City of Ann Arbor

Legislation Details (With Text)

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Type:	Resolution		**Status:**	Passed
File created:	3/18/2019		**In control:**	City Council
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Title:	Resolution to Pursue Affordable Housing at 2000 S. Industrial			
Sponsors:	Zachary Ackerman, Christopher Taylor, Chip Smith, Julie Grand			
Indexes:				
Code sections:				
Attachments:				

Date	Ver.	Action By	Action	Result
3/18/2019	1	City Council	Approved	Pass

Resolution to Pursue Affordable Housing at 2000 S. Industrial
Reviewed by: Reviewed by: Kevin McDonald, Senior Assistant City Attorney
          Jennifer Hall, Executive Director, Ann Arbor Housing Commission
          Teresa Gillotti, Director, Office of Community & Economic Development
          Brett Lenart, Planning Manager

Whereas, Housing costs are typically a household's largest single expense, critically affecting quality of life;

Whereas, In 2015, the City of Ann Arbor partnered with the U.S. Department of Housing and Urban Development and Washtenaw County to produce the Housing Affordability and Economic Equity Report ("Report");

Whereas, A primary goal of the Report was to maximize housing opportunities for lower and middle class households;

Whereas, The Report highlighted that housing in Ann Arbor has become unaffordable for 45% of households making $35,000-$49,999 a year, 87% of households making $20,000-$34,999, and 94% of households making under $20,000;

Whereas, Ann Arbor is the least affordable city in Michigan with median rents 22% higher than the rest of the state;

Whereas, Residents of Ann Arbor continue to feel the pressure from a lack of housing options with average rents increasing nearly 15% since 2015;

Whereas, Neighborhoods such as Arbor Oaks and Water Hill are seeing significant demographic shifts due to a lack of housing options city-wide;

Whereas, In response to the Report, City Council adopted a goal to construct 2,800 new units of affordable housing by 2035, or 140 new units per year;

Whereas, Since 2015, only 50 units of dedicated affordable housing units have been built within the city limits;

Whereas, Regionally, Over 1500 units have converted from dedicated 'Affordable' to market-rate, as terms of Low-Income Housing Tax Credits and other funding requirements have expired and an additional 800+ units will be expiring;

Whereas, Results from the 2018 City Budget Prioritization Survey clearly indicate Ann Arbor residents believe affordable housing should be a policy and budgeting priority;

Whereas, Tackling affordable housing is a complex issue and an uphill battle, requiring many revenue streams and strategies;
Whereas, Publicly owned land presents the greatest opportunity to create new units of low-income and mixed-income housing - legally and financially; and

Whereas, The City-owned property at 2000 S. Industrial ("Property") has been the focus of community attention for decades.

RESOLVED, That the City will utilize the Property to create the greatest quantity and quality of affordable housing units;

RESOLVED, That by September 1, 2019 the City Administrator will recommend to City Council a process to follow which addresses the following requirements:

- The City will maintain ownership of the Property (e.g., land lease)
- Any potential developer will offer a mix of unit types and rent levels
- Any Developer will maximize the number of affordable housing units for those who make up to 60% of the Area Median Income
- Any Developer will accept Housing Choice Vouchers
- Development will include 15,000 Square Feet of office and maintenance space for the Ann Arbor Housing Commission; and
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RESOLVED, The City may explore options with interested users to dedicate a portion of the Property to other public uses and/or non-profit office space.

Sponsored by: Councilmembers Ackerman, Smith, Grand and Mayor Taylor