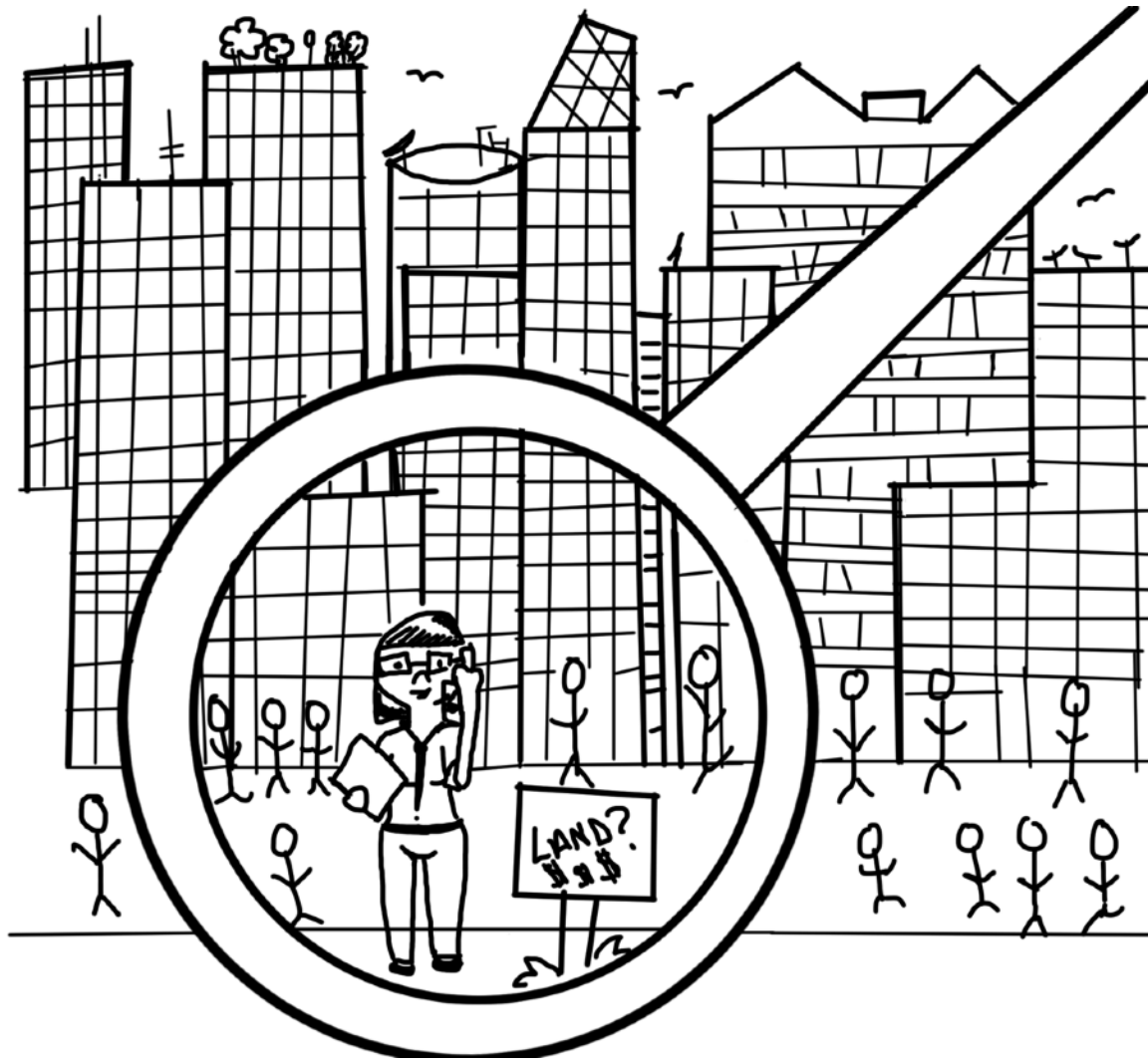


10_(ish) Steps to Make Affordable Housing

by East Bay for Everyone



@eb4everyone



Step One: Find a Developer

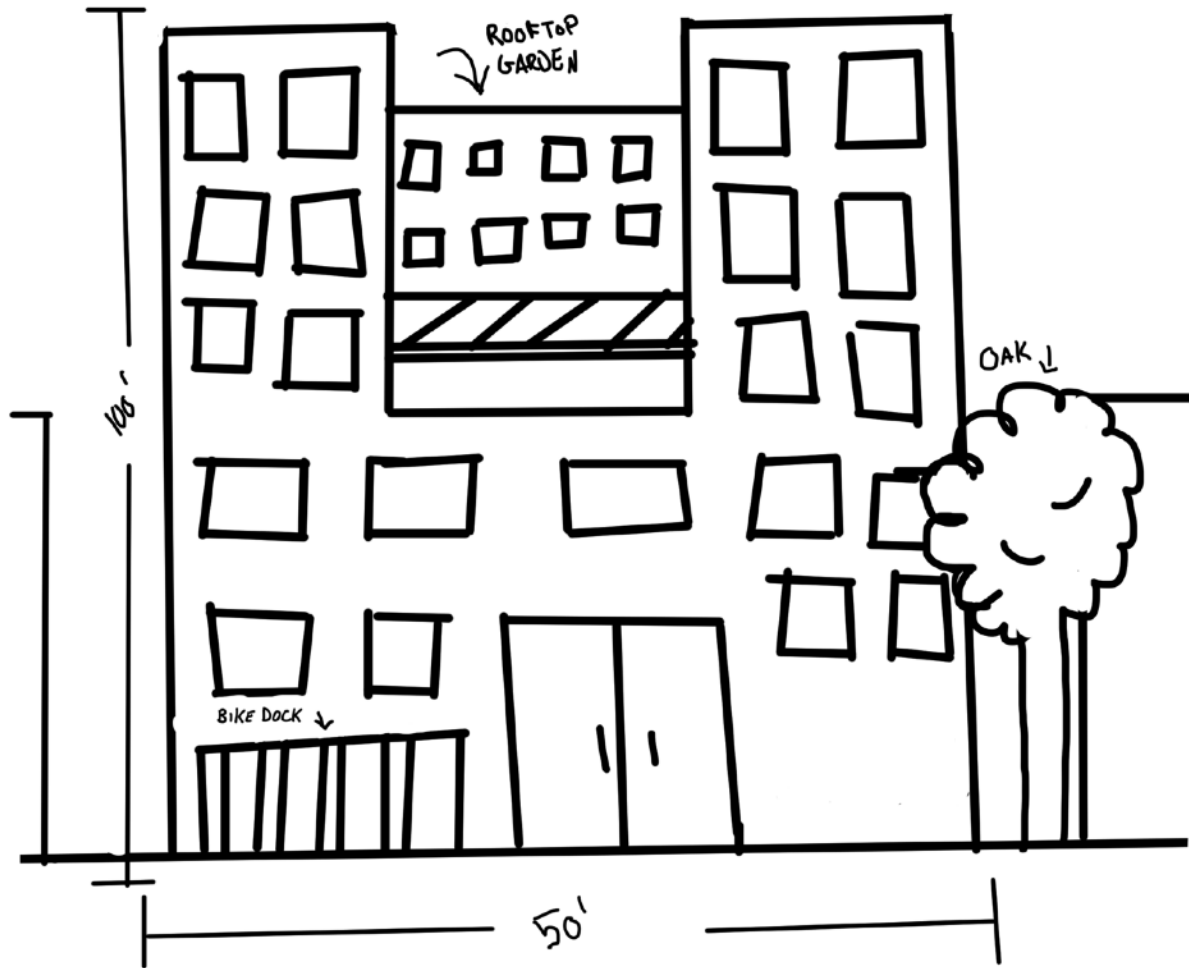
The housing developer acts as the manager for the development process, taking the project from start to end. They don't actually do any construction themselves, but rather organize the process, secure finances, and hire the needed experts to take the project from an idea to a home. Developers can be non-profit organizations as well as private companies.



Step Two: Buy the Land

Once we have a developer, we need to find land on which to build the homes, and make sure that the land we find fits (mostly) within the zoning we need and the budget we have.

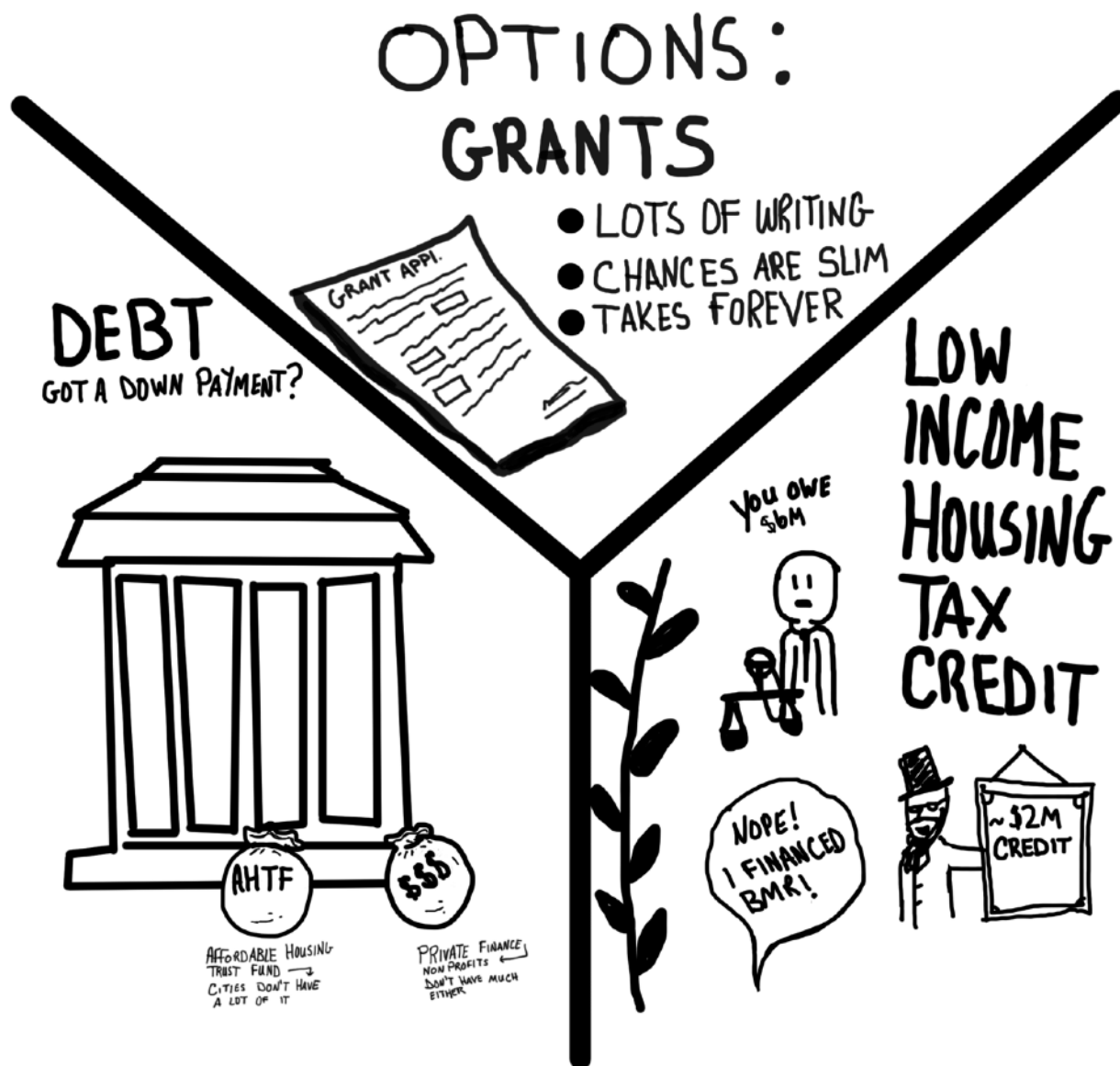
Sometimes we're able to buy the land outright, and sometimes we end up leasing public land from the city. It's generally uncommon (but possible) to lease the land from a private owner.



Step Three: Draw Up Plans

This is the part where we actually design the building. The plans will be managed by the housing developer, and worked on by engineers and architects.

The designs cover not only the architecture of the building, but also include decisions about construction materials, making sure the designs follow building code and zoning regulations, and figuring out how much money it'll take to build the project. If done poorly or improperly, the plans could prevent the housing from being built.



Step Four: Secure Financing

Once we have our plans in place and know roughly what it'll cost to build the homes, we have to secure the financing for it. For affordable housing projects, this can come from several different sources including: Low Income Housing Tax Credits, the local Affordable Housing Trust Fund, Debt Leveraging, and sometimes Grants.* The cost of the project might grow as it gets built (in the event of unplanned setbacks), so it is good to have some buffer money so that the construction doesn't stop if that happens.

* See Appendix for definitions

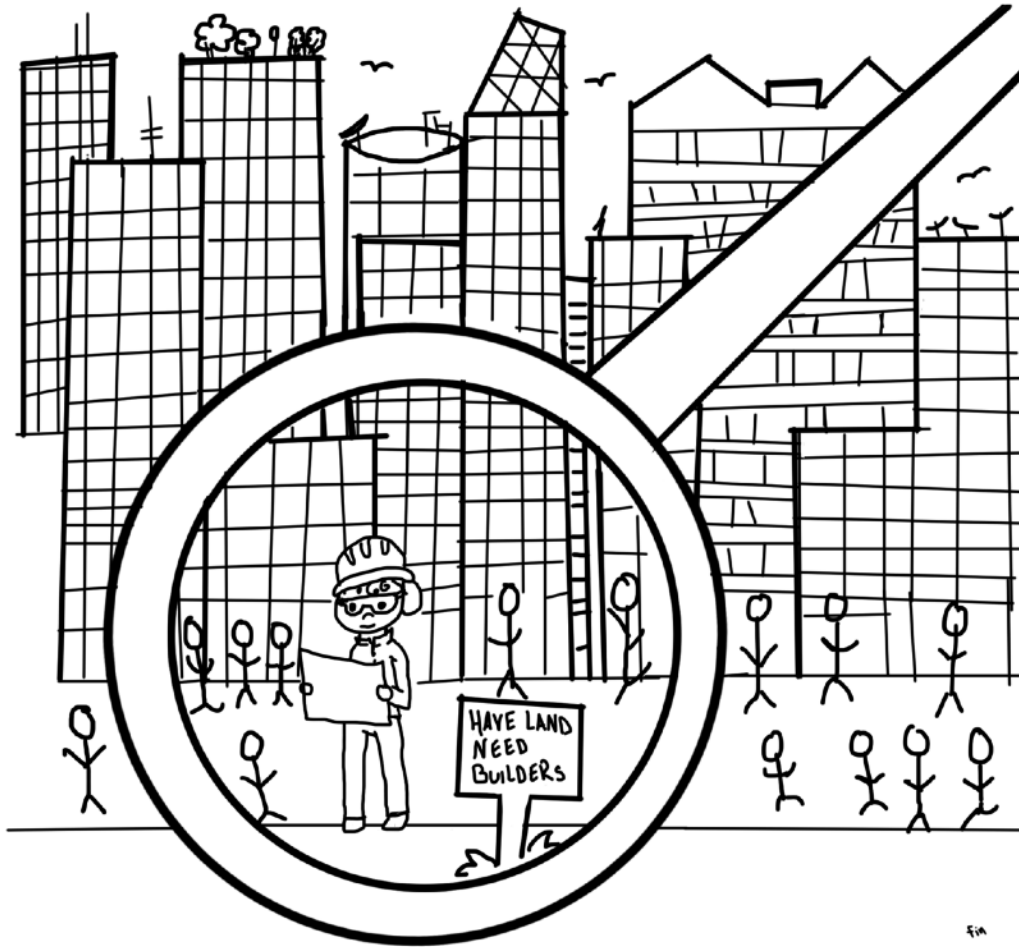


Step Five: Planning Department Approval

Before we can start hiring people to construct our plans, we need to get approval from the Planning Department. This can happen in several different ways:

1. By Right - the plans can be automatically approved if they comply with local zoning or building regulations
2. Public Hearing - the plans have to go through a public hearing (which is open to public comment), after which it goes to the Planning Commission and they vote on it.
 - a. No matter how the Planning Commission votes, their decision can be appealed (by people for or against the proposal), sending the plans from the Planning Committee to the City Council.
 - b. If we get a no vote and need to appeal, we might need to change our building plans. The City Council reviews and votes only on the appeal, not the original plans.

So we get approval through By Right or by getting a yes vote from either the Planning Commission or the City Council.

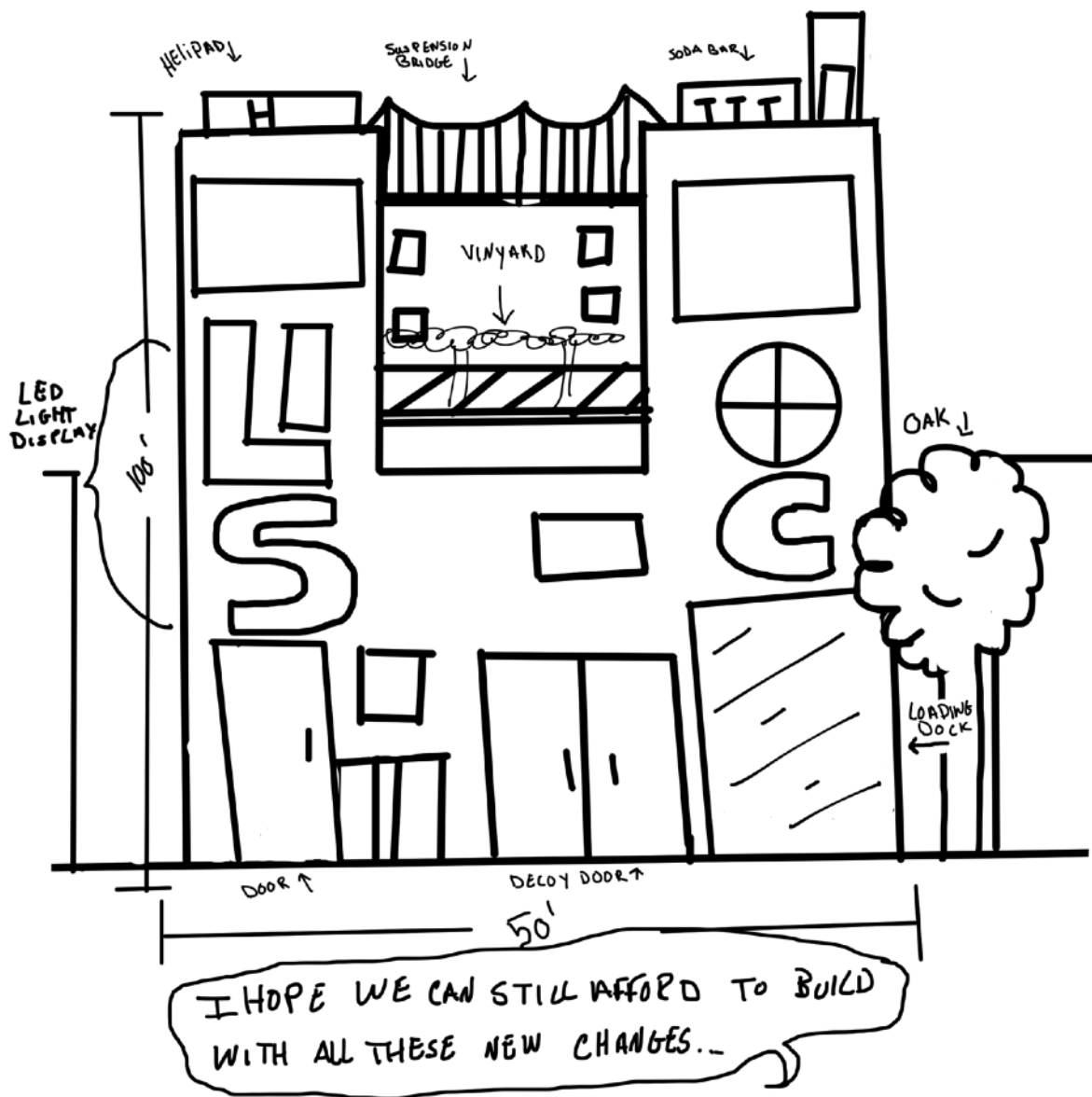


Step Six: Find a Contractor

We now have approval to start building, so we start looking for a contractor. While our developer is the manager for the whole project, our contractor will be the manager of just the construction site.

Contractors are responsible for the overall coordination of the project, including hiring the people to do the actual building, making sure the quality of the construction meets expectations, and making sure everything stays safe.

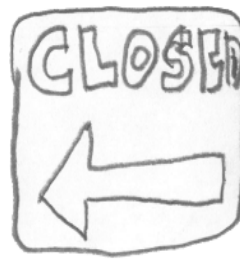
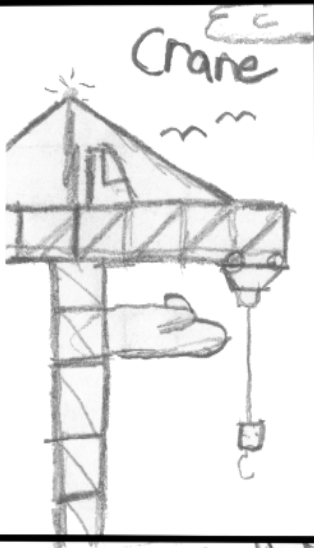
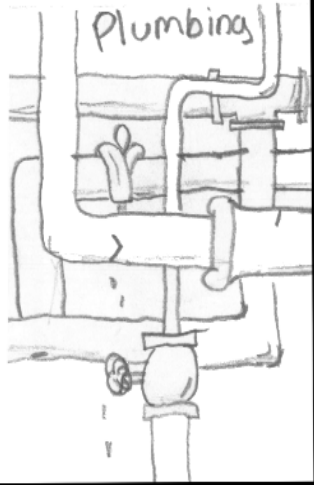
Some of the people the contractor might hire are: steelworkers, ironworkers, carpenters, electricians, painters, roofers, plumbers, masons, and equipment operators.



Step Seven: Hope Financing Remains in Place

We bought our land, have our finalized plans, and figured out how much it'll cost to build everything (including hiring everyone and the cost of materials). We now have to revisit our financing to see if we still have enough money to build the project.

If we don't have enough money, we either have to figure out how to raise some more, make changes, or abandon the project.



Sidewalk
closure

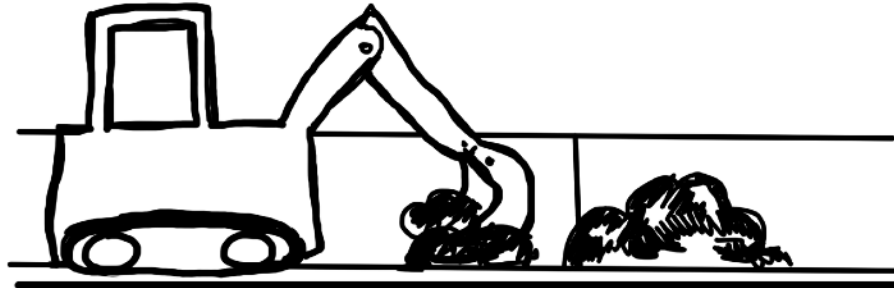


Step Eight: Pull Building Permits

Now that we're ready to build, we have to go to the Building Department to start pulling permits. Permits cost money to be reviewed and approved, as most building departments aren't funded by taxes, but rather by permit fees.

We'll need permits for safety on the construction site, and for anything that could affect people around the construction site. These include permits for: removing a tree, closing a street, restricting parking near your site, demolishing whatever was there, changing the slope of your land, building a basement, etc. We will also need a public right-of-way permit for anything that could block the public right of way, or anything that goes beyond our property line while building.

Step 1: Break Ground



Step 2:
Concrete and Foundation



Step 3:
Make a Good Building

- * No Lead Paint!
- * No Asbestos
- * Earthquake safe!



THEY'RE ALL
GOOD BUILDINGS.
BRONT!



Step Nine: Start Building!

We're finally ready to actually start building! We've pulled together financing, resources, and got the appropriate permits to start digging dirt, pouring concrete, and finally constructing our beautiful new building.

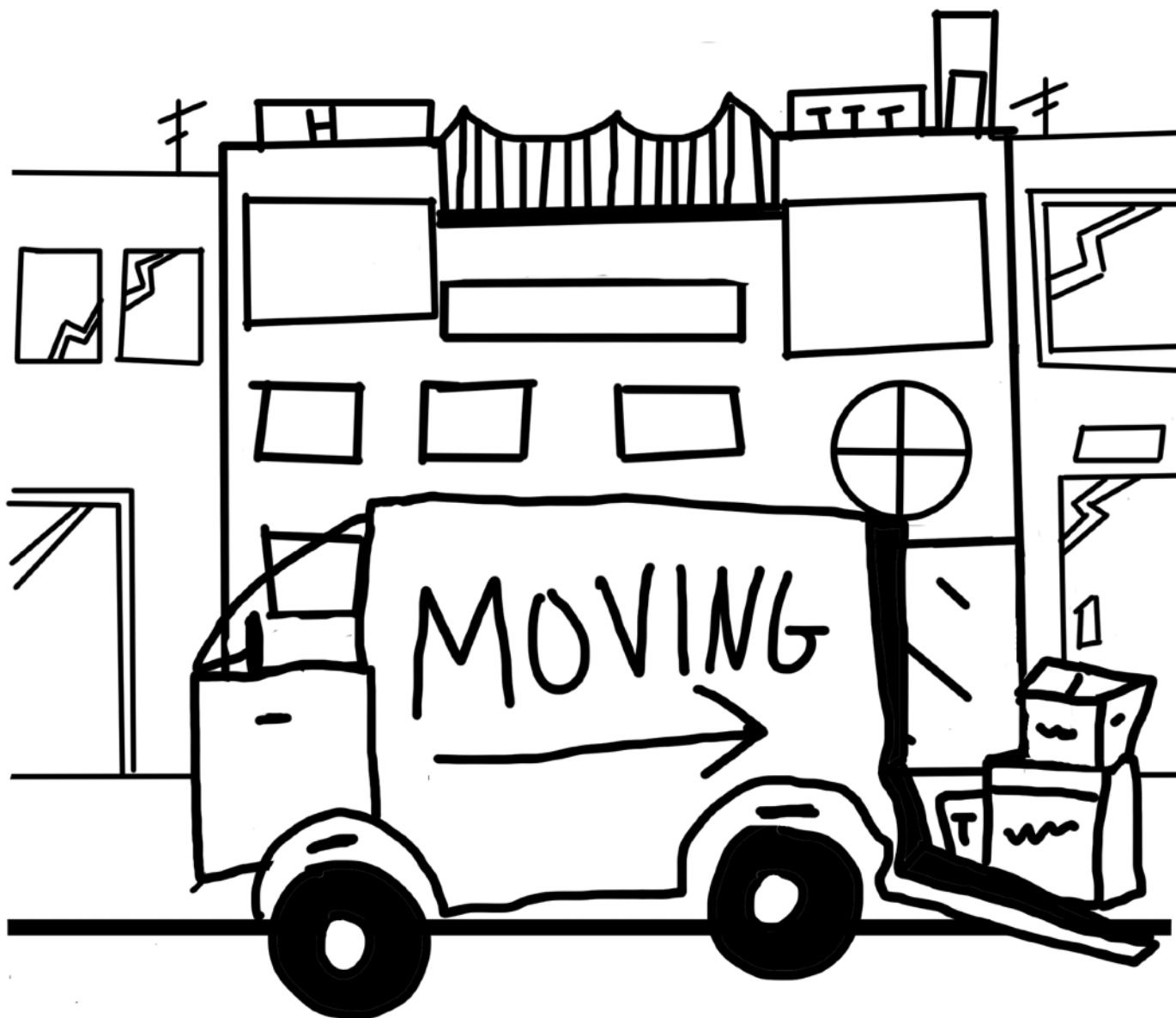
In practice, we don't simply double-check our finances, get all our permits, and then build the entire building. Instead, we repeat these three steps throughout our construction until we've finished building.



Step Ten: Get the Final Inspection and Occupancy Permits!

Once we've finished building, we're just about done! All that's left to do is file for the Occupancy Permit, and have an inspector from the city come out to our site and assess everything.

The Occupancy Permit is a document certifying that our new building complies with building regulations, zoning laws, and is in a condition suitable for occupancy. Once we have the Occupancy Permit, the only thing left to do is have people move in! For many affordable housing developments this is done by lottery. People submit applications and are chosen at random.



Hurray! Housing was built!

This is an extremely simplified version of the process that makes room for new people to live in our city. For information about what some of the acronyms mean or where to learn more, check out the appendix or visit eastbayforeveryone.org/resources!

Appendix

- Low Income Housing Tax Credits (LIHTC - pronounced “lie-tech”) are dollar-for-dollar tax credits for affordable housing investments. This means that the full amount the taxpayer invests in affordable housing then reduces their income tax (not taxable income) by the same amount. Roughly 90% of all affordable housing built in the United States today is from LIHTC.
- Affordable Housing Trust Funds (HTFs) are established sources of money for affordable housing and related costs, as established by the local, county, state, or federal national government. Generally HTFs have established sources of income, rather than being simply included as part of the budget.
- Debt Leveraging is the practice of using borrowed money to borrow more money. You can use some starting money as a down payment for a loan, then use the money from the first loan as another down payment to take out a much larger loan.
- Grants are sums of money given by organizations to individuals or other organizations for a particular purpose, meaning the money is required to be spent only for that purpose. Grant money for affordable housing typically comes from the government:

https://en.wikipedia.org/wiki/Low-Income_Housing_Tax_Credit

<https://housingtrustfundproject.org/our-project/about/>

<https://betterexplained.com/articles/understanding-debt-risk-and-leverage/>

[https://en.wikipedia.org/wiki/Leverage_\(finance\)](https://en.wikipedia.org/wiki/Leverage_(finance))

