

City of Lawrence

Affordable Housing Advisory Board

July 9, 2018 minutes

MEMBERS PRESENT: Andrew Brown, Rebecca Buford, Ron Gaches, Edith Guffey, Dana Ortiz, Shannon Oury, Monte Soukup, Nancy Thellman, Erika Zimmerman

MEMBERS ABSENT: Susan Cooper, Thomas Howe, Tim Stultz, Sarah Waters

STAFF PRESENT: Diane Stoddard, Assistant City Manager; Scott McCullough, Director of Planning and Development Services; Danelle Dresslar, Community Development Manager; Jeff Crick, Planner II; Brad Karr, Community Development Programs Analyst; Danielle Buschkoetter, Strategic Projects Manager

Chair Oury called the meeting to order at 11:08 am. New board members Andrew Brown and Monte Soukup were introduced.

1. Public Comment

John Ware, Market Development Director with Build SMART, and D. Kay Johnson, Sustainability and Environmental Manager with PROSOCO, presented the board with a [letter](#) with comments for the board's consideration from the Housing Market Study Update presented by BBC Research at the June 4, 2018 AHAB meeting.

2. Approve Minutes from June 4, 2018 meeting

Gaches moved to approve the [minutes from the June 4, 2018 meeting](#). Buford seconded the motion. The motion passed 7-0.

3. Monthly Financial Report

The monthly financial report is available on the City of Lawrence opengov.com website.

4. Presentation of Housing Trust Fund 2019 Budget Summary

Buschkoetter presented the board with a [Housing Trust Fund 2019 Budget Summary](#) memo, which describes the timing of revenues from the general fund and the voter approved sales tax into the Affordable Housing Trust Fund. Buschkoetter explained to the board the two major criteria to spend money from the trust fund; the money has to be budgeted, and the cash must be on hand before incurring an obligation. Buford asked if the cash had to be on hand when the agreement contract was signed, or when the funds were dispersed. Buschkoetter said when the contract was signed, the cash had to be on hand. Gaches asked if staff could estimate the amount of sales tax available monthly. Buschkoetter said around \$100,000 per month.

Ortiz arrived at the meeting.

5. Bert Nash Transitional Housing Project update and extension consideration

Chair Oury indicated she was involved with Bert Nash on this project, so she recused herself and left the room. Vice Chair Gaches invited Mathew Faulk, Housing Program Manager with the Bert Nash Community Mental Health Center, to provide an update on the request to consider an extension on using the awarded housing trust funds.

Faulk explained since the Proposition 1 ballot initiative was not passed by the county voters, other immediate funding sources would need to be identified for the Bridges Transitional Recovery project. Funding for the Tier II portion of the project will now come from Bert Nash's own in-house funds, from the proposed 2019 Douglas County budget, and from the previously awarded \$495,000 from the Affordable Housing Trust Fund. Jill Jolicoeur, Assistant to the County Administrator for Douglas County, indicated there was a consensus among the county Board of Commissioners to allocate \$400,000 in the 2019 Douglas County budget for the project.

Bert Nash had [previously requested an extension](#) on finalizing a contract for the funds with the City of Lawrence until the outcome of other grant applications were determined. The funding now will not be grant dependent, but would need to be approved in the 2019 Douglas County Budget process. Bert Nash is requesting an extension until October 31, 2018 to finalize the contract with the City of Lawrence for the \$495,000 from the Affordable Housing Trust Fund.

Brown asked when the Douglas County funds would be available. Jolicoeur said the county budget would be approved in August 2018, with the funds available for use beginning January 2019. Faulk indicated they would like to organize the construction to coincide with the Lawrence-Douglas County Housing Authority's construction of Tier III of the project, which will depend on approvals from HUD before construction could begin.

Brown moved to recommend authorizing an extension through October 31, 2018 for the Bert Nash Community Mental Health Center to execute an agreement with the City of Lawrence for the Bridges Transitional Recovery Program facility project, a recipient of Housing Trust Funds. Ortiz seconded the motion. The motion passed 7-0, with Oury abstaining.

6. Follow up from June Housing Study discussion and review of BBC Needs and Solutions worksheets and offer comment on:

- a. What else is needed (data, clarification, etc.) as the consultants work to finalize the study?**
- b. Was there anything missing that was not captured in the June meeting?**
- c. Are there any comments regarding further opportunity for discussion or organizing goals that can be shared with the consultants?**

Stoddard explained the [BBC Needs and Solutions worksheets](#) generated from the June AHAB meeting and discussed the timeline for the Housing Market Study. BBC planned on having a draft of the final report to staff in August, and the final report available at the AHAB September meeting.

Stoddard asked if the board had any comments on the above questions from BBC. Ortiz said the homeless target population is not just "same as above" as listed on the worksheets; there are more issues than are listed, including families and not just single parents.

Oury asked staff if there was information on how many housing units have been lost because they are no longer habitable, or were demolished to build something else. Brown asked about housing developments no longer taking Section 8 vouchers. Oury said it was a known problem for people to have a voucher, but cannot find a unit willing to accept it. McCullough said the housing market is very dynamic, and aside from Census data or data from local housing agencies, the number of units lost is not tracked in detail by city staff. Oury asked if staff had information on the number of uninhabitable houses in the city. McCullough said no. Ortiz asked if staff had data from rental inspections on the number of uninhabited units. McCullough said staff does not track whether units are occupied or not, because it was constantly changing and an unoccupied rental was still a rental. Oury asked if staff had seen instances of buy, scrape, rebuild, especially in older neighborhoods. McCullough said yes, there

are examples of that in every city and the only way it could tracked locally would be through demolition permits and building permits. Oury recommended staff start tracking it, from her experience seeing radically changed neighborhoods in Denver in the 1990s. McCullough said staff could not collect data on what the private market was doing with affordability and the rental price of units, but would examine the available data.

Gaches said he felt the board has discussed programs currently providing affordable housing, but should realize there will not be enough money to subsidize everyone who wants to live and work in Lawrence. He felt the board had not discussed very much what policies the city should adopt at a macro level to assist in the longer term issue of how to insure there would be more affordable units put into the housing inventory. Buford agreed and gave an example of a policy for density bonuses. Soukup said policies were needed to make building affordable units in a market rate development profitable, either through zoning or incentives to the developer.

Guffey said some of the ideas suggested on the Dashboard worksheet needed to be more specific and list measurable goals.

Brown asked if the board could be provided with examples of policies in other cities. Stoddard said BBC had been asked to provide examples from other cities that would align with the recommendations in the report.

Ortiz said the guiding principles listed on the worksheet need adapted for Lawrence. Soukup asked if the AHAB already had any guiding principles established. Oury said the AHAB created a list of goals and action steps in January 2017. Stoddard said an update on the goals and action steps was included in the 2017 annual report. Oury suggested revisiting the goals and action steps, since the board had new members. Stoddard suggested waiting until after the housing study was completed to revisit the board's goals.

Thellman arrived at the meeting.

Oury asked for public comment on this item.

Sara Taliaferro said Justice Matters was reviewing seven model cities with affordable housing trust funds, and could prepare a preliminary report on the results for the August AHAB meeting.

Stoddard said she would provide the board's comments to BBC.

Ortiz suggested revisiting the City's policy on the number of unrelated persons living together.

7. Quick Updates

a) Tenants to Homeowners awarded state grant using HTF allocation as leverage

Buford informed the board Tenants to Homeowners was awarded a state grant of \$525,000, using the \$30,000 previously awarded from the Affordable Housing Trust Fund as leverage. The funds will be used to build three rental houses for low income families in transition from homelessness. Rents would be based on a sliding scale in relation to the family's income. Thellman asked where the grant funds came from. Buford said State of Kansas HOME funds.

8. Other New Business

There was no other new business discussed.

9. Next Meeting / Future Agenda Items

The next meeting will be on August 13, 2018.

10. Adjourn

Gaches moved to adjourn the meeting. Buford seconded the motion. The motion passed 9-0.

Future Meeting Dates / Tentative Agenda items

August 13, 2018

September 10, 2018

October 8, 2018

November 12, 2018

December 10, 2018

These minutes were approved by the Board: August 13, 2018