

#### **Work Session**

Discussion of Follow-up to the Community Conversation on Affordable Housing

#### **Recommended Council Action**

None - Discussion only

## **Context with Key Issues**

FY17 represents a renewed focus of the City Council on the provision and preservation of affordable housing in the community. Informed by the Community Conversation on Affordable Housing, held on February 6, the Council has prioritized work towards ensuring that there are a range of safe, quality and stable housing options available to residents of all incomes. This commitment is reflected in the FY17 budget, adopted on May 18, which includes funding for a proposed affordable housing study and a new housing reserve or trust fund, in addition to ongoing programming offered by the City.

The June 1 work session is intended to provide the Council with an opportunity to revisit the feedback received during the Community Conversation, learn more about the planned reorganization of the Housing and Community Development Department, and discuss upcoming affordable housing activities. The feedback received during the discussion will help frame the City's affordable housing efforts in the new fiscal year.

### **Council Priority**

A Livable Community For All – Ensure that we have a range of safe, quality, and stable housing options for residents of varying incomes.

### **Environmental Impact of Action**

N/A

### **Fiscal Impact of Action**

N/A

# **Attachments and Links**

- Community Conversation: Affordable Housing Small Group Discussion Responses
- Community Conversation: Affordable Housing Online Responses
- Community Conversation: Affordable Housing Presentation Materials https://takomaparkmd.gov/initiatives/community-conversations/
- Strategic Plan Proposal: Affordable Housing Summary
- Housing Fund: Information Sheet

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# COMMUNITY CONVERSATION: AFFORDABLE HOUSING IN TAKOMA PARK SMALL GROUP DISCUSSIONS – CONSOLIDATED RESPONSES

Saturday, February 6, 2016

### What is currently working?

- Rent stabilization working for low income vs. homeowners
- Programs that benefits citizens
- Convert smaller properties (MHP)
- Single family properties with small units
- · Rent Stabilization is working by keeping rent lower
- Landlords can't renovate due to no money

# What needs to be changed about our approach to affordable housing?

- Issues with units not turning over and code enforcement regulations on number of people in units. Landlords not monitoring number of people in the units
- Discrimination in looking for apartments
- Tax rebate programs and other resources need to advertise more
- Broader conversation housing policies
- City being able for policy changes
- Converting home to offer rooms for persons with disabilities
- Money for landlords to make repairs
- Low yield co-op
- How to locate supply how city using existing land to build mix uses
- Relaxed accessory apartments regulations and density
- Considerations for graduated regulations for smaller/owner-occupied apartments
- Considerations for utilities
- Regulations work against creating affording housing more strikeouts code enforcement
- Zoning / density
- Accountability for those eligible for rent stabilization
- Spread costs across the community / city
- Reexamination of increase limits
- Evaluate how we define affordable housing
- Lobbying/advocating for additional resources

#### What should be our affordable housing goals in Takoma Park?

- Conversation inclusive w/ variety of stake holders
- Renters/buyers can afford to rent/buy
- Preserve diversity and variety of incomes

- Clear definition of affordable housing
- Issue of quality improving affordable housing
- Safe, clean and decent
- Higher expectations for quality control
- Education of renters / landlords / tenants
- Increase stock of affordable housing
- In education efforts

# How do we accommodate the needs of low and very low income residents, residents with disabilities, families with children, and older residents who want to age in place?

- Safeguards / renter protection
- Retaliatory eviction rules
- Increasing lobbying efforts county / city level
- Increase protection of disabled and elderly renters
- Education of protections
- Tenant/code conduct

#### To what extent should the community pursue economically integrated neighborhoods or complexes?

- Lobbying for additional resources
- Offsets for landlords providing affordable housing
- Education of landlords of programs / formula for affordable options
- Vouchers for non-car owning renters

### What are new approaches the City can take to ensure opportunities to affordable housing?

- Work shops around housing and life styles as person age
- City look at Arlington report on affordable housing including schools
- Survey yearly / accessory apartments in single family
- Tiny houses / big backyards / affordable and green options
- Step back on Rent Stabilization / way to get way from Rent Stabilization whether we can lock in Rent Stabilization other ways
- Development on New Hampshire Ave
- Why other counties have less affordable units than Montgomery County
- Develop more high density properties on New Hampshire

# **COMMUNITY CONVERSATION: Affordable Housing - Online Submissions**

Name		Question you'd like to ask or comment you'd like to submit regarding Affordable Housing in Takoma Park:	
Prensky	Hank	I am available to comment on all residential real estate issues related to purchasing or selling in Takoma Park, with 18 years experience as a Realtor, and 30 years as a Resident, and 4 years in the City Council (1989-1993).	
Randy	Marks	Can you get info out in advance? Such as key facts, issues/questions/options, agenda, etc. thanks.	
Blalock	Kaija	As the parent of a developmentally disabled adult child who still lives with me, I am very interested in seeing Takoma Park commit to affordable "assisted" has for persons with special needs. Is the council aware of this need? I can count 10 TP families with adult special needs children just among families I know. The big problem. We parents would very much like to see our children transition into nearby housing options as we age. Takoma Park would be a better place for addressing this need and could serve as an example for other communities.	
Cimmino	Giuseppe	What are the current provisions/zoning (if any) that support or enable clusters of tiny/small houses in Takoma Park? If none, what can be done to enable this type of affordable and perhaps intentional community?	
Muchui Mary I would like the city to work with Parents of Special Needs Adults (POISNA) to provide affordable, supportive housing for developmentally/padults in our community.		I would like the city to work with Parents of Special Needs Adults (POISNA) to provide affordable, supportive housing for developmentally/psychiatrically disabled adults in our community.	
Henney	Alan	With regard to Saturday's community conversation on affordable housing, it would probably make sense for the city to expand this to include helping the homeless.	
		I would be willing to research funding or sponsorship opportunities if there is any interest.	
		Please see the below Washington Post article regarding the closure of the SDA hypothermia shelter at the Sligo church.	
		In D.C., there are city-contracted shelters and nonprofit shelters. Some are open year-round and some are open only on hypothermia nights and some are open all winter after the first hypothermia night. There are also temporary shelters, overflow shelters and transitional housing sites, plus permanent housing of various descriptions.	
		But what is available in Takoma Park?	
		At the minimum, the city should consider provisions for emergency cold-weather shelter. Several of the hypothermia shelters in D.C. are at recreation centers such as those at Banneker, Kennedy and Columbia Heights.	
		As Takoma Park moves forward with New Hampshire Ave improvements, it would probably make sense to keep that in mind when dealing with the existing rec center or any other buildings that would be suitable as emergency or short-term shelters. The SDAs have several buildings that may be available shortly.	
		Takoma Park can hire grad students to conduct a study to determine what is needed most	
		Consider how one of the most affluent D.C. neighborhoods accepted a shelter:	
		(From: https://friendshipplace.org/mission-history/)	
Price	Lauren	This was a good meeting about housing. We need to have more dialogue about it. Also help keep older Takoma Park residents in affordable apartments and housing. Some private owners are also redlining.	
Wallace	Elizabeth	Seemed that % of attendees who benefit as tenants was low. More panelists and their associates. How change marketing/advertising?	
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# **COMMUNITY CONVERSATION: Affordable Housing - Online Submissions**

Name		Question you'd like to ask or comment you'd like to submit regarding Affordable Housing in Takoma Park:	
Brennan	Mary Pat	I am interested in the emerging conversation about simple, environmentally sound, affordable housing for the growing number of seniors and additional conversations/workshops. Excellent community conversation - thank you! I look forward to engaging more deeply.	
Kelly	Byrne	Can we establish a tenant voucher system if the tenant maintains a "no vehicle ownership" status, thereby rewarding them for using shared transit systems?	
Sherwood	Wayne	I thought the community discussions on housing on Saturday were very good. Thanks to all who conceived it, organized it, and participated in it.	
		There were lots and lots of good ideas expressed. It seems to me there's a lot of work to do now sifting and sorting.	
		For example into categories:	
		By who do?	
		Things Takoma Park can do itself (priority, time-line) Things TP could/should ask State or County Gov. to do Things TP can encourage private or non-profit sectors to do Things needing legislation at county or state level Things the private sector could do	
		By significance of opportunities for new housing Purple Line, opportunities for new development of mixed-income housing along New Hampshire Ave. vacant or underdeveloped spaces Adventist Hospital site Inventory other vacant or underdeveloped sites in TP, including places that have large areas devoted to parking.	
		By time-line Soonest Mid-range Long-term Continuing/on-going	
		By degree of hurt People being evicted or likely to be evicted by demolitions or rent-increases People living in substandard housing, poorly maintained housing, or housing with crime and other problems such as overcrowding People with low or moderate incomes who are likely to be hurt by rising rents or property taxes in areas near the Purple Line, and who may face displacement	
		By certain kinds of specialized housing needs or opportunities Possibility of conversion of larger homes to apartments, condos, accessory apartments, or group homes (e.g. for elderly or PWD's)	
		I like the idea of encouraging Montgomery Housing Partnerships to do more along the lines of acquisition and rehab, but I don't know how much capacity they have. Is their capacity limited primarily by the amount of money they get? From whom do they get money? Is there a priority list of buildings where they might be able to participate or help? If they can't handle much work now, are there other similar organizations that could?	

# **COMMUNITY CONVERSATION: Affordable Housing - Online Submissions**

Name		Question you'd like to ask or comment you'd like to submit regarding Affordable Housing in Takoma Park:
Sherwood	Wayne	Continued: I heard several people mention on Saturday that they were impressed by the figures showing rents in Takoma Park were lower than in surrounding areas. I would be cautious about using that number before it is explored further. Perhaps County Planning could provide a greater breakdown on the rental statistics. For example, if the figure includes all rental units in Takoma Park, then it would include a fairly high percentage of federally subsidized buildings where residents pay reduced rents. And for units in the private sector, the rental units might be in older rental properties with fewer amenities. I don't think we've had any major luxury apartment construction in Takoma Park recently, as many other parts of the County have. So it would be good to sort out these statistics more, before using them unqualifiedly. Once you make comparison by type of property, and whether or not it is subsidized, it could be that TP rents are comparable with elsewhere.
Huebner	Paul	Small Group "B" Discussion; Hydrangea Room  1. There appeared to be somewhat of a consensus that there should be a "wider conversation" on housing policy to include homeowners and their aging in place, as well as landlords. There was also a perceived leaning toward renters by the city.  Comments included:  a. Focus on accessory apartments, group living arrangements and lower the high tax burden borne by landlords and owner/occupants.  b. Very high tax burdens are inordinately borne by homeowners and landlords to the detriment of improving the existing housing stock. High taxes also contribute to the conversion of older housing to single family units which can have the undesired effect of gentrification.  2. There could be an increased attempt to reach out to existing lower-income owner/ occupants about the programs by the City and County to assist them with maintaining their homes, in light of the very expensive cost of living in Takoma Park. There were highlighted notices on the city's website during the snow storm. This space could also be utilized to attract attention to some of the grant programs for owner/occupants.
Myers	Vineda	Group A, Question 1 - That everyone who wants to rent can afford to rent a quality space, and that everyone who wants to buy can afford to buy a quality space. G A, Q 2 - Need to stop using an arbitrary government calculation, and redefine affordable. If the person living there can not afford it, then it isn't affordable. This should be tied to income. G A, Q 4 - We should definitely pursue economically integrated neighborhoods. This City is very segregated which makes it difficult for one to get to know people who are different from them. This breeds mistrust, misunderstanding, resentment and closed minds. None of those words describe a place that is desirable to live. G A, Q 5 - Redevelopment along NH Ave can help us meet these goals, but the problems I described in Q4 exist in all of TP. These changes need to take place all over the City. NH Ave is so far removed from the rest of the City, that if I didn't see it on a map, I would not know that area is TP. The City has done a TERRIBLE job of integrating that area and those residents with the rest of the City. I hope you rectify that. They, and all of us deserve much better. G A, Q 7 over the next 3 years you need to find solutions to affordable housing that are acceptable to BOTH renters AND owners. Right now there is an "us against them" mentality because of the very unequal playing field in favor of owners. Start involving ALL of the stake holders in decisions and solutions that affect them. Start being transparent in all of these proceedings.

# Housing and Community Development Department

# STRATEGIC PLAN PROPOSALS: Affordable Housing

# **Benefits of Strategic Plans**

- Integration of multiple priorities identified by the Council
- Formalization of a clear purpose
- Identification of specific strategies with attainable and measurable goals
- Implementation plan with short, mid and long term actions
- Tools to assess, evaluate, and modify strategies over time
- Guidance for allocation of staffing and funding resources

# **General Elements of Proposed Strategic Plans**

- Assessment of current conditions and trends
- Assessment of strengths and weakness of current programming
- Identification of current and future opportunities and challenges
- Evaluation of current allocation of resources
- Analysis of local regulations and ordinances
- Review of relevant regional strategic plans
- Solicitation of community input

# Affordable Housing Strategic Plan

### Recommendations could include strategies for

- Preservation of existing housing stock
- Investment in deteriorating or vacant residential properties
- Legislative changes encouraging investment in privately owned rental housing
- Development of new workforce housing / live work space
- Development of publically owned property for affordable housing
- Formation of Community Land Trust
- Establishment of a Housing Trust Fund
- Increased capacity of existing and/or new affordable housing providers
- Creation of opportunities for aging in place
- Implementation of rental assistance and/or homeownership programs
- Promotion of mixed use development along the New Hampshire Avenue corridor
- Mitigation of the impact of Purple Line
- Advancement of the City's environmental sustainability goals

# Proposed Budget and Implementation Schedule

# FY17 Budget

Contract for Services - \$40,000

# Anticipated Time Frame

•	Months 1 – 2	Data collection and background research
		Development of Request for Proposals
•	Months 3 – 5	Solicitation and Selection of Consultant
•	Months 6 – 10	Development of Plan
•	Months 10-11	Adoption of Plan
•	Years 2 -6	Implementation

Updated May 25, 2016 / sad

# Housing and Community Development Department **HOUSING FUND PROPOSAL**

# **Proposal**

Establishment of a dedicated fund for purposes of advancing affordable housing programming identified during the strategic planning process. The proposed fund is loosely based on the housing trust fund model used by communities across the country.

More specific information on Housing Trust Funds, published by the Center for Community Change, can be accessed online at <a href="http://housingtrustfundproject.org/">http://housingtrustfundproject.org/</a>

# **Funding Options**

A total of \$400,000 has been budgeted to initially capitalize the fund.

Funds would not be accessed until completion and adopted of the proposed Affordable Housing Strategic Plan. Additional resources may be needed to initially capitalize the fund.

Ongoing funding would be required to maintain an appropriate set aside for future projects. Revenue sources could include an annual allocation of general funds based on a percentage of the City's overall budget, donations from the community, clean and lien repayments assessed to address property maintenance code violations, loan repayments, an affordable housing surcharge assessed to property owners, proceeds from sale of public property, county and state grants, Community Development Block Grant funds, and other housing related activities.

## Use of Funds

The following is a listing of types of affordable housing activities typically financed using Housing Trust Funds. The types of projects that could be financed through the proposed housing fund would vary depending upon the recommendations of the proposed Affordable Housing Strategic Plan.

- Construction of new housing
- Purchase of existing housing
- Rehabilitation or repair of existing housing
- Demolition of blighted or unsafe structures
- Subsidize mixed-income and mixed-use developments
- Land acquisition
- Predevelopment activities