2019 AHAB Retreat Summary

Guiding Principles

- 1. The City of Lawrence's role in addressing housing needs should be "reasonable and broad." The city's role should focus on facilitating new affordable development, preserving existing affordable stock, incentivizing and partnering with the private sector, providing supportive services, enacting reasonable regulations, and evaluating progress.
- 2. "There is no silver bullet." The housing market is dynamic and ever-changing. Housing needs will always exist in some form. Housing programs and policies should allow flexibility to adjust to unmet demand as the city changes.
- 3. "We can ask the private sector to help in this endeavor." Public sector investments and entitlements provide value to the private sector. It is appropriate to ask for affordable housing contributions in return.
- 4. Housing investments should be focused on the areas where the market is unable to meet the housing needs that exist.

Housing Needs by the Numbers

Category	Number in Need
Renters who cannot afford their current rentals, and who are cost-burdened	5,200 households (~2,500 are students)
Renters who want to buy and could be candidates for ownership	2,000
Families experiencing homelessness/at-risk of homelessness	700
Households with disabilities with accessibility modification needs	500
Renters with units in poor or fair condition	2,950
Owners with units in poor or fair condition	500

Goals Identified for 2019, and the top three tools by Board vote to address each Short-Term Goal

Ongoing Goals

- 1. 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 2019 and beyond (create and develop partnerships with various community organizations).
- 2. 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 (have several funded projects with varying leverage ratios).

Short-Term Goals (2019-2023)

- 1. Narrow the rental gap for non-student renters earning less than \$25,000 annually (100 newly affordable rental units*).
 - a. Consider passing a city ordinance that makes "source of income" (including Section 8) a protected class (i.e., prevents landlords from refusing to accept housing voucher tenants).
 - b. Encourage public-private partnerships with the land trust to leverage funding to produce more permanently affordable units.
 - c. Explore using housing trust funds to <u>purchase secure</u> properties where federal subsidies are set to expire.

- 2. Low- and moderate-income renters who want to become owners have more options for purchasing affordable units (100 more units are affordable to low- and moderate-income renters who are qualified to become owners*).
 - a. Explore using housing trust funds to expand the current homebuyer assistance program.
 - b. Fund the preservation and rehabilitation of small/modest homes through grants, buying blighted and vacant properties, etc.
 - c. Consider relaxing development requirements, such as parking, open space, and setbacks for the creation of permanently affordable units.
- 3. <u>Low- and moderate-income</u> <u>Pp</u>ersons with accessibility needs are able to get the improvements they need and/or find visitable and accessible housing (25 renter households that receive accessibility modifications annually*).
 - a. Explore using housing trust funds to expand the installation of accessibility modifications to all qualified housing units, not just rentals.
 - b. Explore providing incentives or funding to retrofit existing units.
 - c. Work with Independence, Inc. to determine if a program exists that matches those with disabilities with rental managers that have accessible units. Pursue one if none exists.
- 4. <u>Low- and moderate-income Rresidents</u> in unstable housing situations have more permanent affordable and supportive housing options (45 tenant based rental assistance vouchers available annually*).
 - a. Build new partnerships between nonprofit housing developers, homeless service providers, and private developers to provide more housing for the homeless.
 - b. Explore using housing trust funds to assist faith-based organizations develop affordable housing.
 - c. Support local and regional efforts in landlord outreach/recruitment and in reducing Fair Market Rent barriers.
- 5. <u>Low- and moderate-income</u> <u>Rresidents living in housing in poor condition have improvements made (70 homes and apartments units brought into good condition annually*).</u>
 - a. Fund the preservation and rehabilitation of small/modest homes through grants, buying blighted and vacant properties, etc.
 - b. Explore using housing trust funds to expand the homeowner rehab loan programs to serve middle-income households. Identify/leverage other funding (e.g., Dept. of Energy) to achieve multiple objectives, for example, energy efficiency.
 - c. Explore using housing trust funds to expand the weatherization of homes to serve <u>low- and</u> <u>middle_income_moderate-income</u> households. Identify/leverage other funding (e.g., Dept. of Energy) to achieve multiple objectives, for example, energy efficiency.

(* Short-term goal metrics are intentionally aspirational, and will be reviewed and adjusted annually by the board, as needed, with the overall goal of increasing the number of affordable units. The board recognizes the need for additional outside funding, using housing trust funds as leverage, to reach the goal metrics. Metrics for goals 1 and 2 are five year totals, while 3, 4, and 5 are annual metrics.)

2019 Housing Roadmap and Future Years

The Affordable Housing Advisory board recommended having two requests for proposals in 2019; the first to be within the first six months of 2019, for \$250,000 from the CIP, specifically targeting projects/programs that could have an impact in 2019; the second to be in November 2019, for the remainder of the funds in the housing trust fund.

The AHAB discussed that in future years the allocation should be completed with one general allocation in alignment with established goals and to be held in November/December to meet the timeline of the competitive Low-Income Housing Tax Credit (LIHTC) application process through the setate of Kansas.

Links to Relevant Documents

- Housing Market Analysis
- Goals based on Housing Market Analysis and previous goal setting sessions
- <u>Lawrence Housing Toolkit DRAFT</u>
- Wage Scale Chart
- Cumulative Housing Trust Fund Revenue Projections for 2019
- Housing Trust Fund Historical Allocations 2005-2018
- 2018 AHAB Annual Report