Resolution 830 Working Group Briefing

ARHA Redevelopment Work Group
7/12/18
Overview and Context
Resolution 830 as of 1981

“Any assisted housing to be counted as replacement housing for an equal number of public housing units be defined as such housing that is substantially equivalent to the units being replaced for a period of 20 or more years”
Purpose of Resolution 830 Working Group

➢ To examine current Resolution 830 language within national and local context and evaluate whether policy should:

1) Stay the same,
2) Be replaced completely,
3) Be revised into an updated version, or
4) Potentially be expanded to include other affordable housing providers.

➢ ARHA and the City will consider the Working Group’s recommendations when making decisions about any policy revisions.
Working Group Participants

- 27 participants initially, 3 dropped out during the process
- Participants required to attend at least 3 of 4 modules
- Membership included diverse group of stakeholders (community members, developers, elected officials, planners, advocates, and lenders)
- Introductory survey revealed most participants said they were familiar with Resolution 830 – varying degrees of knowledge of affordable housing development, operations, and programs
Parallel Discussions on Resolution 830

➢ Working Group: 4 modules between Jan and Apr 2017
  1) Current Context of Public Housing Redevelopment, Existing Resolution 830 Units, and the History of Replacement
  2) Financing Affordable Housing
  3) Small Group Discussions on Potential Revisions and Expansions
  4) Formulating and Confirming Recommendations

➢ City and ARHA Staff Discussions
Outcome of Process

**Working Group** recommends revisions to the current Res 830 policy, split on whether to create new supplemental policy.

**City** prefers some revisions to provide greater clarity on certain definitions and reaffirm expectations.

**ARHA** prefers Res 830 remain unchanged to continue to provide maximum flexibility; agrees with some clarifications.
Proposed Recommendations
Majority supports revisions to Resolution 830

Which statement do you agree with regarding the future of Resolution 830? (Note: Respondents could select more than one option)

- Current Resolution 830 should remain the same: 14%
- Current Resolution 830 should be revised: 81%
- A completely new resolution should be contemplated: 43%
- Undecided: 0%
Substantially Equivalent
Defining Substantially Equivalent (SE)

➢ Participants have expressed concern about maintaining comparable housing over time (size, income mix, location)

➢ ARHA and the City agree replacement units should adopt federal definition of publicly-assisted housing, meaning:
  - Serve families earning up to 80%AMI
  - Either public housing (ACC) contract or voucher subsidy (HAP contract)
WG supports specifying definition of SE

If Resolution 830 is revised, should any of the following be included in an updated definition of Substantial Equivalent?

- Minimum Unit Size (sf): 29%
- Bedroom Mix: 67%
- Minimum standard of affordability: 76%
- Location: 81%
- Adopt federal definition of publicly assisted: 43%
Affordability Period
Input mixed re: changes to affordability period

➢ Resolution 830 currently requires units remain affordable “at least 20 years”

➢ Most financing already require longer than 20 years (e.g., LIHTC requires 40 years)

➢ WG suggested City incentivize longer-term affordability (e.g., tax exemptions, density bonuses)
Majority support extending affordability period

Assuming Resolution 830 is revised, or a new resolution is developed, which of the following statements do you agree with re: the affordability for Resolution 830 units?

- Extend to 40 years (most funding sources require), 57%
- Keep at 20 years, but as minimum, 10%
- Do not define, allow financing sources to determine, 29%
- Leave as is (20 years), 5%
New City
Requirements
WG members support new requirements for City to finance affordable units

Assuming a **new** policy, what do you feel should be required by the City for City-financed Resolution 830 units (ARHA or non-ARHA)?

<table>
<thead>
<tr>
<th>Requirement</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>On site amenities for residents</td>
<td>43%</td>
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<tr>
<td>Any City land will include deeply subsidized units (30% AMI and below)</td>
<td>71%</td>
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<tr>
<td>Access to ARHA tools</td>
<td>81%</td>
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<tr>
<td>Minimum affordability levels</td>
<td>71%</td>
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<tr>
<td>No new requirements</td>
<td>10%</td>
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“ARHA tools” include but are not limited to real estate tax exemptions and exclusions from some development fees.
WG members support variety of incentives to encourage deeply affordable units (<30% AMI)

What financial commitments should be provided by the City to housing providers in exchange for providing **deeply affordable** housing units?

- City financing for development costs... **86%**
- City fee waivers **76%**
- Rental subsidies for operational support **76%**
- Real estate tax exemptions **71%**
- Other **24%**

*Other suggestions include: additional density (height/units), broader suite/toolbox of incentivizing tools, grants to residents to subsidize lower rents*
Areas of Consensus

<table>
<thead>
<tr>
<th>Area of Consensus (with Majority Support and Percentage of Agreement)</th>
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<tr>
<td>Remove bedroom type from definition of Substantially Equivalent</td>
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<td>Right to Return policy for current residents</td>
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<td>Redevelopment Plans should include a “Housing Plan”</td>
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<td>Resolution 830 applies to original and replacement units</td>
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Next Steps

➢ Series of Briefings:
   1) ARHA Board of Commissioners (TBD)
   2) City Council (TBD)

➢ EJP Written Report to City and ARHA Board of Commissioners

➢ Additional next steps dependent on decisions of City Council and ARHA Board of Commissioners
QUESTIONS