

..Title

Resolution for the City of Ann Arbor to Gather and Communicate Information on Programs Supporting Low and Moderate-Income Mortgages to City Employees and Residents

..Body

Whereas, According to the Ann Arbor Area Board of Realtors, through November of 2021 the median price for a single-family home in the Ann Arbor Public School District was \$451,000; ⁱ

Whereas, US Census American Community Survey data on the City of Ann Arbor shows that between 2010 and 2019 there was a 33% decline in the distribution of homeownership by households earning between \$50,000 and \$75,000 in annual household income, and a 20% decline in the distribution of homeownership for all households with annual incomes below \$100,000 / year; ⁱⁱ

Whereas, The growing student enrollment and employment levels at U-M's Ann Arbor campuses 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 as well as area personal income over the last decade;

Whereas, Ann Arbor has a significant shortage of housing affordable to low and moderate income households using traditional mortgage financing;

Whereas, Only 40% of all U-M Ann Arbor campus employees live in the Ann Arbor area ⁱⁱⁱ and the proportion among staff is only 28%, having dropped 12% between 2012 and 2018; ^{iv}

Whereas, The proportion of Ann Arbor's Black population has declined from 9.3% of total residents in 2010, to 6.8% in 2020, in a County where the share of African Americans has increased from 10% to 12% over the same period. ^{v, vi, vii}

Whereas, The Ann Arbor area is reported as the eighth most economically segregated in the US. ^{viii}

Whereas, Workers employed in the City who cannot afford Ann Arbor area housing costs commute from all around Washtenaw and surrounding counties, thereby increasing their transportation, financial, and time-in-transit burdens, increasing housing, worker and family stress, and traffic congestion;

Whereas, Commutes to and from Ann Arbor significantly increase Scope 3 greenhouse gas (GHG) emissions, only part of which are currently reflected in Ann Arbor's GHG emissions inventories;

Whereas, The City of Ann Arbor workforce is substantially unionized and union contract wage scales are nearly all below the area median household income of \$106,600 / year; ^{ix}

Whereas, The non-union City of Ann Arbor workforce is capped at or below the area median household income in 9 out of 15 grade levels;

Whereas, Programs are available, such as The Neighborhood Assistance Corporation of America (NACA) (a nonprofit 501(c)4, US Housing and Urban Development (HUD) approved homeownership and advocacy organization), along with several other programs, which provide assistance with and access to low and moderate-income mortgages;

Whereas, City employees and residents of single-income or multi-income households at or below the area median income of \$106,600 / year for a family of four are potentially candidates for NACA mortgages;

Whereas, City residents have requested that the City communicate information to its employees and residents about programs such as NACA; and

Whereas, City Council finds that dissemination of information regarding programs that assist low and moderate-income residents to purchase homes is a public purpose that benefits the City of Ann Arbor;

RESOLVED, that the Ann Arbor City Administrator:

- Support communications to City of Ann Arbor employees and residents about various organizations that provide access to low and moderate income mortgages,
- Facilitate messaging to City employees and residents through City newsletters, electronic communications, brochures and/or posters in City buildings, and web-postings;

Sponsored by: Councilmembers Griswold, Radina, Ramlawi, Nelson, and Disch

ⁱ Susan Maguire & John Hilton. Home Appreciation Trends, December 17, 2021, Ann Arbor Observer.

ⁱⁱ Brian R. Chambers, Ph.D., Ann Arbor Middle-Income Needs Analysis, March 2022, Working Paper #1. Based on U.S. Census American Community Survey Data, 2010 - 2019.

ⁱⁱⁱ UofM Government Relations - Community Facts and Figures Fiscal Year 2020 data.

^{iv} UofM Sustainability Cultural Indicators Program Materials Compare Report 1 from 2012 to Report 5 from 2018

^v US Census QuickFacts- Ann Arbor, Michigan 2020.

- vi US Census QuickFacts - Washtenaw County, Michigan 2020
- vii Michigan General Population Characteristics - 1980 US Census
- viii SEGREGATED CITY: The Geography of Economic Segregation in America's Metros.
Richard Florida and Charlotta Mellander. Martin Prosperity Institute, University of Toronto, 2015.
- ix City of Ann Arbor Compensation and Contracts