

City of Lawrence

Affordable Housing Advisory Board

September 10, 2018 minutes

MEMBERS PRESENT: Andrew Brown, Rebecca Buford, Susan Cooper, Ron Gaches, Edith Guffey, Thomas Howe, Dana Ortiz, Shannon Oury, Monte Soukup, Tim Stultz, Nancy Thellman, Sarah Waters, Erika Zimmerman

MEMBERS ABSENT:

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 11:03 am.

1. Public Comment

There was no public comment.

2. Approve Minutes from August 13, 2018 meeting

Gaches moved to approve the [minutes from the August 13, 2018 meeting](#). Stultz seconded the motion. The motion passed 9-0.

3. Monthly Financial Report

The monthly financial report is available on the [City of Lawrence opengov.com](#) website.

4. Housing Market Study

Heidi Aggeler, Managing Director of BBC Research & Consulting, gave the board a [presentation](#) on the [Housing Market Analysis](#).

Buford and Howe arrived at the meeting.

The presentation reviewed the data previously gathered, provided a suggested dashboard depicting short-term and long-term indicators of success, and a suggested roadmap detailing how to achieve the success measures depicted by the dashboard.

Brown arrived at the meeting.

Thellman arrived at the meeting.

The presentation also provided several sample distribution charts to meet the housing needs and dashboard goals.

Soukup asked how much was currently being spent on programs for existing housing stock. Karr said about \$400,000 in CDBG funds between the Comprehensive Rehabilitation program, the Emergency Loan program, the Furnace Loan program, the Weatherization program, and the Accessible Housing program. Oury asked for a [copy of the current Investment Summary](#) of proposed 2018 CDBG and HOME allocations. Soukup asked if these current programs need to be supplemented from the Affordable Housing Trust Fund (AHTF), or if those funds would be better spent elsewhere. Oury said the amount of federal funding varied greatly each year, so in some years the programs might need to be supplemented by the AHTF. Zimmerman said the City is not the only program that does rehab, so she felt there was a need for an AHTF allocation for renovation, accessibility, and rehab. Buford agreed and said they all do some sort of rehab to provide affordable housing, but felt any allocation needed to have some type of permanent affordability component, to not lose the subsidy later to the open market.

Gaches said some programs needed an infusion of money, while others only needed policy changes. Aggeler said the roadmap tried to pair policy initiatives with other things the City could do to leverage additional funding. McCullough said the draft housing toolkit would contain policy decisions to explore and would marry that with funding ideas to examine.

Brown asked if there was an inventory of city property that could be used for affordable housing. McCullough said there was not very much available for development, some areas are designated for parks or some were purchased for stormwater drainage reasons; some available lots the city did have in the past were dealt out in the name of affordable housing. Stoddard said there were privately held vacant lots scattered around the city, which could present an opportunity to develop a request to see who would perhaps be interested in selling the lots to the city. Stoddard said some of the largest plots the city owned were parking lots in the downtown area, and the upcoming Downtown Master Plan creation process might seek to see if those lots could be used as something else.

Brown asked about currently subsidized apartments that soon would no longer be required to have affordable units. Oury said there were several properties that would soon go market rate, such as Prairie Commons. Soukup asked about buying an extension to the length of the period the owner is required to offer the affordable units. Oury said she had never heard of that happening, but it could be explored.

Stoddard presented the board with a staff memo about [Suggested Next Steps for the Housing Study](#).

Soukup felt the board was not anywhere close to being settled on the funding allocations recommended in the housing study.

Gaches felt having an annual roadmap lacked the direction that comes from creating longer term goals. Stoddard agreed, and said the Housing Study dashboard and roadmap contained the longer term goals. Gaches asked if the board voted to recommend approval of the study to the City Commission, was that also an endorsement of the suggested goals. Soukup felt the goals in the study were broad, but the annual roadmap of recommendations would be the real work for the board. Stoddard said she felt the market analysis was a snapshot in time with a lot of data and ideas, but more refining would

need to go into it to be reflective of the board, the City Commission, and the community; the board could indicate that in a statement along with the acceptance of the study.

Howe said he had a quibble with the underlying data, specifically from his point of being a realtor. He did not agree with the report projection of the median house price in ten years to be \$375,000; his data using the MLS would project the price to be \$290,000 in ten years. Aggeler said she would send Howe the spreadsheet BBC used for projections, based on the MLS data over the last ten years. Soukup asked, even if the projection was off, would that impact the number of people wanting to purchase a home but could not find an affordable unit. Aggeler said no, the number of people wanting to purchase a home was driven by the resident survey data, not the median price of a home in ten years.

Gaches said he felt the board had not had enough of an in depth discussion around the goals yet, and did not know if the goals listed in the study were aimed at the right targets. Ortiz said BBC was asked to take a stab at establishing some recommended goals, and the AHAB adoption of the study could say the goals would need further evaluation. Howe agreed the board needed to frame in the proposed acceptance that further evaluation of the goals was needed. Cooper said the board could accept the goals as recommendations, instead of accepting the recommendations.

Gaches moved to accept the Housing Market Analysis from BBC Research & Consulting and recommend adoption of the broad roadmap included in the report, with subsequent specific goals to be recommended later from the Affordable Housing Advisory Board. Ortiz seconded the motion. The motion passed 13-0.

5. Additional \$200,000 in Affordable Housing Trust Fund from 2018 budget

Stoddard said the City Commission added an additional \$200,000 to the AHTF from the 2018 budget, and moved to direct the AHAB to consider a RFP for non-capital supportive assistance and services that were not allowed to apply on the last funding application offered, due to that funding source requiring only capital assets. Stoddard suggested the item be placed on the October meeting agenda for discussion and direction on how the board wished to proceed with the RFP.

Ortiz asked if the funds could be used for case management. Stoddard said the City Commission motion was pretty broad; non-capital services or assistance that was not eligible in last year's application.

Stoddard said staff would provide a draft of the RFP for the October meeting.

6. Other New Business

Buford spoke to the board about the [correspondence from The Lawrence Community Housing Trust \(LCHT\)](#).

Oury asked if the board was being directed to comment on the correspondence. Stoddard said the board could make a recommendation to pass the letter to the City Commission and ask them to proceed with the requested code changes described in the letter. Howe asked if the changes asked for

in the request would only apply to non-profit developers. Buford said it does not exclude any developer, as long as the housing units are made permanently affordable.

Stoddard said the letter would introduce the topic and process, and then a lot of details would have to go into the actual code changes. McCullough said if the process is initiated by the City Commission, staff would draft the text amendment to the code. The code changes would have to go before the Planning Commission, possibly back to the AHAB, and ultimately back to the City Commission for final approval.

Howe moved to forward the letter from The Lawrence Community Housing Trust to the City Commission with board approval of the suggested code changes. Gaches seconded the motion. The motion passed 12-0 with Buford abstaining.

Stultz spoke to the board about the [correspondence from the Lawrence Home Builders Association](#).

McCullough said the direction from the AHAB was to put all stakeholder input ideas into the draft housing toolkit being created. These ideas from the LHBA would be included in the draft toolkit for the board to review and discuss.

Stultz said he has heard comments at the Chamber of Commerce meetings about workforce employees needing down payment assistance to be able to purchase homes; the LHBA would like to see a revolving loan fund for workforce housing down payment assistance. Buford said the City currently had a homebuyer assistance program, with the LCHT; she asked if the board wanted to fund a loan program without the permanent affordability required by the LCHT. Zimmerman said it did not necessarily have to be down payment assistance, but could be another type of financial assistance such as a subsidy to the developer to build a home for a qualified family. Stoddard said no action was required on this letter; staff would incorporate the ideas into the draft toolkit.

Oury said the LDCHA was recently awarded nineteen additional vouchers targeted for the non-elderly, disabled.

Ortiz discussed the upcoming ["Housing in Lawrence and Douglas County Today: A Public/Private Partnership"](#) event scheduled for September 13, 2018.

7. Next Meeting / Future Agenda Items

The next meeting will be on October 8, 2018.

Soukup said Justice Matters would be presenting the findings from their seven city study on affordable housing.

8. Adjourn

Cooper moved to adjourn the meeting. Soukup seconded the motion. The motion passed 13-0.

Future Meeting Dates / Tentative Agenda items

October 8, 2018 – Draft RFP for non-capital supportive assistance and services; Justice Matters seven city survey results

November 12, 2018

December 10, 2018

These minutes were approved by the Board: October 8, 2018