



Tenants to Homeowners, Inc.
The Lawrence Community Land & Housing Trust Program
2518 Ridge Court, Suite 209, Lawrence, Kansas 66046
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January 1, 2007

City Commissioners
City Hall
PO Box 708
Lawrence, KS 66044

Dear City Commissioners:

Tenants to Homeowners, Inc. would like to thank the city for their support of The Lawrence Community Land & Housing Trust Program and our affordable housing projects. The Neighborhood Resources Department generously waives building permit fees to help us create more affordable housing projects by saving us \$5-600 per unit. However, one of our most expensive costs is the city water tap fee. When the city's Housing Needs Task Force asked affordable housing organizations like TTH for suggestions on how the city might help create affordable housing, I wanted to share this idea with you. For each unit of housing we build, city tap fees cost approximately \$4,000. A waiver of this cost would be one place where the city could help us significantly lower our final hard costs—what we ultimately charge the low-income buyers. When we talk about affordable housing opportunities, TTH is able to build houses appraising at over \$150,000 and sell them for under \$100,000 to eligible lower-income families on the LCLHT Program. Families must qualify for a loan and provide 5% of their annual gross as a down payment to be eligible.

TTH is requesting the city waive tap fees to reduce the prices of the future Lawrence Land and Housing Trust homes (we build an average of 10 per year). In the spring of 2007, TTH will begin building 10 homes on Bullene Street to add to the current 12 LCLHT properties. This project is already a great example of a cooperative partnership between the city and TTH as the city has donated several lots and approved re-zoning and re-platting applications allowing the nonprofit to use the new development code to create ten lots out of six. With smaller lots, TTH will be able to create single-family homes with reduced development costs per unit. On this site, TTH will build a variety of plans that range from a two-bed accessible single-story to a two-story three-bed family unit. All homes will be visitable or fully accessible and have above average energy-efficiency. In exchange for the donation of lots, TTH was able to deed the city some property that the city plans to use for the Rails to Trails park project. TTH has also agreed to create a community green space on the corner of Ward and Bullene and increase the access easement to the trails. TTH is working closely with the Brook Creek Neighborhood Association and has received the support of all neighbors for this development.

The most exciting aspect of this housing creation is that any subsidy the city provides will not only reduce the initial purchase price for the first buyers, but will continue to help future buyers. In exchange for an upfront subsidy, a Housing Trust buyer must agree to an affordable resale price, ensuring the home stays perpetually affordable without the need for any additional public subsidy. Because these homes will remain permanently



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affordable and serve many families over the years, we believe that these tap fee waivers are the best way for the city to create permanently affordable housing solutions with a relatively small amount of resources. TTH fully supports the idea that affordable housing solutions must come from every segment of the community, and we will continue to request community support that maximizes the resources and capacities of everyone in the community, not just the public sector. However, we feel that a reduction of these tap fees is a unique and significant way the city can contribute to permanent affordable housing solutions for hardworking Lawrence families. Thank you for your consideration and we look forward to future cooperation on the Homewood Gardens Development and beyond!

Sincerely,

Rebecca A. Buford

Rebecca Buford

Executive Director, Tenants to Homeowners, Inc.