

City of Lawrence

Affordable Housing Advisory Board

March 12, 2018 minutes

MEMBERS PRESENT: Rebecca Buford, Dana Ortiz, Shannon Oury, Tim Stultz, Matt Sturtevant, Nancy Thellman, Erika Zimmerman, Susan Cooper, Sarah Waters, Ron Gaches, Thomas Howe

MEMBERS ABSENT: none

STAFF PRESENT: Diane Stoddard, Assistant City Manager; Scott McCullough, Director of Planning and Development Services; Danelle Dresslar, Community Development Manager Jeff Crick, Planner II

Chair Sturtevant called the meeting to order at 11:00 am.

1. Public Comment

Sara Taliaferro, representing Justice Matters AH steering committee, wanted to welcome new members of the AHAB. Taliaferro stated an important area for the AHAB to remember going forward was to create /increase new housing units for those at 0-60% of AMI, with initial priority given to those who represent special needs populations and those who fall in the 0-30% AMI range. This represents the portion of community that has consistently struggled to maintain housing. One of the primary roles of the AHAB is to channel resources of expertise in the community that are available to compliment the judgement of the City Commission and of staff. This is important to the discussion of board composition and if it needs to be further changed. Justice Matters asks that the board composition remain the same for right now. The board just welcomed four new members, and the wisest decision would be to observe the board's process with its current and new members, then reevaluate in six months or so. In the coming months the AHAB will review the Housing Study and the results would likely influence the discussion on board composition. The need for representation needs to be balanced with the inefficiencies of working with large groups. Group dynamics are important, and for businesses and non-profits the recommended number of board members is five to seven people, and group dynamic studies suggest no more than eight people. Other studies show no more than 12 people. Public perception and trust in a board can be built by improving transparency, clarifying expectations, and delivering results. This can be achieved by ways such as allowing for occasional evening meetings, videotaping the meetings, allowing for focus groups, and reviewing and refining the board's decision making tools and processes. Taliaferro reiterated it would be their suggestion to leave the board at the current composition with the ability to review in six months.

2. Approve Minutes from February 12, 2018 meeting

Oury moved to approve the minutes from the February 12, 2018 meeting. Buford seconded the motion. The motion passed 11-0.

3. Monthly Financial Report

Stoddard presented the board with the [February Financials](#). Stoddard said the one difference from the last report was the approval of a change to the 2018 budget that includes the budget funds for the approved projects. The Housing study line item has been amended to include a workshop on the allocation framework. Staff will work together to determine how this is reflected in the financials.

4. Mayor Boley and Vice Mayor Larsen presentation

Mayor Boley and Vice Mayor Larsen attended an affordable housing conference in San Francisco. Mayor Boley reported that there was an amazing amount of information in the form of panels that talked about issues and ideas, and allowed for a lot of time for questions. They indicated they would like to share some of the information received, and express their reaction.

Vice Mayor Larsen said that she found the information to be reinforcing with the activities and initiative that Lawrence is undertaking as well as allowing for other ways to look at things.

Mayor Boley said this was not just a Lawrence issue, it was all over. What we are doing is very good. What we heard reinforced a lot for what we are doing here. He said that one of the panelists said the state of affordable housing is where it is because of policy decisions at the national level and state level. What is happening is that the cities are the ones that actually have to deal with the policy decisions. Communities that will be successful are those that put resources toward the problem. Those cities that do not direct resources to the problem will be less successful. In the future there will hopefully be better policy decisions at the top. Lawrence will have to make sure the issue does not fall through the cracks until that happens. Historically, the City of Lawrence has not dedicated resources to the problem such as sales tax. The change that Lawrence is experiencing in this realm is the upcoming allocation of local tax dollars to the issue. Even with new and better policy decisions, Lawrence most likely will not be able to step away from doing that to maintain progress toward affordable housing. It is important to remember that the money from sales tax is a tool that we will use to look at the problem and not a solution to the problem.

Vice Mayor Larsen said she reiterated Boley's notes on the policy decisions and the effect on the local level. She added that one thing that is known is that one predictor of future health for children is having a stable home. Experts agree that everything starts with a stable home. She said she also attended a session on equality and equity. It was reported that in the future, by 2034, we will be predominately a nation of people of color. To arrive at housing equity will be an uncomfortable road. She said there were four stages of affordable housing over time spanning from public housing introduction in the 1930's to today's phase of preservation. In the current phase, collaboration is key to success. Vice Mayor Larsen said there is a basic understanding that affordable housing has always been a lottery and only one in five low income households receive services. Additionally, economic inequality studies show by 2040 one in six jobs will be done by robots. One of the keys for success down the road is to have a community college or tech training in your community. Looking at solutions, cities need to plan broadly, offer permanently affordable housing, and buy land now as it will never get any cheaper. She said they kept hearing about the missing middle of housing and that it is important to find ways to replace the missing middle. Developers need to build in areas where residents can be car free, use off the shelf designs, offer wrap around services, allow for home sharing, and offer density building bonuses.

Vice Mayor Larsen said some funding mechanisms discussed included Railroad Rehabilitation and Improvement Financing (RIIF) which supports the development of affordable housing near railroads, and the Equitable Transit-Oriented Development (eTOD) which looks at compact, often mixed-use development with access to jobs, transit, and other neighborhood amenities. Additional resources are the Jumpstart Our Business Startups Act (JOBS Act or equity crowdfunding), emergency smart growth funding tool, emergency loan funds, and Low-income investment funds. New York City offered money to developers to buy and rehabilitate housing that stays affordable. Those the Vice Mayor talked to were very impressed with the sales tax approval vote. Two important takeaways were continued collaboration as well as strong leveraging of funds.

Mayor Boley had several thoughts to expand on Larsen's takeaways. He said there were two main elements to the affordable housing issue, housing costs and income. While the AHAB looks at the housing side, the reality is that the income issue is a large one. There are certain groups like the elderly and the disabled that will not be able to rely on boosting their income for housing and can only rely on the

housing side. As mentioned, land will never get cheaper so it is critical to plan for the success of your community. TOD is important with the increased effectiveness of the transit system. Mayor Boley said the panels also talked about Community Development Financial Institutions (CDFI). These provide a base of funding from a city, mixed with philanthropic and investment dollars. Basically it is leveraging dollars in an overall fund instead of project by project. The state has a trust fund, but it might not be commonly understood what it means. It is a cost fund and not an independent fund. There are restricted income sources and statutes providing greater latitude for the housing trust fund than what Lawrence is currently doing. The philanthropic community might not be likely to donate to a city fund, but would be more likely to donate to a trust fund. Need to think about this option as a group. The community could acknowledge what we have, and have a discussion about other options that might be available.

Thellman asked if the CDFI would pool tax money with private dollars.

Boley said it could be used in the community, and perhaps some of the funding would come from the city.

Larsen said there was a lot of talk about community foundations and their role in CDFIs.

Boley said being able to include the philanthropic community to the next level is something Lawrence has not been able to do yet in the current format. The CDFI is a way to finance the projects, it helps to build the finance into the fund and not directly in the project. They address the funding gaps.

Larsen said as we look at the funds in the Trust fund over the next year, it is critical that we look at other ways to leverage the funds we do have.

Gaches cautioned about questioning the governance of the current model without the model being put to use.

Boley said the topic was to generate discussion about fund leveraging and broadening the tool kit for affordable housing finance. Per the ballot language, the City Commission has the final say on projects from the Trust Fund. The trust fund will not solve the problem of affordable housing. It is possible that some other funding mechanisms can be used as well.

Oury said the LDCHA already has the ability to do home sharing. They have a model already in place.

McCullough said he had seen a new app that is working to match college students with seniors for home sharing. There is a pilot program in Boston looking at this. He added that it is a good idea as the group progresses through the Sales Tax to keep options open in regard to the Trust Fund.

Sturtevant said based on the information that Mayor Boley and Vice Mayor Larsen brought back that Lawrence seems to be on the right path in terms of ideas and action.

5. Discussion of board expansion

The members of the AHAB discussed Chair Sturtevant's [memorandum](#) outlining the possible board configuration updates. The board reviewed the options and the potential addition of a United Way representative on the AHAB.

After discussion, Gaches moved to recommend option five from Sturtevant's memo, "Add one Mayoral appointment only" to the City Commission for consideration in regard to potential Affordable Housing Advisory Board expansion. Stultz seconded the motion. Motion passed 11-0.

6. Quick Updates

a) Housing Study Updated Timeline

Stoddard said there are several things happening with the Housing Study currently, including surveys. In April the consultants will be in Lawrence to work with focus groups and to talk to the AHAB. In May they will present their results to the AHAB, and in June they would like to facilitate a half-day workshop with the AHAB members to look at prioritizing projects and ideas for the sales tax funding. Stoddard asked if the meeting date in June could be moved to the 4th to accommodate the consultant's schedule.

The committee agreed with the schedule change. They asked that it be an afternoon as that seemed to work best for everyone's schedules.

b) Schedule of board appointments and reappointments

Dresslar reported that the roster has been updated with the correct appointment information, and some of the term dates may have changed for a few members. The initial appointments were not all aligned with the original advisory board framework, but the updates have been made and the roster now accurately reflects what appointments and reappointments have occurred. The terms are properly staggered and this is correct moving forward.

c) Discuss paperless option

Stoddard said staff would like if possible to limit the amount of paper that is being provided at the meetings, and if members are printing their own paperwork or are able to bring their own computers in to let staff know and if someone needs to have the items printed to let staff know and that will be taken care of. Copies of some documents will be made available to the public as well.

7. Other New Business

Oury asked if staff could provide the Income/Housing Scale chart for the new members. Crick said he would update the chart to current numbers and staff would see that the members received it.

8. Next Meeting / Future Agenda Items

The next meeting will be on April 9, 2018. Sturtevant asked that the committee discuss the option of videotaping the meetings in April. The Housing Study consultants will also be in attendance.

9. Adjourn

Gaches moved to adjourn the meeting. Ortiz seconded the motion. The motion passed 11-0.

Future Meeting Dates / Tentative Agenda items

April 9, 2018 – BBC consultants, discuss transparency of AHAB meetings

May 14, 2018 – BBC market analysis

June 4, 2018 – BBC allocation workshop

July 9, 2018

August 13, 2018

September 10, 2018

October 8, 2018

November 12, 2018

December 10, 2018

These minutes were approved by the Board April 9, 2018.