

Tompkins County Industrial Development Agency

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Housing Committee Meeting Minutes 7/1/19 @ TCAD @ 2pm

Present: Laura Lewis, Martha Robertson, John Guttridge, Nels Bohn, Joe Bowes, Seph Murtagh, Jennifer Kuszniir and Heather McDaniel

The committee acknowledged receipt of links to the housing sections of the County and City comprehensive plans and the County's housing needs assessment as well as a copy of the pros and cons to requiring a unit set aside of affordable units vs. a mandatory payment into a fund to support affordable housing projects.

Nels referenced the State Comptroller's report on housing affordability. At the county level, 55% of renters are paying over 30% of their income on housing. This is significant.

The Committee discussed the pros and cons of the IDA requiring a percentage of affordable housing units set aside: The County's Community Housing Development Fund (CHDF) already exists and could be a vehicle for funds to support affordable units. It has been able to leverage 97% of other funds. The IDA requiring a set aside of affordable units in each project doesn't leverage any other subsidy. If the money goes into the community-housing fund, it has criteria already set up and the affordability period with the CHDF fund is 49 years (longer than what the IDA could require with the affordable unit set aside).

There was discussion around who could offer compliance on the affordable units set asides required by the IDA. The IDA staff do not specialize in affordable housing, it is complicated, and time consuming. The IURA or another agency might be able to do it, for a fee.

The identified 'con' with the payment into a housing fund is that there would not be a mix of income units within IDA projects. However, there was agreement that there is currently a pretty good distribution of affordable housing units throughout the City.

It would be helpful to have a new source of funds to support more affordable housing development. Currently, the CHDF is projecting 15 projects asking for \$2.5 million in funding over the next three years and there is only \$1.2 million available. The CHDF may also have the ability to support condominium and single family for sale units that are needed in the market and the IDA legally cannot support.

There was discussion around land values and how the IDA abatement increases values.

Would requiring an upfront payment into an affordable housing fund impact the ability of projects to move forward? Could the payment be required either at closing, or a percentage at closing and then a set annual payment each year for two or three years to spread out the cost to the developer?

The policy should give an option of paying into a fund or providing a percentage of units set aside.

Action – draft a policy that incorporates feedback from this and the April committee discussion, review the policy at the committee level, and then solicit feedback from developers.