

Goals and Action Steps for the Affordable Housing Advisory Board Adopted January 2017



For the Affordable Housing Advisory Board to advocate or build community support for increased CIP funding, and other funding sources, during City budget process for 2018 and beyond.

- a. Build support within community organizations – strength in numbers.
- b. Build support by being successful with 2017 money
- c. Partner with other profit and non-profit organizations and invite them to the table to help be part of the solution. Create a list of community partners by the end of February 2017

Update:

- a. **Goal:** Build support within community organizations – strength in numbers
Performance: The AHAB created a list and approved a letter to community partners at the February 13, 2017 meeting. On March 6, 2017 the board approved a memo to the City Commission to recommend adding additional members to the AHAB. Staff will present the recommendation to the City Commission at an upcoming meeting.
- b. **Goal:** Build support by being successful with 2017 money
Performance: Recommendations for funding from the first round of applications will be on an upcoming City Commission meeting. These recommendations include:
 1. \$75,000 to Lawrence Habitat for Humanity for the construction of two houses, contingent on completion of the subsidy layering and gap analysis required for the use of federal HOME funds.
 2. \$30,000 to Tenants to Homeowners, Inc for the construction of six affordable cottages, contingent on a completion of the subsidy layering, gap analysis, and environmental review required for the use of federal HOME funds, any city land use approvals, and changing the name to cottages instead of tiny homes.

The next application period will open in October 2017, with the submitted applications to be reviewed by the AHAB on December 11, 2017.
- c. **Goal:** Partner with other profit and non-profit organizations and invite them to the table to help be part of the solution. Create a list of community partners by the end of February 2017.
Performance: The AHAB created a list and approved a letter to the following community partners at the February 13, 2017 meeting.

Bert Nash Mental Health Center	KVC Kansas	Lawrence Memorial Hospital
Catholic Charities	Landlords of Lawrence	Salvation Army
Douglas County	Lawrence Community Shelter	Tenants to Homeowners
Family Promise of Lawrence	Lawrence Douglas County Health Department	The Shelter, Inc.
Independence Inc.	Lawrence Douglas County Housing Authority	USD 497
Justice Matters	Lawrence Habitat for Humanity	Willow Domestic Violence Center
Kansas Department for Children and Families	Lawrence Home Builders Association	

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The Affordable Housing Advisory Board will identify five funding sources for the affordable housing trust fund, not including those already in the CIP, by first quarter of 2017.

- a. Research other peer cities for existing models
- b. Research federal and state sources to leverage trust fund dollars
- c. Lobby state and federal legislators to reshape or create new funding sources
- d. Seek local, state and national grants
- e. Identify and recommend a proactive incentive policy that automatically applies if certain triggers are met

Update:

- a. **Goal:** Research other peer cities for existing models
Performance: Staff provided the AHAB with a [table](#) describing existing models used by other cities. AHAB members have also shared a variety of studies and information on what other communities are doing to address affordable housing.
- b. **Goal:** Research federal and state sources to leverage trust fund dollars
Performance: See above.
- c. **Goal:** Lobby state and federal legislators to reshape or create new funding sources
Performance: no progress has been made to date.
- d. **Goal:** Seek local, state and national grants
Performance: Staff worked with the United Way to submit a grant application to the Kansas Health Foundation in late 2016 to help complete an affordable housing strategic plan for the community. Unfortunately, the application was unsuccessful.
- e. **Goal:** Identify and recommend a proactive incentive policy that automatically applies if certain triggers are met
Performance: Staff provided the AHAB with a [memo](#) outlining nine funding sources and a proactive policy that automatically applies if certain triggers are met. The AHAB voted to [recommend six funding sources](#) and expressed support for a new proactive policy at the May 2, 2017 City Commission meeting.

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Leverage the current CIP proposed Housing Trust Fund allocation 6-1 (\$9Million/\$125K per unit) to create more units of affordable rental housing, first time homebuyer homes, and supportive services within five years.

- a. Update CHAT report within 2017
- b. Develop RFP's for small projects and/or land/multiple pieces of land
- c. Track and publicize in the Board's annual report the dollars leveraged by the expenditures from the affordable housing trust fund over the next five years to create more units of affordable rental housing, first time homebuyer homes, and supportive services

Update:

- a. **Goal:** Update CHAT report within 2017

Performance: The City released an [RFP](#) for a consultant to conduct a comprehensive housing market study. The AHAB voted to recommend [BBC Research & Consulting](#) for the RFP. Work is ongoing on a contract with BBC, to be reviewed at an upcoming City Commission meeting. The anticipated completion date is Spring 2018.

- b. **Goal:** Develop RFP's for small projects and/or land/multiple pieces of land

Performance: The AHAB decided to use an application process to apply for the 2017 Affordable Housing Trust Fund allocation rather than issue an RFP. The AHAB approved an [application](#) for funding at the May 8, 2017 meeting. Recommendations for funding from the first round of applications will be on an upcoming City Commission meeting. These recommendations include:

1. \$75,000 to Lawrence Habitat for Humanity for the construction of two houses, contingent on completion of the subsidy layering and gap analysis required for the use of federal HOME funds.
2. \$30,000 to Tenants to Homeowners, Inc for the construction of six affordable cottages, contingent on a completion of the subsidy layering, gap analysis, and environmental review required for the use of federal HOME funds, any city land use approvals, and changing the name to cottages instead of tiny homes.

The next application period will open in October 2017, with the submitted applications to be reviewed by the AHAB on December 11, 2017.

- c. **Goal:** Track and publicize in the Board's annual report the dollars leveraged by the expenditures from the affordable housing trust fund over the next five years to create more units of affordable rental housing, first time homebuyer homes, and supportive services

Performance: The [2016 annual report](#) outlined how funds were leveraged in 2016. Similarly, expenditures and leverage from the AHTF will be included in 2017 AHAB annual report.

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Expand the Affordable Housing Advisory Board to include up to three more seats for partners such as The Chamber, KU, and Lawrence Board of Realtors by the end of 2017.

- a. Call the three organizations and invite them to the board
- b. Amend the by-laws to allow an expanded board
- c. Recommend the new appointments to the City Commission
- d. City Commission would vote to approve the new positions on the Affordable Housing Advisory Board

Update:

- a. **Goal:** Call the three organizations and invite them to the board
Performance: Staff has been in contact with the three organizations.
- b. **Goal:** Amend the by-laws to allow an expanded board
Performance: [Ordinance No. 9129](#) would first need to be amended to include additional members, then the by-laws amended. This amendment is anticipated by the end of 2017.
- c. **Goal:** Recommend the new appointments to the City Commission
Performance: On March 6, 2017 the AHAB approved a memo to the City Commission to recommend adding additional members. Staff will present the recommendation to the City Commission at an upcoming meeting.
- d. **Goal:** City Commission would vote to approve the new positions on the Affordable Housing Advisory Board
Performance: See above.

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Develop a specific allocation plan based on the Affordable Housing Advisory Board mission, vision, and goals for the 2017 CIP Trust Fund allocation for review by the City Commission by the end of the first quarter of 2017.

- a. Define and prioritize the Affordable Housing Advisory Board goals
- b. Develop a process for review and approval of allocation
- c. Develop an RFP process for approval of projects to spend 2017 funds not allocated for spending in future years
- d. Review and recommend proposals to City Commission

Update:

- a. **Goal:** Define and prioritize the Affordable Housing Advisory Board goals.
Performance: The AHAB established their [goals](#) for 2017 at a retreat in 2016. In general, affordable housing is defined as housing for which the occupant(s) is/are paying no more than 30 percent of his or her income for gross housing costs, including utilities. In 2016, the board established additional definitions of affordability:
Affordable Rental Housing - Housing units with monthly rent and utilities not exceeding 110% of the HUD defined Fair Market Rent, as determined yearly by the Lawrence Douglas County Housing Authority.
Affordable Ownership Housing - Housing units for those earning up to 80% of Median Family Income, as established yearly by HUD for the Lawrence, KS MSA.
The AHAB approved an [application](#) for funding at the May 8, 2017 meeting which contained a description of eligible projects include acquisition, rehabilitation, and development of affordable housing and supportive services so that all persons in the community have access to independent living with dignity.
- b. **Goal:** Develop a process for review and approval of allocation
Performance: The AHAB approved an application review matrix at the May 8, 2017 meeting, which is included in the 2017 [application](#) for funding. The review criteria include: complete application and overall presentation; qualifications and ability of the applicant to complete the project outlined in the project; scope within the timeline set forth; how the project meets the purpose of the Affordable Housing Trust Fund to create a scattered site model of affordability throughout the community; how partnerships, if any, are demonstrated and/or how funds would be leveraged (if appropriate); how the project incorporates energy efficient elements or otherwise addresses long term affordability; how the project would impact public opinion about affordable housing; and quality of previous projects of a similar nature, if applicable.
- c. **Goal:** Develop an RFP process for approval of projects to spend 2017 funds not allocated for spending in future years
Performance: Funds not allocated in 2017 will be rolled in the 2018 allocation process. Applications for these funds will open in October 2017 which will allow for a longer application period and earlier decision making to accommodate construction schedules.

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d. **Goal:** Review and recommend proposals to City Commission

Performance: Recommendations for funding from the first round of applications will be on an upcoming City Commission meeting. These recommendations include:

3. \$75,000 to Lawrence Habitat for Humanity for the construction of two houses, contingent on completion of the subsidy layering and gap analysis required for the use of federal HOME funds.
4. \$30,000 to Tenants to Homeowners, Inc for the construction of six affordable cottages, contingent on a completion of the subsidy layering, gap analysis, and environmental review required for the use of federal HOME funds, any city land use approvals, and changing the name to cottages instead of tiny homes.

The next application period will open in October 2017, with the submitted applications to be reviewed by the AHAB on December 11, 2017.

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The Affordable Housing Advisory Board will work with developers and builders to reduce cost of housing by 5% over 24 months.

- a. Discuss with developers and financiers to understand the issue
- b. Identify places in the process for cost reduction
- c. Analyze impact on unit costs
- d. Recommend policy changes to City Commission

Update:

- a. **Goal:** Discuss with developers and financiers to understand the issue
Performance: Staff has met with developers and builders to try to identify areas to reduce costs and possibly streamline the building process.
- b. **Goal:** Identify places in the process for cost reduction
Performance: Currently in progress
- c. **Goal:** Analyze impact on unit costs
Performance: Currently in progress
- d. **Goal:** Recommend policy changes to City Commission
Performance: Staff is reviewing the information submitted by developers and builders and will develop recommendation for consideration by the AHAB by the end of 2017. Staff is also committed to reviewing the impact on affordability when reviewing potential building code changes in the future.

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Within 2017 use the analytics of the 2006 CHAT report to prepare an updated inventory of the housing stock required to meet affordable housing needs, the amount of time needed to meet the needs, with a final goal of meeting the need in 10 years.

- a. Decide who will conduct CHAT report
- b. Chosen entity will conduct updated report
- c. Use updated report to meet determined need

Update:

- a. **Goal:** Decide who will conduct CHAT report
Performance: The City released an [RFP](#) for a consultant to conduct a comprehensive housing market study. The AHAB voted to recommend [BBC Research & Consulting](#) for the RFP. Work is ongoing on a contract with BBC, to be reviewed at an upcoming City Commission meeting.
- b. **Goal:** Chosen entity will conduct updated report
Performance: See above. Work on the study is anticipated to begin in the fall of 2017.
- c. **Goal:** Use updated report to meet determined need
Performance: The Board plans to use the results to develop core initiatives and programs to achieve the City Commission's strategic goals related to affordable housing upon completion of the housing study, which is anticipated in Spring of 2018.

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Adopt the following definition of affordability to be used by the Affordable Housing Advisory Board by the end of February 2017.

- a. Rental housing units with monthly rent and utilities not exceeding 110% of the HUD defined Fair Market Rent, as determined yearly by the Lawrence Douglas County Housing Authority;
- b. Homeownership housing units for those earning up to 80% of Median Family Income, as established yearly by HUD for the Lawrence, KS MSA.

Update:

- a. **Goal:** Adopt the following definition of affordability to be used by the Affordable Housing Advisory Board by the end of February 2017.
Performance: The AHAB adopted the definition of affordability at the February 13, 2017 meeting, which was included in the [2016 AHAB Annual report](#).