

City of Lawrence

Affordable Housing Advisory Board

September 11, 2017 minutes

MEMBERS PRESENT: Stuart Boley, Rebecca Buford, Zach Davis, Dana Ortiz, Shannon Oury (via phone), Tim Stultz, Matt Sturtevant, Nancy Thellman, Erika Zimmerman

MEMBERS ABSENT:

STAFF PRESENT: Casey Toomay, Assistant City Manager; Scott McCullough, Director of Planning and Development Services; Danelle Dresslar, Community Development Manager; Brad Karr, Community Development Programs Analyst; Jeff Crick, Planner II; Lisa Larsen, City Commissioner

Chair Sturtevant called the meeting to order at 11:04 am.

1. Public Comment

Steve Ozark spoke to the board about the repurposing of the .05% sales tax and public resistance because of the question of where the money is going to go, specifically. He suggested a sheet describing areas of how the money could be used. Ozark also felt the way to systemically solve the affordable housing problem in Lawrence would be with addition to the permanently affordable housing stock.

2. Approve minutes from August 14, 2017 meeting

Ortiz moved to approve the minutes from the August 14, 2017 meeting, as amended. Davis seconded the motion. The motion passed 8-0.

3. Review draft sales tax education document

Toomay presented the board with a draft fact sheet about the .05% Sales Tax for Affordable Housing. The fact sheet had frequently asked questions and answers, including the actual ballot language, to help educate the public. Sturtevant asked if the City Commission needed to approve this draft document. Toomay said staff has been directed by the City Commission to prepare city-wide educational content for all three ballot questions.

Boley suggested changing the description of the half of one-cent on a \$10 purchase to one-cent on a \$20 purchase. Boley also asked about including other past city efforts in building affordable housing, such as Babcock Place. Oury said Babcock Place was built in 1973 with a grant from HUD not with any City funds, but Peterson Acres II was built using some funds from the City's original Affordable Housing Trust Fund (HTF). Boley suggested including all of the projects funded from the original HTF.

Oury suggested adding information on the past reduction in federal grant funds used to provide housing assistance. Toomay agreed to add the information under the "What do we know about the need" section.

Ortiz said supportive services is an important component of what could be done with the money and should be listed clearly. Toomay agreed to include it as a bullet point. Toomay asked if a voucher program should be listed as a bullet point. Buford said she felt it should be kept general, instead of trying to list every different program label available. Boley felt they should stick with the ballot

language to provide flexibility for this City Commission and future City Commissions; examples of what could be done is different than saying what would be done with the funding. Boley suggested moving the "What do we know about the need" section below the "How much money will be generated" section, and before the "What could the sales tax be used for" section. McCullough suggested moving the information about the housing study to the "What has the City done" section. Stultz asked if the housing study has been initiated yet. Toomay said not yet, they were working on a contract. Thellman recommended the study be described as a professional study. Sturtevant recapped the suggested changes and Toomay indicated she would make the changes, have the legal department review the document, and email the document to the board members to review.

4. Consider opening second period of applications for Housing Trust Funds

Sturtevant asked the board if they wanted to open a second period of applications for the remaining 2017 Housing Trust funds. Boley asked if the board had a plan for the calendar of applications for the 2018 funds, and if not they needed to design the process right away. Zimmerman asked if the process would be the same as the first round of applications. Boley said the process should be the same, but just change the calendar dates and the money available. Buford asked how long the applicants should be given to complete the application process. Zimmerman asked if the length of time or the timing of the funding would be more important to the applicants. McCullough said the leveraging of these funds with Low Income Housing Trust Credits (LIHTC) from the State would involve marrying the application periods to provide time for developers to create a package to submit to both groups. Buford said the LIHTC applications are due February 1 of each year, with the awards being announced in May or June. McCullough said the board might wish to have an early application process, to allow the developers to include the funds and possibly have a stronger State application. Toomay suggested the board open applications October 1, close the application period December 1, review the applications at the December 11 AHAB meeting, and make recommendations for funding to the City Commission in January; the board agreed to direct staff to open the application period October 1, 2017 for the remainder of the 2017 funds and the 2018 funds.

5. Quick Updates

a. Housing Study / Funding Request

Toomay said there is work ongoing on an agreement to conduct the housing study, with a hope to have the agreement on the September 19, 2017 City Commission agenda for approval, but it might not be until the October 3, 2017 agenda. Staff mailed letters to stakeholders asking for donations to the Housing Trust Fund to help offset the cost of the study, but have not yet received any responses. Toomay reminded the board member of some of their offers to contact potential community partners for funding donations.

b. Adding AHAB members

Toomay said the City recently had a study session on Advisory Boards, and no changes were recommended to the AHAB; next would be an ordinance to amend the existing code provision which created the AHAB, which hopefully will be on the October 3, 2017 City Commission agenda. Boley said there was a change to the AHAB from the study session; City Commissioners will no longer be member of Advisory Boards, so this will be his last meeting on the AHAB. Thellman asked if it was the City's desire to not have County Commissioners on the board either. Boley said it was not discussed. Toomay said staff did discuss having alternate members on advisory boards, which could possibly alleviate quorum issues when voting on funding applications. Sturtevant asked if the board needed to create a list of possible alternate members. Toomay said not at this time. Boley said the board might need to find representatives from the general public, to receive perspectives from the city at large. Davis agreed with having representatives from the general public. Toomay said staff would proceed with the recommendation to add the three new members to the board, and the board could discuss having alternates on a future agenda, possibly in November. Buford asked if the three new members would be on the AHAB by the December meeting to review funding applications. Toomay said possibly; the ordinance would need to be amended and then the new members would have to be appointed.

Sturtevant asked if all three would be added at once, or one at a time. Toomay said it could be one at a time, as needed.

c. Status of first round of funding applications

Toomay said the recommendations from the first round of funding would be placed on the City Commission's October 3, 2017 agenda.

McCullough gave an update on the strategic goal of working with developers and builders to reduce the cost of housing construction by 5%. Staff has had several meetings with the LHBA to try to identify areas to reduce costs, and even though it has proved difficult to identify 5% in reductions, they have identified some process issues to possibly streamline.

6. Other New Business / Future Business

Ortiz asked for an update on non-profit board members advocating for the sales tax renewal. McCullough said he followed up with the legal department regarding the issue and received the advice the non-profit's boards are not beholden to city requirements on educating versus advocating. Zimmerman asked if the non-profit agencies could prepare a collective statement from their boards. McCullough recommended the AHAB board members contact the City's Legal department to discuss any specific questions. Ortiz said it would be really helpful if they had the direct guidance on this issue, and asked if they could have a meeting with the City attorneys. Boley said it might be better to have representatives from the non-profits' boards meet with the attorneys. Toomay asked anyone worried about this issue to email her and she would speak with the City attorneys to see who would need to attend any meeting about educating versus advocating.

Sturtevant asked if any board member had any future agenda items to add. Stultz suggested the board begin developing a budget on how any future sales tax money would be spent, broken down into different categories such as land acquisition, vouchers etc. Ortiz said they need to have the housing study results to make informed decisions on funding categories. Stultz said they could start the process, and amend it after the housing study is completed. Buford said it could be presented as a vision versus a dedicated framework. McCullough said the AHAB has not really made the decision on how much to fund on current programs versus the application process. Stultz said the board could develop a strategic plan and budget with some specific items such as land acquisition, vouchers, supportive services, non-profit agencies, and public partnerships. Toomay said the discussion could be on the October AHAB agenda. Sturtevant asked about a status update on the AHAB's goals. Toomay agreed to add an update on the goals to the October agenda. Davis suggested having a discussion on assisting low income individuals reduce their city utility costs. Toomay said staff would prepare a memo on existing city programs to assist in paying utility bills.

Thellman thanked Boley for his service on the AHAB. Boley said he looked forward to hearing recommendations from the AHAB.

7. Next Meeting

The next meeting will be on October 9, 2017.

8. Adjourn

Boley moved to adjourn the meeting. Stultz seconded the motion. The motion passed 8-0.

Future Meeting Dates / Tentative Agenda items

October 9, 2017 – update on status of AHAB goals; framework on allocation of funding; memo on utility costs impacting housing

November 13, 2017 – Discuss adding alternate members to the AHAB;

December 11, 2017 – Review HTF applications

These minutes were approved by the Board October 9, 2017.