

MINUTES
Housing and Human Services Advisory Board
Thursday, January 10, 2019
6:30-8:30pm
200 N. Main Street
Ann Arbor, MI 48104
Lower Level Conference Room

Members Present: A. Carlisle, T. Jabzanka, A. Erickson, J. Daniel, D. Blanchard, E. Pollack, A. Foster, P. Sher, Z. Ackerman, R.Sarri, N. Wright,

Members Absent: A. Bannister, F. Tsui, G. Pratt

Staff Present: Teresa Gillotti, Mirada Jenkins, David Beck

Public Present: Jim Mogenson

I. Convene Meeting:

A. Foster, co-chair, convened meeting at 6:35 pm

II. Introductions/Welcome

Board introduces themselves

III. Public Comment

J. Mogenson: I have a box of the original proposal from T-Lot from the YMCA. I believe this will come around again.

III. Approval of Agenda

R. Sarri moved to approve agenda; P. Sher seconded. Motion passed unanimously

IV. Approval of Minutes

A. Erickson moved to approve agenda; A. Carlisle seconded. Motion passed unanimously.

V. Business Pt. 1

a. Update on 2015 Housing Study

T. Gillotti: A lot of people reached out to see what's changed in the past 3 years to the 2015 Housing Study so here is the Housing Affordability and Economic Equity Study 2015 to Today. It ends up being a tale of 2 markets: an increasing market in Ann Arbor and a decreasing market for Ypsilanti. The big takeaway is to rebalance the 2 cities/regions.

Specifically, there has been an increase in the poverty rates of the 2 cities and surrounding areas, but there are some factors, such as students, which throws off the data.

A. Erickson: This data is without seniors right?

T. Gillotti: Yes

R. Sarri: Many students live closely to the poverty level.

T. Gillotti: Some other data that we're seeing is:

- The housing and rental rates are high
- For rentals, the fair market rate is around \$400 lower than the rates we see in Ann Arbor.
- 10 of the top 20 fastest growing sectors pay below 80% AMI.
- We also see a high percentage of renter households paying >30% of income, especially for people earning <\$34,999 annually.

There are some local actions that are being taken by different cities towards affordability as well. We are adding around 150 units to affordable housing with Avalon Housing and the Ann Arbor Housing Commission, but we're facing a situation with affordable housing units moving out of affordable housing rates (816 units) through different loopholes.

A. Foster: Are a lot of people acting on these loopholes?

T. Gillotti: Not many yet

J. Daniels: What's the difference between low-income and affordable housing?

P. Sher: Affordable housing is tied to a percentage while low-income housing is <60% AMI.

Board discusses.

VI. City Council member update

a. Library Lot Update

Z. Ackerman: Proposal A passed, and I haven't heard of anyone paying off Y-Lot. I still want to try to make an effort for affordable housing.

b. Update on County Health Millage Rebate and Upcoming Survey

Z. Ackerman: The millage was supposed to have 40% go into the affordable housing fund, 40% go into climate action, and 20% go to pedestrian safety. Most of the conversation has been about the climate, and not so much on the pedestrian safety or affordable housing. My informed assumption is that it will be split as planned, but ongoing support for that will be huge.

The budget survey, with priority based budgeting group partnership, focused on fixing potholes, water quality, affordable housing, and climate action as priorities. We will be doing a follow-up survey looking just at the public safety dollars. The emphasis will be on data being disaggregated by demographics. Advocacy will be critical.

c. City Council in 2019 – Upcoming Activities and/or Topics

Z. Ackerman: With the passing of prop A, we need to do something to address affordable housing whether that's different uses of large public land and/or integrating neighborhoods. We want to introduce more housing for the people with 60-80% AMI. Downtown zoning districts have premiums to build densely.

We're looking to integrate some areas of public land to build more affordable housing units, and are looking into the legal ramifications of that. Here are some of the locations I've thought about.

- 721 N. Main St: It would be along the new trail.
- 2000 S. Industrial: The parking lot is city-owned and there would be possibilities for mixed use properties there with housing and spaces/offices for non-profits.
- The SW corner of Veterans park by Jackson and Maple

We are hoping that these locations would be able to successfully integrate to successful communities and to add a few dozen units of affordable housing. We would want to have discussions with the community as well.

Board discusses other locations

VII. Business

a. 2019 Final Work Plan

T. Gillotti: I made some edits to the draft from the suggestions from our last meeting.

b. Y-Lot Update

T. Gillotti: Next week, we are planning to release the RFP with 3 suggestions.

c. Public Land Review Update

T. Gillotti: We are planning to show full set of results next month. We reviewed a lot around floodplains and HUD complaints.

d. Budget Request

T. Gillotti: I drafted a resolution that if nothing from the rebate is given to the affordable housing fund, can there be general fund dollars equal to the climate action funds.

T. Jabzanka: Does this give the council an out? If we're already asking to receive general fund dollars?

T. Gillotti: Good question.

Board discusses language of proposal.

A. Foster: Could we suggest an affordable housing millage?

A. Erickson: It seems like we always say and think no to this, but we haven't tried in 10 years.

T. Gillotti: There is a lot of work that goes into getting a millage even on the ballot.

A. Carlisle: There was a millage back in 2007 about the taskforce. There was supportive housing services, but the recession messed that up. The endowment, however, still exists and is now at \$3 million.

A. Foster: Another question, do we have breakdowns of what rental units are owned by people who own 1-2 houses vs. bigger developments?

T. Gillotti: The data is there, but has to be organized.

e. SB 110 is now PA Public Act 585

The Governor signed in legislative changes to the rent control act – the amendment is bolded, italicized and underlined.

Sec. 1. (1) As used in this section, "local governmental unit" means a political subdivision of this state including, but not limited to, a county, city, village, or township, if the political subdivision provides local government services for residents in a geographically limited area of this state as its primary purpose and has the power to act primarily on behalf of that area.

(2) Subject to subsections (3) and (4), a local governmental unit shall not enact, maintain, or enforce an ordinance or resolution that would have the effect of controlling the amount of rent charged for leasing private residential property.

(3) This section does not impair the right of any local governmental unit to manage and control residential property in which the local governmental unit has a property interest.

(4) This section does not limit the power of a local governmental unit to adopt an ordinance or resolution to implement a plan to use voluntary incentives and agreements to increase the supply of moderate- or low-cost private residential property available for lease.

Enacting section 1. This amendatory act takes effect 90 days after the date it is enacted into law. This act is ordered to take immediate effect.

f. Affordable Housing Preservation Activities

A. Carlisle: We are looking into the Low-Income Housing Tax Credit (LIHTC) program.

M. Jenkins: HUD is shut down due to the federal shutdown, but we found out it is still open for continued cases such as vouchers. No new activities can happen though.

g. Reappointment Process and Open Seats

M. Jenkins: Carrie Hammerman is stepping down from the board so that leaves open 2 seats: 1 business seat and 1 non-profit seat.

Also, for members whose term is expiring in the coming year (2019), the Clerk's office has asked staff to inquire with those members as to whether or not they would like to be reappointed, by March 1, 2019.

VIII. Public Comment

J. Mogenson: 3 things

- Please don't forget about the human services part of the HHSAB.
- For affordable housing types, there's no oversight from the usual systems if they're not in RAD.
- When talking about affordable housing, please remember that the <30% AMI is important to keep in mind.

IX. Adjournment

A. Foster, co-chair, adjourned meeting at 8:27 pm.

A. Erickson moved, P. Sher seconded. Motion passed unanimously

HHSAB Discussion Notes
Housing and Human Services Advisory Board
Thursday, February 14, 2019
6:30-8:30pm
200 N. Main Street
Ann Arbor, MI 48104
Lower Level Conference Room

Members Present: A. Carlisle, A. Erickson, J. Daniel, D. Blanchard, A. Foster, A. Bannister, G. Pratt

Members Absent: T. Jabzanka, E. Pollack, P. Sher, Z. Ackerman, F. Tsui, R. Sarri, N. Wright

Staff Present: Teresa Gillotti, Mirada Jenkins, David Beck

Public Present: Glenn Nelson

I. Convene Meeting:

G. Pratt, chair, convened meeting at 6:37 pm

II. Introductions/Welcome

Board introduces themselves

III. Public Comment

G. Nelson: I'm the co-chair for the Citizens for Mental Health & Public Safety, and I wanted to discuss how to spend dollars from county health millage. I have three points:

- The resolution of the issue is going to be critical. City council has put out a random survey of how this money should be spent. Forms are due 2/22. Results will be out late-February to mid-March. Budget must be adopted by council by March 20.
- We have a new website: www.a2mentalhealthmillage.com. We believe it would be a good idea for council to ask ideas from this board for appropriate actions. Would appreciate sharing about website.
- Now is the time for this board to give input for this process. I urge you to do this if you favor spending money from the millage on mental health services. We would like to see 40% of city's allocation on mental health services. People didn't vote for majority climate change action. We have supported the 40% for affordable housing. We don't want to affect that 40%. We appreciate the board for your support for supportive services. Thank you for your time.

Anne Bannister: Do you have this on your website?

Glenn: We are deciding to include announcement on website. It'll be on Feb 26th on calendar. CMH advisory council was group formed by WC CMH to advise specifically the

millage funds. They are grouped separate from us. We appreciate their work. Their work is on our website.

III. Approval of Agenda

Board could not approve agenda due to not meeting quorum.

IV. Approval of Minutes

Board could not approve agenda due to not meeting quorum.

V. Business Pt. 1

a. U of M Student Project on Affordable Housing

T. Gillotti: We talked about this in the fall and picked discussion on UM's increased enrollment and that impact on housing market. The other piece is looking at 2 possible funding sources that are allowed elsewhere, but not in Michigan. Want to possibly recommend policy changes. We can adjust the scope of this work and have a follow up call on Friday.

A. Foster: I can contact the professor to give them better direction and information for desired data. Also, these studies don't really address the type of housing. Would like to see their definition as a student. Right now, it's just 15-24 year old students. Can they account of total income for students over time? Don't see model on private market supply under first goal.

T. Gillotti: Would like to present on April 4th instead of April 11th.

Board tentatively agrees to hear presentation on April 4th, will finalize later.

b. Y Lot update – RFP released for community engagement (T. Gillotti)

T. Gillotti: City Council wanted to make decision to possibly buy back Y-Lot. We presented options and suggested community engagement to see what it could look like. It's been confusing as Peter Allen, students from UM, and others are conflating the 2 things. Peter and students are working on projects. We will be bringing in professional consultants (AADL and AATA are included.)

G. Pratt: What's public process look like?

T. Gillotti: We're looking for different means for engagement to hear from many different sources. They would also be doing research and engagement.

A. Foster: Is this what Municipal League does?

T. Gillotti: They use similar consultants.

Board discusses what to do with Y-Lot and library lot. We're focusing on just Y-lot now, not library lot.

c. Budget Request

T. Gillotti: We increased amount from 40% from rebate. There's an updated list for partners for projects in the queue.

G. Pratt: I'm seeing a lot of repair and renovation. Are there new builds?

T. Gillotti: Habitat, Veridian, and Hickory Way are new.

A. Foster: Can we tie the green sustainability part to affordable housing? Maybe around 80%?

T. Gillotti: That's for climate action. We're asking for 100% for what was written on the affordable housing end.

A. Carlisle: Our recommendation originally was that 75% would go to AAHF and 25% supportive services. Can we specify what the numbers would be?

T. Gillotti: Yes

G. Pratt: Will have more time to talk about it next month?

A. Bannister: It'll be tight, but that is okay. I'll be going to the Council's Tuesday meeting, and will let them know that this is coming.

d. Affordable housing "policy statement"

G. Pratt: I was present for part of discussion. Idea behind this is to get ourselves oriented to a vision for housing where we're actually changing how we're going about doing things. We're aiming a little bit in the direction of making not only dedicated funding choices, but also talking about how we can approach land use in different ways that will increase our ability to house more people of different incomes and backgrounds. It's an envisioning statement with benchmarks, and it's not only about creating housing but maintaining what we have as we've been losing affordable units. We want to figure out ways to preserve dedicated affordable housing units and create more units for 60% AMI and below. We also want to watch out for displaced individuals.

A. Carlisle: We had a small group of folks from different perspectives make a working draft document to show values that we have in terms of affordable housing and making sure that everyone in community can live and thrive here. Greg make a good point on improving processes and thinking more about land use. We talked about the education system where writing was incorporated in everything. This is like using affordable housing across curriculum with lenses of equity in the community. We will take this draft to many other groups for input.

G. Pratt: What other groups?

A. Carlisle: WHA, Religious Action for Housing, Interfaith Council, County Equity Leadership team, WCUC, and more. We're hoping to cover the entire county.

Teresa: We're hoping values are across the board. The goals may change by community is the thought.

A. Carlisle: We looked at other communities and polled generously from those communities. We will be asking for permission for some of this.

G. Pratt: So I know this is big in scope and dense, but does anyone have any questions/feedback?

A. Foster: More of a pondering question: What is the first line on draft pledge for draft housing beliefs? "Housing is human right" made me think about how cities have seen tent cities pop up but I'm not sure if that's a thing that we can include in policies in cities like this for how we do/don't welcome people who have alternate housing which is their right. I don't know if we have city policies for that

G. Pratt: We have policies like state and local laws on camping on public land. We do have humane displacement policies. I don't have language, but it would be cool to get input from folks like Mission and Caleb. In the group, they meet every Sunday and a lot of them are staying at tents or shelters overnight. I feel like they'd like to express their thoughts on these policies.

A. Foster: There's things like sanctuary cities in the news where there's tension with state laws.

A. Carlisle: We can consider it and get more input. Michigan Coalition against Homelessness is also doing a lot of work on displacement policies considering homelessness. So a lot of policy examples have been things from HHSAB from our work

plans and ideas from other groups. There's a lot here, but looking for any and more input on these topics. You can email me or Teresa if you have more ideas.

A. Bannister: We make new construction and tear down modest-price housing, such as N. Main, for modern condos. I wonder if there were somewhere in here that instead of looking at new tax revenue, we look at possible losses from previous buildings.

D. Blanchard: Maybe we can say that if you take down lower to mid modest cost housing, you must provide a similar number of units in the new development.

A. Erickson: One question: does naming specific housing developments potentially cause opposition and beliefs to be stalled in approval because there's objection to specific developments?

M. Jenkins: We don't want it to look the statement to look targeted too.

A. Carlisle: This is informing document for WHA advocacy to help inform what we're doing.

e. Affordable Housing Education Series

T. Gillotti: So this started in a funny way. DDA partnership committee invited people to ask questions, and we answered them. Wanted to share discussion with community, but some people expressed it's hard because it's the same information that doesn't go deeper. So we asked, what if we brought in different people, videotaped discussion, etc. We thought this was a good body [HHSAB] to lead that. We wanted 8 things, or maybe down to 4-5, to review, and we can have people in committee from our body to put education series together.

D. Blanchard: Value in material is getting it out to community. What if we did it in city council chambers as there's already infrastructure to support video and taping? If we can get a good space and video, we can help set up series in joint working sessions to hear presentations for importance topics in intersection of affordable housing and zoning/other issues.

A. Foster: Was the idea Ann Arbor specific? Or all of Michigan? If we do state-wide, we can bring in more people from like bigger radio and other sources?

T. Gillotti: That's what we're discussing.

A. Bannister: We could even use Michigan Theater as we have 10 times that we can use it for, and there's not much planning to use that space.

Anna Erickson volunteers to be on that team. David Blanchard, in some capacity, is willing to join depending on topic.

Board discusses.

f. Affordable housing projects going through the City's development process

G. Pratt: We have public hearing at council for households at \$32k or less a year on the west-side next to Sister Lakes. There's an opportunity to get council on board to get some senior-focused units.

A. Carlisle: I think that there's a lot of neighbors against development and is asking for rezoning. 40% of development would be for affordable housing. As Greg says, it'd be for lower income (50%). People want developer to commit to 99 years and, knowing that we've lost affordable housing units, specifically senior housing, it'd be a big chance. Trying to get folks out for council and if you're in favor of council moving forward, please join. There's information on Legistar from previous meetings and would encourage folks to contact council and come out on Tuesday.

J. Daniel: Some vocal neighbors don't want something there. Has the land been bought?

A. Bannister: Yes, but he wants rezoning from single family housing to PUD. We will probably hear from 1 of the 3 sisters.

Board discusses.

A. Bannister: Other problem is that plume is dense under there. Someone has testified that if we build there, it could move and affect contamination more.

A. Carlisle: The report addresses that there there's enough distance and layers so it wouldn't affect that.

VI. City Council member update

A. Bannister: Human Rights Committee has unanimously recommended to City Council about trespassing laws. We've cleaned it up so police can help direct trespasser to city county services. Also, for nuclear preparedness, we asked county to stock KI (iodine pills) so if radiation leaks, we can take iodine pills to protect from emergency.

Our councilman, Kathy Griswold, is getting a lot of traction on pedestrian safety issues. If you see any problems, we encourage people to submit on the "See, Click, Fix" (SCF) page,

but it seems like we're struggling with city staff to get crosswalks as an issue on the SCF page.

For the Library Lot: We're thinking of ideas to use lot, and have a consultant from that assisted the Detroit Riverfront group. Some ideas are to make it a public place that people can reserve and sell food and drinks.

A. Foster: Any news on annexation?

A. Bannister: I know it's hard for people who are worried about annexing. We lost on that one and annexed 100 properties with 400 more to go.

A. Foster: Are they all to be annexed, or is it just for 100?

A. Bannister: All, but state policies say there is a limit on how many units you can annex at a time.

Criminal Forfeitures: Luckily, AA police doesn't do that, but it's a big issue in the country. The Independent Police Oversight Committee is moving along well with 62 people applying and it will be sorted through and cut down to 30. They really thank everyone who applied and invited to continue participating. There's 4 people who'll sort the applications and announce their recommendations for 11 member oversight around late February. This is going hand in hand with search for new chief. They want the new chief to be data-driven.

Housing: People are upset about single houses being torn down on Washington. One thing the board might be interested in is that this is first to use affordable housing premium.

Board discusses

Teresa: County is in first round of racial equity officer. It'll be a presentation, community question and answers, and meet and greet. It'll be on Monday night.

VII. Public Comment

N/A

VIII. Adjournment

G. Pratt, chair, adjourned meeting at 8:15 pm.

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Thursday, March 14, 2019
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Members Present: A. Carlisle, A. Erickson, R.Sarri, A. Foster, G. Pratt, T. Jabzanka, E. Pollack, Z. Ackerman

Members Absent: P. Sher, F. Tsui, N. Wright, J. Daniel, D. Blanchard, A. Bannister,

Staff Present: Teresa Gillotti, Mirada Jenkins, David Beck

Public Present: N/A

I. Convene Meeting:

G. Pratt, chair, convened meeting at 6:37 pm

II. Public Comment

N/A

III. Approval of Agenda

Motion to amend agenda to include discussing the 4 resolutions for affordable housing.

E. Pollack moved to approve agenda; A. Carlisle seconded. Motion passed unanimously

IV. Approval of Minutes

Motion to approve January minutes and have February minutes included as notes as there was no quorum

E. Pollack moved to approve minutes; R. Sarri seconded. Motion passed unanimously

V. Business Pt. 1

a. **Public Hearing – Washtenaw Urban County Annual Action Plan**

The Annual Action Plan identifies the specific projects and programs that the County intends to implement with Community Development Block Grant Funds (CDBG, HOME Improvement Partnerships, Housing Emergency Grant Solutions (HESG, etc)

during the period July 1, 2019 – June 30, 2020. We currently project \$2.97 million as the FY 2019-20 estimated allocation. Funding estimates were based on our funding in 2017 as 2018 was an outlier for us. The Ann Arbor CDBG proposed allocations include Community Based Development Organization (CBDO) and potential affordable housing improvements and code compliance for Michigan Ability Partners (MAP) and Avalon Housing, Inc. The department plans to review of CBDO the request for proposals as presented by Peace Neighborhood Center and Community Action Network (CAN) and will provide proposal outcomes to designated Ann Arbor representatives.

This is the 2nd public hearing of 3 scheduled hearings. The 1st was at Washtenaw County Urban County Executive Committee (UCEC). The Public Notices for the three (3) public hearings, 30-Day Comment Period for the FY2019-20 and draft Annual Action plan were published in the Thursday Classifieds of the Ann Arbor News and MLive.com on February 21st. They were also posted and posted on the Washtenaw County and OCED websites on March 4th.

The three (3) public hearings invite participation and/or written comments on the Annual Action Plan from any person having an interest, or their duly appointed representative, in the Urban County's 20 participating jurisdictions. The Schedule of Public Hearings is as follows:

Wednesday, March 6, 2019 at 2:00PM
Urban County Executive Committee Meeting
Learning Resource Center
4135 Washtenaw Ave.
Michigan Room
Ann Arbor, MI 48108

Thursday, March 14, 2019 at 6:30PM
City of Ann Arbor Housing and Human Services Advisory Board
200 N. Main St.
Lower Conference Room
Ann Arbor, MI 48104

Wednesday, March 20, 2019 at 6:45PM
Washtenaw County Board of Commissioners
Washtenaw County Administration Building
Board of Commissioners Board Room
220 N. Main
Ann Arbor, MI 48104

The 30-day comment period began Monday, March 4th and will conclude April 4th, to solicit input on the draft 2019 Action Plan. During this 30-Day Comment period, residents and interested parties can obtain the draft plan by contacting Tara Cohen at (734) 544-3056 or cohent@washtenaw.org or by downloading the plans from HERE (Link: <https://www.washtenaw.org/Archive.aspx?AMID=66>).

A. Carlisle: Do the CDBG funds go through coordinated funding?

M. Jenkins: The CDBG allocation funding was divided over two years to comply with the coordinated funding process? The current Coordinated Funding (COFU) term is 2018-2020 (every 2 years).

R. Sarri: Do you have info for what is being proposed for new area? The new budget from Trump seems a bit worrisome.

M. Jenkins: It's hard to say, but we've been in situation before where federal projects imply a reduction in federal resources. We estimate conservatively, hope for the best and routinely contact federal contacts and representatives to make sure we are getting the most recent information.

Board discusses

b. U of M student project on affordable housing

G. Pratt: Brief update for this project to move meeting from 4/11 to 4/4.

T. Gillotti: A reminder that this is a project from a group of students at UM. We asked for couple things: student inquiries, going through data channels, etc. They're doing a doing great job, and they're looking at other tools that other states are using for housing and more.

Board discusses availability

Motion to change: Amanda moves, Foster seconds.

c. Y Lot update – RFP released for community engagement

T. Gillotti: The RFPs for the developers: The Yard, Hamilton-Anderson, Project for Public Spaces, and Stan-Tech were scored. Some stood out, but the group that scored the RFPs didn't have a clear ranking so there'll be more interviews to come. The community engagement piece will come around June after deciding.

E. Pollack: When are they doing interviews?

T. Gillotti: The 1st and 2nd week of April, and we will get the word out when we find out the time for the community engagement.

d. Budget request

Z. Ackerman: The reaffirmation for the fiscal year is in April for this year, and this is on the agenda for first week of April in City Council. We have lot of non-binding resolutions that affects our budget.

Motion to move item for a vote:

Erickson moves, Foster seconds [with those edits/amendments].

e. Fee-in-Lieu

T. Gillotti: This is for zoning ordinance for PUD, that fee-in-lieu should be updated every year, but hasn't been for a long time. I wanted to talk about it today before I recalculate and want to set a new process to calculate FIL. The last calculations to identify affordability gap or calculating actual cost of constructing unit were back in 2004, 2006, and 2007.

R. Sarri: How often does it happen that a builder allows for affordable housing?

T. Gillotti: Lately, there are 2 developers that want to use the PUD, but there hasn't been much recently.

Board discusses

A. Foster: For #2, when it says over the lifetime of the unit, what does that mean?

T. Gillotti: The unit has to be there for 99 years.

G. Pratt: I noticed we've moved AMI from 80% to 50%

TG: The way I think we can come up with consistent methodology is 2 parts with the caveat that it's very hard to get consistent data on cost of rental units. We have sales data, and it will show the trend of the market. I proposing that look at median market rate for sales prices, and use assessor's data to figure out how median market price is. We selected 50% because 60% is on the higher end for affordability, 50% was more moderated. Maybe it's possible to go down to 40-45? If we choose top part of our range (60%), it would skew the info.

A. Foster: Is the market Washtenaw County or just Ann Arbor?

T. Gillotti: Washtenaw County

A. Foster: For median square footage of houses sold, is that for all?

T. Gillotti: Yes, once we have the price per square foot, then if the developer is making 99 units, 1/3 would be this, 1/3 that, etc.

A. Foster: For that scenario (fee-in-lieu), we would do representative sample of room types when developers put in affordable housing instead of putting in a fee. Are they held to that?

T. Gillotti: Yes, when we were talking about South U developer, they have smaller apartments and bigger designed spaces. We would prefer to do efficiency 1-2 bedrooms. How does this feel? Hard to come up with something standardized, but we will try to update the numbers soon.

A. Erickson: Would rather split 30-60 AMI, so 45% AMI.

Board discusses the AMI.

f. Affordable Housing "Value or Policy Statement"

A. Carlisle: We're hoping this is something all municipalities will adopt. We got a lot of feedback and will be making edits to it. After the beliefs, there are the 4 goals we'd like to achieve as well as some possible actions. We will decide next month.

Z. Ackerman: Are we hoping the municipalities adopt all of this?

A. Carlisle: Just belief/value statements.

R. Sarri: Because they are proposing senior units, why aren't we proposing shared units? I've read about shared housing where students and seniors live around where it's a mutually beneficial arrangement. We need to think through this a bit differently.

A. Carlisle: Maybe we can have accessible dwelling units?

G. Pratt: Were you thinking of adding language to advocate for senior housing?

T. Gillotti: The best neighborhoods are ones that can help people of all walks.

g. Affordable Housing Education Series

TG: To recap from our last meeting, some folks on DDA Partnership Committee invited some people to talk about affordable housing and want to package information to share with general public through videotape sessions/info, etc.

G. Pratt: Would we make this Ann Arbor-centric?

T. Gillotti: Nope, the more general resources and speakers we could get would be good to expand pool of involved people.

**Action: Move to approve HHSAB being a lead
R. Sarri moves, Thad seconds**

h. Affordable Housing Projects Going Through the City's Development Process

G. Pratt: I just wanted to recognize A. Carlisle who came and spoke for the Lockwood development. The public hearing will be on Monday during the council meeting.

A. Carlisle: The developer is offering 41 affordable housing units out of 90, 21 of 41 would be for seniors at 60% AMI.

G. Pratt: There's mention of other developments in play. The planning commission voted 6-1 on Lockwood project while Burton Rd was turned down by planning commission.

A. Carlisle: If council turns down the Lockwood development, our ability to improve anything else will be discouraging.

VI. City Council member update

Z. Ackerman: The community should make council's decision to turn down Lockwood a hard one. I've been working on 5 resolutions on affordable housing. 3 are going forward on March 18. Those 3 resolutions have to do with downtown zoning premiums. Hopefully we'll see other real opportunities to get affordable housing.

The 2 that aren't going forward are about using park land for housing. I ran into some roadblock with all 4 possible parks. There are 3 different roadblocks: The first is bad for 2 parks, the second needs more info, and the third roadblock could start a conversation.

On April 1, the mayor will be putting forward a resolution to secure funding for fiscal year. He has also said that any attempts to remove funding (\$880K) will be vetoed.

I don't have any philosophical qualms with the last proposal, but may introduce a counter resolution because it's a fire department resource, and they have million dollar needs. The counter resolution would be a compromise to fund construction of firehouses, but would amount to some amount of affordable housing.

G. Pratt: I do want to thank Councilmembers Hayner and Bannister for putting forward resolutions for affordable housing. I also would like to thank A. Bannister did speak to our funding request.

VII. Public Comment

M. Jenkins: I would like to have it on record that the Comment Period for the FY19-20 Draft Annual Action plan is from March 4- April 4.

A. Carlisle: Also, there are councilmembers asking the city administrator for short-term rentals like Airbnb.

TG: Also, while we are here, did we want to make resolution for Lockwood, Bannister, Ackerman, etc?

Board discusses resolution.

VIII. Adjournment

G. Pratt, chair, adjourned meeting at 8:30 pm.

MINUTES
Housing and Human Services Advisory Board
Thursday, April 4, 2019
6:30-8:30pm
200 N. Main Street
Ann Arbor, MI 48104
Lower Level Conference Room

Members Present: A. Carlisle, A. Erickson, R.Sarri, A. Foster, G. Pratt, E. Pollack, N. Wright, J. Daniel, D. Blanchard

Members Absent: Z. Ackerman, A. Bannister, T. Jabzanka, P. Sher, F. Tsui

Staff Present: Teresa Gillotti, Mirada Jenkins, David Beck

Public Present: Kyle Slugg, Kevin Sweitzer, Eric Hanss

- I. Convene Meeting:
G. Pratt, chair, convened meeting at 6:36 pm

- II. Public Comment
Board introduces themselves to guest speakers.

- III. Approval of Agenda
A. Foster moved to approve agenda; R. Sarri seconded. Motion passed unanimously

- IV. Approval of Minutes
A. Carlisle motions to approve minutes; E. Pollack seconded. Motion passed unanimously

- V. Business Pt. 1
 - a. Presentation U of M student project on affordable housing

Kyle Slugg: We're here to talk and give a presentation about challenges in Ann Arbor about affordable housing and some potential solutions. We're students from Ford School of Policy at UM. In our presentation, we have 3 points of emphasis:

- Analysis of housing pressure (2015 Affordability and Equity Analysis)
- Short/Mid-term actions
- Long-term actions

Analysis of Housing Pressure: Kyle Slugg

The data indicates high rental rates in downtown Ann Arbor. We reviewed at the Ann Arbor market and also the number of beds. We did not focus on units as beds show groundwork for alternative housing sources. Enrollment and student housing demand have similar progress. We are drawing our data from one year of micro data from the Census American Community Survey.

Measuring need: The cells represent the gap between supply of beds and demands for beds by rent bracket. The demand is derived at household income. 30% of income for rent is good, but you can see the severe deficit for the bottom row of the bracket. People at the lowest levels are being priced out.

Student and non-student renters:

Short/Midterm Actions: Eric Hanss

One potential action is to leverage anchor institutions, such as the University of Michigan, to expand institutional roles. The two main factors that make U of M an anchoring institution is

- Higher education
- Health system

Also, as the largest employer in Washtenaw County, expanding housing opportunities may help with workforce demands: talent attraction and retention.

University Partnerships:

We looked at 3 predominant trends and will be focusing on the first:

- Directly or indirectly focusing on investment: construction, gap funding, and ground leases
- Loan and down payment for faculty and staff
- Ongoing local housing research and engaged learning opportunities

There are 2 case studies of university investment:

- San Jose: Santa Clara University: downtown San Jose, CA
 - o Motivation: University-initiated response to local housing crisis and student/workforce attraction
 - o Mechanism: Mixed use University-led development
 - o Project: Tech Innovation & Educator Faculty Housing (announced late 2018)
 - 295 apartments to house staff and faculty, 20K ft incubator for new businesses and ideas
- Howard University: Washington, DC
 - o Motivation: Underutilized assets, district mandate to build 50-100 affordable units as condition of approval of update to Campus Master Plan
 - o Mechanism: Ground leases on University-owned properties to developers

- Project: Trellis House (constructed 2018)
 - 319 apt (36 affordable units), retail space as well

For Health System Partnerships:

3 ways they address housing affordability and we will focus on the second point.

- Identifying community priorities: planning and engagement
- Enlarging the investment pipeline: development and gap financing
- Improving the enabling environment: analysis and government relations

Case study

- University of Vermont Medical Center
 - Motivation: Social determinants of health; ER cost savings
 - Mechanism: Funding, development & services
 - Project: Bel-Aire Apartments
 - First rented out motel and hotel spaces for patients, then bought those places for permanent housing
 - 8 supportive housing units were developed
 - \$1.6m development cost and funding for case management
 - Savings per person per year is \$6k/year per person

Takeaways:

Partnerships (public-private) between anchor institutions and local government can result in short and mid-term targeted affordability alleviation.

Long term Actions: Kevin Sweitzer

Accommodations tax:

- Our current state occupancy tax: 6% on stays under 30 days in hotels and motels
 - Provided to convention and visitor bureau (CVBs) for the promotion of tourism and convention (ex. Hotels in Columbus, OH)
- Columbus, OH accommodations tax:
 - .43% tax on accommodations to be dedicated to affordable housing trust fund
- Portland, OR affordable housing on hotel
 - Requires hotel developers to build affordable housing

Barriers:

- Headlee Amendment
 - State constitutional amendment limits new taxes that local government can impose
- Bolt vs Lansing
 - Michigan Supreme Court Case strictly defining fees very closely, making fee increases very difficult
- Political difficulties

- Much more feasible to propose new millage, which would require public vote, but raised taxes are unpopular amongst public.

A. Foster: What is prohibiting utilizing the existing 6% and possibly chunking off a portion of it?

Kevin Slugg: There's a certain Michigan state law that prevents that.

A. Carlisle: How did you figure out the per bed amounts?

Kyle Slugg: I was working with the data from American Community Services (ACS) data and used that. They give a rough idea of what's going on. ACS employs # of beds in unit and people living in house.

R. Sarri: Your plan doesn't take into consideration the community as an entity. The problem with young families is that the housing pressure is worse. Increasingly with single parent families, the pressure is even greater.

T. Gillotti: Can you talk us through the 1457 undergrad beds?

Kyle: We took data from all the Big 10 schools, and they housed 36% so we chose that as a feasible means for the university to add beds.

T. Gillotti: Can you talk me through columns on blue chart (new on campus housing)?

Kyle: The university housing rates aren't given in rent per month, but more per term or year. So, we decided them out by 12 to come out to monthly rent estimate. The columns show distribution of that.

A. Foster: Do any of the universities you looked at encourage housing on campus?

Eric: There are many universities that have requirements for needing to be in dorms for x year. There are very few campuses that require all 4 years. The 36% is median, but range is broad. The max is 50% by University of Illinois Urbana-Champaign. The minimum is 22% from University of Minnesota.

T. Gillotti: How does the Columbus law differ from Michigan law?

Kevin: OH doesn't have specific laws to disclose usage for taxes. Using Detroit as an example, there are ways to get around direct revenue generation. Community benefits can be negotiated.

Board discusses

b. Upcoming Point-In-Time Count Debrief

Carlisle: The debrief is happening Monday, April 15 to share PIT results. If you're able to attend, I'd encourage you to come out!

Wright: When was the count done?

Carlisle: The polar vortex days in January from 10pm – 2am. The count is done every year.

Foster: How do you count someone who found inside, but got shelter?

Carlisle: We counted those in shelter and some in hotel count.

Board discusses

c. Fee in lieu – staff will bring revised numbers to the meeting for consideration.

T. Gillotti: I receive the data and updated the fee in lieu calculation. We determining a consistent method to calculate fee-in-lieu as we should be update the formula yearly, and our last update was 2007. When we ran numbers from 2007 to 2018, it does show an increase in the fee in lieu payment structure. The median market rate price for single family units from 2,000 sq. ft or less and amount affordable to 3 person household at 50% AMI.

The new equation is:

$A - B = \text{Affordability gap} - 2016 - 119,500. \text{ In } 2018 - \$186,571$

A. Foster moves to amend resolution to revise edit to “HHSAB recommends that the City Council adopt the 2019 Fee in Lieu of Affordable Housing to be cost determined by staff formula.” And to proceed with the proposed resolution. E. Pollack seconds. Motion passed unanimously

d. Affordable Housing “Value or Policy Statement”

A. Carlisle: So we brought the statement to the HHSAB, Washtenaw Housing Alliance, The Advocacy Committee and Religious Action for Affordable Housing. We will continue to show and gather feedback. It has been slightly revised, but overall similar. The targeting of resources to certain income levels (#3) was one of the edits. We are hoping to take this to various places to support and unite on this.

I think the goals and chart section piece is updated based on some of feedback. For the most part though, it's pretty self-explanatory. We received feedback from Councilmember Ackerman when sending it to city council.

R. Sarri: Should we take action on this?

A. Foster moves to recommend City Council to whole heartedly adopt the belief statement. R. Sarri seconds. Motion passed unanimously

N. Wright: Is the motivation on this to get people on board for future policies/decision making?

A. Carlisle: Yes

e. Affordable housing projects going through the City's development process.

Greg: This past council meeting, there was resolution passed to identify 10 properties. Burton road was voted down by planning commission, and will be going to council on May 6th.

Teresa: Washington St had its meeting, but nothing to council yet.

Greg: YLot is not part of 10 properties identified for potential affordable housing projects.

T. Gillotti:

- Four proposals were received from the public Request for Proposal (RFP) process. We have a committee selected to interview the developers from each proposal.
- Affordable Housing Fund: Monday night, they followed the HHSAB recommendation and are allocating \$880,000 towards the Affordable Housing Fund.

G. Pratt: The Approved resolution and final vote will happen in May 2019.

Foster: There's a councilmember that said that most of Ann Arbor is affordable and her home is affordable. Next month, it might be time for refresher pop-quiz for what constitutes affordable housing.

T. Gillotti: This would be a relevant topic for the Affordable Housing Education Series, we are still trying to work on education series with our many partners

G. Pratt: I have a friend Matt Weber, who works on the Community Land Trust Development, who may be good resource for the educational series.

A. Foster: Is there any update from the building across the YMCA (Washington St Art Collaboration)?

Board discusses

VI. City Council member update

N/A

VII. Public Comment

N/A

VIII. Adjournment

G. Pratt, chair, adjourned meeting at 8:00 pm.