Governor

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DEPARTMENT OF BUSINESS AND INDUSTRY

HOUSING DIVISION

Reporting Guidance Update - NRS 278.237

January 30, 2025

Background

In 2024, jurisdictions required to include a housing element in their master plan—as specified within <u>NRS 278.150</u>—completed the first submissions of new reporting on additional housing progress to the Nevada Housing Division, pursuant to <u>NRS 278.237</u>. These reports highlight crucial information on housing needs, plans, and progress by jurisdictions as well as provide detailed insights on metrics such as housing need by income levels and total vacant acres of land suitable for housing development. Informed by feedback following this initial round of reporting, the Housing Division has developed updated guidance to further support jurisdictions in their 2025 reporting.

The following guidance provides additional structure to refine the information included within Data and Narrative Submissions as well as highlights areas where the Housing Division can offer additional support to jurisdictions. The Division suggests the following recommendations:

- The Housing Division shall complete the Data Submissions for Subsections (A), (B), and (C) as well as the Narrative Submission for (B), and send these items to the jurisdiction for review, validation, and revision prior to submission finalization;
- A consultant, with support from the Division and in coordination with the jurisdiction, shall complete the Data and Narrative Submissions for Subsections (D) and (F);
- Jurisdictions shall complete the Narrative Submissions for Subsections (A), (E), (G), and (H).

For questions or concerns regarding this guidance, please contact the Housing Division Economist at <u>jhendricks@housing.nv.gov</u>.

Reporting Guidance

(A) An inventory of housing conditions and needs, and plans and procedures for improving housing standards and providing adequate housing to individuals and families in the community, regardless of income level.

Data Submission

The Housing Division shall compile an inventory of housing problems reported by owners and renters for all income brackets referencing the following methodology:

- Source: U.S. Department of Housing and Urban Development (HUD)
- **Dataset:** Comprehensive Housing Affordability Strategy (CHAS)
- Year: Most recent period based on American Community Survey (ACS) 5-year estimates (for 2025 reporting, 2017-2021 reporting period)
- Income Levels: HUD Area Median Family Income (HAMFI) brackets
 - < 30% HAMFI
 - $\circ \quad 30\% \; HAMFI < 50\% \; HAMFI$
 - 50% HAMFI < 80% HAMFI
 - 80% HAMFI < 100% HAMFI
 - >100% HAMFI
- Household Types: Owners, renters, and total
- Type of Housing Problem:
 - No problems
 - o Burden not calculated, no other problem
 - Lack of full kitchen and/or plumbing
 - Crowded but has full kitchen and plumbing
 - o Severely crowded but has full kitchen and plumbing
 - o Full kitchen and plumbing, not crowded but cost burdened
 - Full kitchen and plumbing, not crowded but severely cost burdened

Additional References:

- CHAS Background: <u>https://www.huduser.gov/portal/datasets/cp/CHAS/bg_chas.html</u>
- Examples of How CHAS Data Could Be Used: https://www.huduser.gov/portal/datasets/cp/chas/InterestingTables.pdf
- NHD brief, Overcrowding and Other Problems in Nevada Rental Housing: <u>https://housing.nv.gov/uploadedFiles/housingnewnvgov/Content/Programs/HDB/HDB22</u> <u>40vercrowdingInNevadaHousing20200903.pdf</u>

The Housing Division shall submit the inventory to the jurisdiction by May 15 for review, and the jurisdiction shall submit any feedback to the Division by June 15 to allow for revisions prior

to submission finalization by July 15. Feedback may include, but is not limited to, results from surveys, reports, or other related efforts which identify the prevalence of such housing problems.

Narrative Submission

The jurisdiction shall compile a summary of previous, ongoing, and future initiatives to address specified housing problems. Please include a description of each initiative as well as an update on the status of any completed progress. For reference, initiatives may be categorized as follows:

Initiatives to Address: Lack of Full Kitchen And/or Plumbing

- Funding rehabilitation assistance
- Updating code enforcement policies and programs

Initiatives to Address: Crowding and Cost Burden

- Incentivizing the development of affordable housing
 - Density bonuses, tax abatements, deferred developer fees, etc.
- Developing affordable housing at targeted income levels
- Preserving existing affordable housing

(B) An inventory of existing affordable housing in the community, including, without limitation, housing that is available to rent or own, housing that is subsidized either directly or indirectly by this State, an agency or political subdivision of this State, or the Federal Government or an agency of the Federal Government, and housing that is accessible to persons with disabilities.

Data Submission

The Housing Division shall compile an inventory of existing affordable housing projects funded with support from federal, state, and county resources, referencing the following methodology:

- Project Name
- **Project Location:** City or town
- Total Number of Affordable Units
- Total Number of Affordable Unit Set-Asides for Special Populations:
 - Persons with disabilities
 - o Seniors

Narrative Submission

• The Housing Division shall prepare a summary of existing unit accessibility features for special populations.

Additional References:

• State of Hawaii Affordable Housing Inventory, 2025: <u>https://dbedt.hawaii.gov/hhfdc/files/2025/01/Affordable-Housing-Inventory-01-15-2025.pdf</u>

The Division shall submit the inventory and summary to the jurisdiction by May 15 for review, and the jurisdiction shall submit any feedback to the Division by June 15 to allow for revisions prior to submission finalization by July 15. Feedback may include, but is not limited to, validation of inventory data via reference to jurisdictional datasets.

(C) An analysis of projected growth and the demographic characteristics of the community.

Data Submission

The Housing Division shall compile a summary of prior population estimates and upcoming population projections by demographic attribute, referencing the following methodology:

- Source: <u>Nevada State Demographer</u>
- **Dataset:** Nevada County Age, Sex, Race and Hispanic Origin Estimates and Projections for the most recent reporting year*
 - Summary of Population Estimates by Demographic Attribute:
 - Selected cohorts
 - Sex
 - Race and ethnicity
 - Years: Previous 10 years (for 2025 reporting, 2014-2024)
 - Summary of Growth Projections by Demographic Attribute:
 - Selected cohorts
 - Sex
 - Race and Ethnicity
 - Years: Upcoming 10 years (for 2025 reporting, years 2025-2035)

The Division shall submit the inventory to the jurisdiction by May 15 for review, and the jurisdiction shall submit any feedback to the Division by June 15 to allow for revisions prior to submission finalization by July 15. Feedback may include, but is not limited to, results from surveys, reports, or other efforts which summarize demographic characteristics.

*Most recent available data, at time of writing: <u>"Estimates from 2000 to 2023 and Projections</u> from 2024 to 2043"

(D) A determination of the present and prospective need for affordable housing in the community.

Data/Narrative Submission

The consultant shall refer to the methodology outlined on PDF page 34 of the Housing Division's <u>2024 "Additional Reporting on Housing Progress and Plans"</u> to complete their submission.

(E) An analysis of any impediments to the development of affordable housing and the development of policies to mitigate those impediments.

Narrative Submission

The jurisdiction shall prepare a summary which identifies prominent impediments to the development of affordable housing and highlights previous, ongoing, and future initiatives to mitigate those impediments. Please include a description of each initiative as well as a status update summarizing completed progress. For reference, the following impediments are identified in recent housing planning documents in the State:

Clark County Regional Analysis of Impediments to Fair Housing, 2020

- Lack of knowledge of fair housing related laws and fair housing resources exists among the general public and housing providers.
- Economic barriers due to limited supply of adequate and accessible affordable housing especially affect protected classes.
- Subprime lending is on the rise and protected classes are more likely to secure subprime loans.
- Lack of access to transportation options reduces housing and economic opportunities.

Washoe County Master Plan: Housing Element (2020)

- Land use controls may limit the density of development, thus increasing the cost of housing per unit.
- Developments which require special use permits (SUPs) may limit the flexibility required to promote affordable housing development.
- The cost and time involved in development reviews can be a constraint to affordable housing development.
- The cost of raw, developable land creates a direct impact on the cost for a new home and may be a development constraint.
- Increased construction costs have the potential to constrain new housing construction and rehabilitation of existing housing.

Additional References:

• 2023 Consolidated Annual Performance Evaluation Report (CAPER), State of Nevada (p.30):

https://housing.nv.gov/uploadedFiles/housingnewnvgov/Content/Resources/Meetings/202 4/2023DraftCAPERwExecSummaryFinal20240827.pdf

(F) An analysis of the characteristics of the land that is suitable for residential development. The analysis must include, without limitation:

- i. A determination of whether the existing infrastructure is sufficient to sustain the current needs and projected growth of the community; and
- ii. An inventory of available parcels that are suitable for residential development and any zoning, environmental, and other land use planning restrictions that affect such parcels.

Data/Narrative Submission

The consultant shall refer to the methodology outlined on PDF page 50 of the Housing Division's <u>2024 "Additional Reporting on Housing Progress and Plans"</u> to complete their submission. The methodology should be updated by the consultant to address the following considerations, as is feasible with available datasets and tools:

- Density zoning of identified suitable lands, to provide insights on the potential number of lots and/or units that could be developed from such land;
- The capacity of existing infrastructure to support the development of housing, noting:
 - Infrastructure limitations, with special attention given to identifying public drainage facility deficiencies in developable areas;
 - Plans for future infrastructure development; and
 - Estimated costs that developers may bear to establish infrastructure in areas suitable for housing.
- The potential impact of zoning restrictions in commercial areas on the development of residential units.

Additional Notes:

Please ensure that maps of suitable lands are included within the submission, as is feasible, and are visually accessible to the reader. Include close-ups and/or breakouts of maps into multiple images where needed.

(G) An analysis of the needs and appropriate methods for the construction of affordable housing or the conversion or rehabilitation of existing housing to affordable housing.

Narrative Submission

The jurisdiction shall prepare a summary which identifies prominent needs for the construction, conversion, or rehabilitation of affordable housing and highlights previous, ongoing, and future utilization of appropriate methods to address those needs. Please include a description of each method as well as a status update summarizing completed progress. For reference, the following needs and methods are identified in recent housing planning documents in the State:

Washoe County Master Plan: Housing Element (2020)

The following methods may support the construction of affordable housing:

- Granting developers of real property permission to build at a greater density than would otherwise be allowed under the master plan, in exchange for an agreement by the developer to perform certain socially desirable functions (such as developing an area to include a certain proportion of affordable housing).
- Utilizing visual simulation technologies to depict a variety of available residential development tools, including increased densities and opportunities for mixed-used and cluster developments.
- Developing programs which allow for flexible land use regulation standards that offer incentives to encourage developers to provide affordable housing units; incentives of such programs may include deferred developer fees for affordable housing projects, reduced parking requirements, density bonuses, priority processing status for developments that will be affordable to households learning less than 120% AMI, and technical assistance for the development of affordable housing units.
- Incentivizing the development of affordable housing along secondary transit-oriented development (TOD) corridors through a variety of programs, including a mixed-income policy for residential development to create affordable housing units and incentives such as parking requirement waivers or property tax abatements.
- Promoting the development of affordable housing near services, transportation routes, schools, jobs, and child care through the establishment of mixed-used districts and higher density areas.
- Lifting the special use permit requirement for accessory dwelling units.

Additional Notes

As is feasible with available datasets and tools, the submission should highlight any ongoing or planned initiatives to address the following construction and land use considerations:

- Measures to ensure the efficient processing of land use and building permit applications and timely reporting on the status of such applications;
- Changes in zoning to allow for higher-density housing developments; and
- Jurisdictional involvement in the development of a federal lands bill.

(H) A plan for maintaining and developing affordable housing and market rate housing to meet the housing needs of the community for a period of at least 5 years.

Narrative Submission

The jurisdiction shall prepare a summary of key details related to the maintenance and development of affordable and market rate housing. The summary should refer to goals, action items, and timelines included in recent housing planning documents, such as Housing Elements within Master Plans, Annual Action Plans, Consolidated Plans, and so forth. Please provide an update on the status of previous or ongoing initiatives as well as estimated timelines for upcoming initiatives. Key details highlighted in the summary may include the following:

- Total number of housing units in development
- Total number of housing units being rehabilitated
- Different types of housing units in progress (multifamily, single family, etc.)
- Affordable housing programs (housing voucher programs, down payment assistance, etc.)
- Funding allocations for housing projects and programs
- Target populations served by housing developments, rehabilitations, and related programs (seniors, veterans, etc.)
- Efforts to address additional needs in the development and maintenance of housing (infrastructure, utilities, transportation, land use/zoning, etc.)