



Low-Income and Vulnerable Populations Meeting #2 Notes

July 20, 2015
10:00 am to 12:00 pm
City of Grand Rapids Parking Services
50 Ottawa Avenue, NW

WORKGROUP MEMBERS PRESENT: Trenessa Allen, Chris Bennett, Kimberly Brown, Marie Cimochoicz, Stephanie Gingerich, Adrienne Goodstal, Ruth Kelly, Julie Kendrick, Karen Leppek, Lynn Locke (Co-Chair), Frank Lynn, Kwan McEwen, John Peterson, Joy Pryor, Andrew Sisson, John Wynbeek, and Betty Zylstra (Co-Chair)

STAFF PRESENT: Erin Banchoff, Connie Bohatch, and Johanna Schulte

WELCOME AND INTRODUCTIONS:

Betty Zylstra led introductions. Notes from the July 6, 2015 meeting were reviewed. Ms. Zylstra explained a table that lays out topics identified in the SWOT analysis and received the most votes.

Connie Bohatch explained the common themes identified during the workgroup kickoff meeting (a variety of housing types at various price points, mixed-income, and access to adequate wages and transportation options). Ms. Bohatch discussed how the workgroups are developing tools, programs, policies, partnerships, data collection, framework development, and advocacy strategies to present recommendations to the City Commission. She explained the recommendations can exist anywhere on a continuum from policy changes to data collection goals.

Developing a target number for affordable units was discussed. Marie Cimochoicz explained her concern for families when rents are increasing and landlords prefer to rent to college students. The group discussed what the ratio of affordable and market rent housing should be.

Inclusionary zoning was identified as an important part of the discussion. The group considered whether there could be other incentives for developers instead of an inclusionary zoning requirement. The group decided there needs to be a mix of incomes and availability of housing for a variety of income levels. Julie Kendrick mentioned it is important to keep in mind available housing options for very low-income residents (below 30% AML). Joy Pryor mentioned market rate rent exceeds what is attainable for families that are not necessarily low-income.

Karen Leppek discussed a policy in South Carolina where there is a City insurance fund for landlords to use if the security deposit does not cover the cost of damages by tenants with vouchers.

John Peterson mentioned Traverse City is struggling to distribute Section 8 vouchers because there are not enough affordable units. He explained the importance of identifying target numbers for affordable units and addressing it. He explained that the long-term chronically homeless population requires rapid rehousing and the supply of affordable housing affects the ability to address homelessness as well. Affordability is not just the solution for maintaining workforce housing in neighborhoods, it is also a solution for homelessness.

The group discussed in order to maintain affordable housing, there must be a balance between the preservation of long-term affordable units and the creation of market rate units. The group discussed vacant homes, the City Blight List, and the land bank.

Identifying a number of affordable units needed is important. Lynn Locke mentioned that it is important to mitigate the negative relationships and perceptions of tenants with vouchers.

The group decided it is important to look at incentives for developers (including incentivizing landlords to work with tenants) and identifying the need for more affordable housing development.

The group discussed the transition of small rentals owned by local landlords to larger property management companies. Ms. Bohatch mentioned property management companies tend to do better when addressing code violations. It is a double edged sword because while the companies are less likely to rent to low-income tenants, they are easier to work with from a Code Compliance perspective.

Erin Banchoff mentioned the Land Use and Zoning workgroup is looking at density and height bonuses as well as fair housing in terms of charging rent per bed. The Housing Finance workgroup is looking at more specific incentive policies.

Ms. Pryor questioned whether there could be an entity that provides services to tenants long-term that could help to improve the relationship between landlords and tenants. Ms. Bohatch mentioned the Kent County Renters Alliance helped tenants learn their rights and obligations. There are programs with colleges and universities to help college students living off campus learn of their rights and responsibilities. Kimberly Brown from the GR Urban League mentioned their organization hosts sessions to educate tenants on their legal rights. The group thought it was important to coordinate programs and work to identify any gaps that may exist.

GOAL FORMATION AND TOOLKIT DISCUSSION:

The group began looking through the Toolkit. Ms. Banchoff said the Toolkit is meant to be a starting point. Ms. Bohatch mentioned the Toolkit includes tools that may not be able to be implemented under State law but a recommendation could include advocacy for a policy change.

The group discussed Community Land Trusts as being applicable to this workgroup. Ms. Pryor mentioned the Wealthy Heights Initiative and Ms. Bohatch stated the Community Land Trust fell through. Ms. Bohatch explained that Sue DeVries from MSHDA stated at another workgroup meeting that MSHDA is working to unravel some Community Land Trusts.

Commissioner Kelly asked whether it would be beneficial to look at changing the PILOT rate. The group discussed that the 4% rate is a generous incentive for affordable housing. The group discussed whether the rate could be reduced. John Peterson mentioned the PILOT program is only for multifamily development and the group questioned whether a similar program could be used to develop single-family properties. Mr. Peterson will look at developing that idea further.

The group decided to continue to look at the tools and come to the next meeting with ideas and any additional tools.

Limited affordable and accessible housing were identified as topics the group intends to address. Ms. Locke will bring data about accessible housing in Grand Rapids. Accessible unit policies were discussed.

Ms. Pryor mentioned the group may wish to consider occupancy limits. Parking limits in place of occupancy limits were considered.

NEXT MEETING:

If there is information about additional tools for the workgroup to look at, send them to Johanna Schulte (jschulte@grcity.us) for the next meeting.

Ms. Banchoff explained Gustavo Rotondaro is pulling together data on locations of assisted housing, neighborhood race and ethnicity, periods of affordability, transportation, and other maps.

Ms. Locke asked that anyone who is involved in education programs bring that information for the next meeting.

The next meeting will be on August 3, 2015 at 10:00 am to 12:00 pm.