



# Pathways to Removing Obstacles to Housing

(PRO Housing)

# PRO Housing Funding Opportunity

HUD released the Round 2 PRO Housing Notice of Funding Opportunity in July 2024.

\$100 million for the identification and removal of barriers to affordable housing production and preservation.

PRO Housing empowers communities that are actively taking steps to remove barriers to affordable housing and seeking to increase housing production and lower housing costs for families over the long term.

# Background

The City of Toledo PRO Housing approach will implement key affordable housing policy recommendations and comprehensive land use planning goals of the following stakeholder driven initiatives:

- *Forward Toledo*, an update of the City's 2002 Comprehensive Plan, establishing land use goals and priorities (2024)
- *Toledo Together, a Guiding Vision & 10 Year Action Plan for Housing*, Toledo's first comprehensive housing strategy (2021)
- *2020-2025 City of Toledo Analysis of Impediments to Fair Housing Choice*, The Fair Housing Center & City of Toledo (2020)

# Need

Shortage of 12,705 affordable and available rentals for extremely low-income renter households.

1 in 3 households in Toledo are cost burdened - spending **at least 30%** of household income on housing. Of these, half are severely cost-burdened, spending **more than 50%** of income on housing.

Cost burdens are more prevalent among renters, black households, seniors, and Low to Medium Income households.

Exclusionary zoning and low property values contribute to barriers preventing development and rehabilitation of affordable housing.

# Our Vision

The City is seeking \$4 million of HUD PRO Housing funding to address two significant barriers to affordable housing production and preservation in Toledo:

1. An outdated zoning code.
2. A weak market for new or preserved housing.

The City will address these barriers through three activities:

1. Comprehensive review and update of Planning and Zoning Code.
2. Development of pre-approved housing plans.
3. Appraisal Gap Funding Initiative in targeted LMI neighborhoods.

# City PRO Housing Team

- City of Toledo, Department of Housing and Community Development
- Toledo-Lucas County Plan Commissions
- City of Toledo, Grants
- Lucas County Land Bank

# Pro Housing Approach

Led by a multi-disciplinary Advisory Group to include: City of Toledo, housing providers, developers, social services agencies, advocacy groups, community organizations, and residents.

Informed through research, best practices, and ongoing neighborhood engagement and outreach regarding resident needs, concerns, and solutions.

# 1. Review and update of zoning and land-use policies

\$1.3 million to implement a comprehensive update of Toledo's zoning and land use policies.

Remove barriers to affordable housing development, particularly "missing middle", across Toledo.

Timeline: Concluded by 2028.

Results: Updated zoning and land use policies to support construction of affordable housing and infill development, and streamlined development process reflecting the current and future needs of Toledo and its residents.



## 2. Pre-approved housing plans

\$600,000 of PRO Housing funds to develop pre-approved housing plans.

Allow developers to select from plans already approved for compliance with zoning and building codes, eliminating the need to draft new plans and reducing cost and time for approval.

Timeline: Completed by late 2028

Result: A catalog of single and multi-family building plans appropriate for diverse zoning districts to support affordable infill development for single-family and missing middle housing needed in our neighborhoods.

# 3. Appraisal gap funding

\$1.6 million to fund, design and implement an Appraisal Gap Financing Initiative in Junction and Englewood and Old South End Neighborhood Revitalization Strategy Areas.

Combat weak housing markets due to loss of population, disinvestment, redlining and poverty where current market values do not justify rehabilitation of existing housing or new housing construction.

Timeline: Program intake beginning 2025.

Result: A minimum of 75 new or renovated units in the three targeted neighborhoods during the grant performance period.

# Significant Dates

- 2/2025 – Start of grant period
- 5/2025 – Launch Appraisal Gap Financing program
- 2/2026 – Launch zoning reform
- 2/2028 – Complete zoning reform
- 1/2029 – Housing Plans approved for use.
- 9/2030 – End of grant period



**Thank you.**

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