

## **Chapter 5: Fair Housing and Barriers to Affordable Housing**

Constraints to the provision of adequate and affordable housing are posed by market, governmental, and infrastructure and environmental factors. These constraints may result in housing that is not affordable to low and moderate-income households, or may render residential construction economically infeasible for developers. Constraints to housing production significantly impact households with low and moderate incomes and special needs.

### **Potential Governmental Constraints:**

#### **Residential Zoning:**

The City's Zoning Ordinance, which controls zoning classifications for residential subdivisions and developments, allows for a range of densities from about 1 unit per acre to about 16 units per acre. Most of the remaining residential land available for development is zoned for single family residential housing and some low density Residential R-2 districts. Within the existing R-2 Districts, Jonesboro allows apartments, duplexes, tri-plexes or four-plexes, and single-lot single-family housing. The only restriction is that in some small-lot, single-family housing is not allowed because of noise or other environmental considerations, and in some areas, it is discouraged because it does not blend with the surrounding higher density development.

Other housing types include manufactured housing units which are permitted as residential design with general requirements such as age, construction and size parameters as a conditional use in most single family districts. Single wide and standard units are permitted in the RM-H Mobile home community district or the agricultural district. Manufactured housing continues to be one source of affordable housing, while the new city Zoning Code has provided for more affordable housing by allowing for relaxed lot standards; smaller lots with reduced setbacks (RS-8 Single Family District). This district allows reduced 15 ft. setbacks in front and back yards as well as 7.5 ft. side setbacks with a lot as small as, 5,445 square feet at 50 ft. in width.

#### **Parking Requirements:**

The City of Jonesboro Zoning Code requires 2 parking spaces per single family or duplex dwelling units. The multi-family parking space requirement is 1.25 spaces per efficiency unit; 1.75 spaces per one-bedroom apartment; 2.25 spaces per two-bedroom unit; and 3 spaces per three-bedroom and larger units.

#### **Housing for Disabled Persons:**

The City is currently undertaking its Comprehensive Land Use Plan study which will review Jonesboro's zoning laws and permits for fair housing in Craighead County. This study will be released in approximately one year which will make certain that city codes are in compliance with State fair housing standards.

#### **Other Governmental Constraints:**

The City of Jonesboro has not adopted any specific impact fees for new residential development; however, builders await the City's first fee structure increase in over 10 years.

## **Potential Non-Governmental Constraints:**

### **Financing Availability:**

The availability of financing can sometimes constrain the development or conservation of housing. Mortgage interest rates clearly have an influence on homebuyers, especially at the lower incomes. The ability to accumulate enough funds for a down payment remains a significant obstacle to many potential homebuyers. Lower-income homebuyers may have a difficult time transitioning from the rental housing market to homeownership because of the difficulty in accumulating the required down payment and closing costs. In the same way, lower-income households may not be able to find appropriate rental housing because they cannot accumulate the security deposit as well as first and last month's rent.

Another issue is the financing available for the construction of new housing. The City notes that the high levels of risk associated with land development, as well as the lengthy development process, make it difficult for developers to find investors and financing. As a result, potential land investors typically require large premiums over and above other types of real estate investments. Lenders who make land development loans impose lower loan-to-value-ratios, and charge higher rates. There are also some risks that relate to the development of raw land, which include access roads, utilities and other infrastructure.

### **Development Cost:**

A significant constraint to the development of affordable housing is created by individual and community-wide fear of perceived decreases in property values, loss of community character, deterioration of service levels, fiscal impacts, environmental degradation, or public health and safety issues. Although these concerns have historically been voiced about affordable housing, there have been increasing concerns with market-rate housing as well. As neighborhoods become built out, any new or increased density housing may be a perceived threat to the existing residents' quality of life in terms of traffic patterns, level of services provided, and community amenities. Jonesboro has generally been successful in addressing community concerns through neighborhood planning efforts, an open public review process on individual projects and careful attention to mitigation of potential project impacts.

### **Fair Housing Compliance:**

The City will continue to administer its programs to ensure that no person based on the grounds of race, color, national origin, religion, sex or familial status be excluded from participation in, be denied the benefits of, or be subject to discrimination under any program or activity funded in whole or in part with CDBG funds.