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Resolution to Begin Discussions with University of Michigan (U-M) for 2,000 Units of Net-Zero Affordable, Sustainable Workforce Housing on U-M's Ann Arbor Campus Properties and Agreement on Additional Student and Employee Residential Units Commensurable with U-M's growth

..Body

Whereas, The City of Ann Arbor and the University of Michigan have a longstanding, mutually beneficial relationship and share many interests, including contributing to a vibrant community, sustainability goals, pedestrian safety initiatives and holding successful athletic and cultural events;

Whereas, U-M Ann Arbor campus growth and technology spin-off businesses have been an enormous economic engine for the city and the surrounding area;

Whereas, U-M Ann Arbor campus enrollment has increased by 6,653 or 15% over the last seven years reaching an all time high of 50,278 for the 2021-2022 academic year¹;

Whereas, U-M Ann Arbor campus increased employment by over 6,000 jobs over the last five years and future growth is planned, including that associated with a new 264-bed hospital²;

Whereas, 118 private companies have been launched by U-M during the past ten years, 31 in FY2020 alone, creating approximately [REDACTED] jobs in the Ann Arbor area²;

Whereas, the growing student enrollment and employment levels at U-M's Ann Arbor campus and at other local employers has put significant pressure on the local housing market as evidenced by housing costs which have significantly outpaced the Consumer Price Index and growth in area personal income over the last decade;

Whereas, Ann Arbor has a particularly significant shortage of affordable and Workforce Housing;

Whereas, Workforce Housing is commonly targeted at low-wage "essential workers" – instructors, security officers, bus drivers, nurses and medical staff and service workers, and others who are integral to a community, yet who often cannot afford to live in the communities they serve⁹;

Whereas, Homeownership in Ann Arbor among households earning less than \$150,000/year has generally decreased since 2010, where those households earning \$50,000 - \$74,999 have been negatively impacted the most³;

Whereas, The proportion of renters in Ann Arbor earning \$50,000 or less has also decreased substantially since 2010³;

Whereas, Only 40% of all U-M Ann Arbor campus employees live in the Ann Arbor area² and the portion among staff is only 28%, having dropped 12% between 2012 and 2018⁴;

Whereas, U-M Ann Arbor campus employees who cannot afford Ann Arbor area housing costs commute from all around Washtenaw and surrounding counties, where lower-paid staff workers travel longer distances thereby increasing their transportation financial and time-in-transit burden, an inequitable state of affairs;

Whereas, These and other employees' commutes to and from Ann Arbor significantly increase U-M's and the Ann Arbor community's Scope 3 greenhouse gas (GHG) emissions, only part of which are currently reflected in both entities' GHG emissions inventories;

Whereas, Both U-M's and Ann Arbor's carbon neutrality plans explicitly call for the creation of new housing on U-M property and within the city, respectively, in order to reduce GHG emissions associated with vehicle miles traveled⁵;

Whereas, Mixed-use housing developments designed to create walkable and bikeable neighborhoods served by public transportation which are integrated into the surrounding community are those which provide the greatest opportunity for reducing vehicle miles traveled and are generally regarded as the most desirable places to live;

Whereas, Ann Arbor's carbon neutrality plan is based on the assumption that "All new construction from 2022 through 2030 (and beyond) is built to net zero energy standards"⁶ and U-M's carbon neutrality plan calls for the establishment of strict new building CO₂ emission standards⁷;

Whereas, The U-M is beginning a comprehensive campus planning process and will soon begin public engagement;

Whereas, At least 17 other U.S. colleges and universities, several of them world-class U-M university peers such as Columbia, MIT, Stanford, and Princeton, provide employee housing⁸, albeit apparently in most if not all cases just for faculty, thus the development of affordable Workforce Housing would be an opportunity for U-M to distinguish itself;

Whereas, While the U-M's mission may not include providing housing for employees, many options are possible, such as providing 99-year land leases to private developers for apartments, condos and cooperative housing thereby either generating income to U-M or, if at no cost, increasing the affordability of the units;

Whereas, Workforce Housing (re-)development is best targeted for sites with existing low-density buildings and other properties such as surface parking lots adjacent to existing infrastructure; however, the development of sites with high-quality natural features should be avoided due to their many human and ecological benefits, including carbon sequestration;

Whereas, The construction of 2,000 net-zero affordable Workforce Housing units on U-M property would provide a wide variety of demonstration projects and learning laboratories for students and research opportunities for faculty in energy, urban planning, architecture, engineering, human ecology, sustainability and other disciplines;

Whereas, U-M is to be commended for recently approving the construction of 1,200 (700 net new) net-zero, LEED Gold-certified undergraduate housing beds on North Campus which will help address some of the aforementioned housing issues;

Whereas, The City of Ann Arbor has also been working to improve housing availability across all sectors – affordable, workforce and market rate, for example by allowing the development of Accessory Dwelling Units on approximately 22,000 properties, allocating at least nine City-owned properties to the Ann Arbor Housing Commission for development of affordable and other housing, and creating Transit Corridor District zoning;

Whereas, Many formal and informal relationships exist between City and U-M leaders, including Council members who are employed by U-M and who serve on U-M Boards;

RESOLVED, That the City Administrator provide an opportunity for elected officials of the City and U-M to dialog and mutually explore opportunities to provide net zero energy Workforce Housing on U-M properties and elsewhere in the city, ideally in mix-use developments, thus furthering both of our sustainability and equity initiatives;

RESOLVED, That the City Administrator will invite other interested elected officials at the County, State and Federal level to participate in this dialog;

RESOLVED, That City Administrator will discuss Workforce Housing at the quarterly U-M policy meetings and report progress to City Council;

RESOLVED, That the City Administrator will solicit the support of the Michigan Municipal League, the City's lobbyist (Governmental Consultant Services, Inc (GCSI)), the Chamber of Commerce, and any other local groups and leaders who share the goal of additional units of net-zero energy affordable Workforce Housing on U-M Ann Arbor campus property;

RESOLVED, That the City leaders will continue to advocate for additional student residential units as enrollment increases; and

RESOLVED, That the City leaders will advocate that U-M establish a formula for new residential units in proportion to student and employee growth.

¹ <https://ro.umich.edu/reports/enrollment>

² <https://www.govrel.umich.edu/index.php/community/community-facts-and-figures/>

³ U.S. Census – American Community Survey, as analyzed by Brian Chambers

⁴ <https://graham.umich.edu/index.php/scip/materials>

⁵ <https://www.fulcrum.org/um-pccn> (see page 27) and <https://www.a2gov.org/departments/sustainability/Documents/A2Zero%20Climate%20Action%20Plan%204.0.pdf> (see p. 78)

⁶ <https://www.a2gov.org/departments/sustainability/Documents/A2Zero%20Climate%20Action%20Plan%204.0.pdf> (see p. 48)

⁷ <https://www.fulcrum.org/um-pccn> (see p. 89)

⁸ <https://universitybusiness.com/faculty-housing-programs-at-various-colleges-and-universities/>

⁹ https://en.wikipedia.org/wiki/Workforce_housing; see also <https://www.epi.org/blog/who-are-essential-workers-a-comprehensive-look-at-their-wages-demographics-and-unionization-rates/>

