FINANCIAL READINESS ASSESSMENT

The purpose of this Housing Assessment is to evaluate whether a community has the financial tools, policies, and partnerships necessary to encourage housing investment. While local governments cannot control interest rates or construction costs, they can influence the financial feasibility of housing through local policies, strategic investments, and public-private partnerships.

UNDERSTANDING LOCAL DEVELOPMENT ECONOMICS

Questions

Has the community evaluated the approximate cost of building new housing in the local market?

- ☐ Yes
- ☐ Partially
- ☐ No

Has the community discussed with local builders or developers the primary financial barriers to new housing?

- ☐ Frequently
- ☐ Occasionally
- ☐ Never

Does the community understand which housing types are financially difficult to build without public assistance?

- ☐ Yes
- ☐ Somewhat
- ☐ No

How does your community stack up here?

Ranking	Level of Understanding
Strong Understanding	The community regularly engages with the development community and understands local market conditions.
Moderate Understanding	Some understanding exists but is informal or outdated.
Opportunity for More Learning	Financial feasibility has not been evaluated.

Local Financial Tools

Does the community currently utilize:

Tool	Yes	No	Considering
Tax Increment Financing (TIF)	☐	☐	☐
Business Districts	☐	☐	☐
Enterprise Zones	☐	☐	☐
Special Service Areas	☐	☐	☐
Local revolving loan funds	☐	☐	☐
Down payment assistance	☐	☐	☐
Housing trust fund	☐	☐	☐

Which tools have been used to support housing within the last five years?

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Development Cost Policies

Reducing unnecessary costs can be just as important as creating new subsidies. To that end, has the community recently reviewed its:

- Impact fees?
- Permit fees?
- Utility connection fees?
- Inspection fees?
- Park contributions?
- Other development-related charges?

For each:

☐ Reviewed within five years

☐ Reviewed more than five years ago

☐ Never reviewed

Are fee reductions, waivers, or deferrals available for targeted housing projects?

☐ Yes

☐ Sometimes

☐ No

Partnerships & Funding

Few housing developments are financed by a single entity. Successful communities cultivate relationships with public agencies, private lenders, employers, nonprofit organizations, and the development community to identify funding opportunities and leverage available resources. This section evaluates the strength of those partnerships.

In relation to (non-low-income housing), does the community regularly coordinate with:

Partner	Yes	Occasionally	No
County government	☐	☐	☐
State agencies	☐	☐	☐
Regional planning organizations	☐	☐	☐
Housing nonprofits	☐	☐	☐
Local lenders	☐	☐	☐
Developers	☐	☐	☐
Employers	☐	☐	☐

Has the community pursued housing-related grants (for non-low-income housing) within the last five years?

☐ Yes

☑ No

Financial Strategy

Communities that successfully expand housing opportunities typically have a clear strategy for aligning public investments, local policies, and redevelopment priorities with their housing goals. This section evaluates whether the community is intentionally using its financial resources to support future housing opportunities.

For these questions, the focus is, in particular, on non-low-income housing.

Does the community...	Yes	No
Have a housing investment strategy?	☐	☐
Have a capital improvement plan (does it prioritize investments in future housing)?	☐	☐
Identify priority housing investment areas?	☐	☐

Known Financial Barriers

What are the three biggest financial barriers to housing development?

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Thinking of those financial barriers, how would you classify them:

- ☐ High development costs
- ☐ Infrastructure costs
- ☐ Financing availability
- ☐ Local fees
- ☐ Regulatory costs
- ☐ Market conditions
- ☐ Lack of public funding
- ☐ Land costs
- ☐ Other

Community Investment Priorities

If additional financial resources became available, which of the following would have the greatest impact on expanding housing opportunities in your community?

- ☐ Infrastructure improvements
- ☐ Redevelopment assistance
- ☐ Land acquisition
- ☐ Brownfield remediation
- ☐ Fee reductions or waivers
- ☐ Utility extensions
- ☐ Affordable housing incentives
- ☐ Downtown housing
- ☐ Transit-oriented development
- ☐ Other: ______________________

Key Takeaways

After completing this assessment, identify the three most important observations about your community.