multi-family by Special Exception. No special affordability requirement. Perhaps as an overlay district adjoining higher density commercial mixed-use districts, or perhaps as a PUD option. The Planning staff to research which option seems the most reasonable for Oxford; details to consider:

- How long should the units have to remain affordable?
- Who would manage the units to ensure continued affordability?
- At what affordability level would they be targeted?
- Should the units in SR and ER be limited to families only, no unrelated persons?
- How to get around the fear of student housing that limits housing for others?

4. **Use of City Owned Land for Public/Private Development.** The Aldermen deferred consideration of this request as a conceptual idea. They noted that they would consider it when they are ready to consider any plans for any such properties; and no such plans are currently under consideration.

Comments from the Request: The recommendation was to request conceptual support from the Board of Aldermen for use of City owned land as a part of a Public/ Private Partnership with a non-profit or for-profit developer for a development that would include a substantial affordable housing component. This would include supporting the concept of site master planning effort for locations such as Riverside before consideration of development.

5. **Create a Housing Trust Fund.** The Aldermen requested more information regarding options for Housing Trust Funds in order to consider what might work best for Oxford. A potential mechanism for creating some funding for a future Housing Trust Fund has already been established in the Affordable Housing Incentives that were adopted in 2019. Staff was directed to do this research and return within two months.

Comments from the Request. The recommendation was for the City commit to some level of funding (through a Housing Trust Fund or other entity) for not for profit entities to build and or purchase and manage housing for the Severely Cost Burdened of our community.



Vision 2037 Implementation Plan
Goals Status – Housing Section (page 120-121)
Update February 2021

Summary: The Vision 2037 Comprehensive Plan, adopted in August 2016, with a twenty-year timeframe, established sixteen implementation strategies for Housing with in three levels of priority. As outlined below, since the adoption of this Comprehensive Plan only five years ago, the City has achieved four of the Priority 1 and 2 goals, made partial progress on four other Priority 1, 2, and 3 goals, and the Affordable Housing Commission is to start evaluating ideas for the remaining four Priority 2 and 3 goals this month.

That is an admirable level of progress not yet five years after the adoption of this long-range comprehensive plan; especially since the work of the Affordable Housing Commission was necessarily suspended for a year due to the Covid crisis. More success is to be expected with the Affordable Housing Commission now resuming its work. A further update will be provided within the upcoming 5 Year Update Report on progress toward all the goals in the Plan.

Priority 1 Actions

1. Create Housing Committee – Intention to align housing policy and desired development outcomes. Intent to have regular and productive committee meetings. (#41/ Manage/ST)

Achieved - Process initiated February 2019, Executive Committee for Housing Commission created April 2019, Public Kickoff Meeting May 2019, Working Committees Created June 2019. Process put on hold March 2020 due to Covid crisis. Process revived January 2021. Committee meetings scheduled for February 2021.

2. Reduce overall multi-family zoned land. Restore tradition a balance in housing development. Reduce acres zoned for multi-family housing. (#43/Policy/ST)

Achieved - The comprehensive rezoning that was adopted concurrently with the new Land Development Code in November 2017 reflects this path. Less land was zoned for purely multi-family housing, more uses are now allowed in a multi-family housing district, and

upper floor and other multi-family housing is encouraged in all mixed-use commercially oriented districts.

3. Identify locations for affordable /senior housing development. Create map of target locations. Initiate dialog with stakeholders such as Housing Authority. (#46/Project/ST)

Achieved Through Alternate Means - *No specific locations have been identified; instead changes in the Land Development Code encourage and incentivize such uses. The use is allowed in most zoning districts, so incentives are needed to encourage such developments rather than location mapping. The Housing Commission is considering such incentives.*

4. Provide density bonus for developments which include affordable housing units or request exceptions. Intent to increase the number of “workforce” housing units. Progress is increased inventory of workforce housing. Need to identify appropriate bonus, and revise development code. (#48/Policy/ ST)

Partially Achieved - *Density bonuses are provided in the revised Land Development Code as a means to encourage housing in this spectrum. The Housing Commission is recommending other options for density bonuses.*

It is noted that “workforce” housing is defined as meeting the housing needs of all who are fully employed, regardless of the level of their income. This goal therefore addresses a very broad spectrum of persons from the working poor (who do not make a living wage) to those earning not quite enough to afford locally available market rate housing. (Defined as the housing needs not being met by local market forces is housing for any who earn 80% or less of the area median income who must pay more than 30% of their income for their housing.)

Unfortunately, there are too many who work, but are not paid a living wage that allows them to pay market rate for decent housing that is in a reasonable proximity to their work. The ability to use transit options to reduce costs may also be limited due to their hours or schedule. The Commission is also considering options to address this need.

Beyond Workforce Housing – *Housing needs for the working poor differ from the housing needs of those who have very limited income and cannot, for a variety of reasons, work or find full time work. For some this is an interim condition, for some an ongoing and permanent situation. Some are homeless, some shelter for limited times with relatives. They cannot find housing (temporarily or permanently) without some form of subsidized assistance. Although housing needs for the severely cost burdened was not specifically included in the Vision 2037 Plan, those needs must also be addressed.*

The Oxford Housing Authority and several local non-profit organizations who are serving on the Affordable Housing Commission are working to address this need. They have proposed options for the Commission to consider that they believe may be feasible for Oxford and Lafayette County.

Priority 2 Actions

1. Consider the need and financing opportunities for infrastructure, parking, and other requirements for workforce housing. Intent to increase the inventory of workforce housing. Need to determine need and feasibility. (#44/Policy/MT)

Being Considered - *The Housing Commission is considering these and other elements that limit the creation of more workforce housing (as defined above) – rental and for sale. One element under special consideration is the status of many student oriented rental apartments, many created to be “rented by the bedroom” that are likely empty this year due to Covid and declining enrollment. Such existing housing might be “repurposed” for use by families if their underlying financing can be modified to allow that change.*

2. Facilitate inclusionary zoning engagement process. Need to determine feasibility and advisability. Intent to increase inventory and advisability. (#45/Project Management/MT)

Being Considered - *The Housing Commission is looking into the potential for this method of affordable housing creation. This concept may or may not be feasible in Mississippi. Inclusionary zoning is most often successful in active housing markets with high demand, and for attached or detached dwellings in mixed-use and mixed-income developments. It also requires long term management and oversight of the units created to ensure their affordability over a long time frame.*

3. Designate overlay districts for age restricted (55+) senior adult communities, including co-housing and mixed-use housing and affordable units. (#47/Policy/ST)

Alternatively Achieved – *The revised Land Development Code has taken a different approach to encouraging senior housing, designating senior age restricted housing as a use allowed by Special Exception in multiple zoning districts. But mixed-use housing is strongly encouraged.*

Also, The City has adopted a height bonus option for senior age restricted housing. The Housing Commission is looking into other types and aspects of senior housing needs. Currently co-housing is not allowed, and affordable (for those who cannot afford market rate housing) is limited.

4. Establish a Housing Trust Fund. Capital to be used for construction of workforce housing. Goal to increase inventory of workforce housing. Need to facilitate discussions with developers, City, County, and University. (#49/Project Management/MT)

Limited Progress - *The Housing Commission is looking into what would be required to establish a Housing Trust Fund, how it would be funded, and how it would be managed.*

These are commonly used in other parts of the country. The city housing incentives have already established one means to fund such a fund, related to the adopted Affordable Housing Incentives. Such a fund may work well if combined with a Land Banking effort.

5. Link regional transit with affordable neighborhoods and mixed-use nodes. Increase transit access to workforce housing. Need to evaluate existing linkages and transit stops. (#50/Policy/LT)

Being Evaluated - *The Housing Commission is looking into how transit options such as shuttle busses, ride sharing, park and ride lots, and extended bus routes could be used to increase transit options between outlying communities in the greater Oxford / Lafayette County region. Further conversations with OUT Transit are anticipated.*

6. Promote increased private lending for workforce housing. Create a private loan pool for workforce housing. Establish purposed capital resources. Facilitate discussions with banks and City regarding a loan pool. Involve University, OLCC. (#51/Project Management/MT)

To Be Considered - *The Housing Commission will look into these types of innovative housing financing options for developers and potential purchasers. Major questions will be how elements such as a private loan pool would be funded, how designated capital resources would be found, and a management system for distribution of such funds.*

7. Provide development incentives for the creation of workforce housing to provide greater housing affordability. Goal to increase the number of units qualifying as affordable according the definition used in this Plan. Need to decide which incentives will work in Oxford, and incorporate incentives into city policies. (#52/Project Management/ST)

Partially Achieved - *The City of Oxford has already adopted are range of incentives that have been granted to three affordable housing developments approved in 2018 and 2019 (See Affordable Housing Ordinance – City of Oxford). The Housing Commission is looking into other incentives to provide more affordable housing options along the spectrum of what is needed for those who work but cannot afford market rate housing. Different types of incentives are being considered.*

Priority 3 Actions

Focus student housing in mixed-use nodes especial in the more urban place type categories. These locations are walkable or with transit access to goods and services. (#42/Policy/Ongoing)

Partially Achieved - *The Land Development Code adopted in November 2017 already reflects this policy by encouraging and incentivizing multi-story mixed-use development in all the urban place type categories. The Housing Commission will look into how to incentivize the use of these areas for new student-oriented housing.*