

MEMORANDUM

CITY/BOROUGH OF JUNEAU

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TO: Committee of the Whole

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Scott Ciambor,
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DATE: October 26, 2016

SUBJECT: Housing Action Plan: Follow-Up Information

Creation of the Housing Action Plan (HAP) was a recommended outcome of the 2013 Comprehensive Plan and 2015 Economic Development Plan processes. The Housing Action Plan covers a 30-year period.

During the August 29th Committee of the Whole (COW) discussion of the HAP a number requests for additional information were made by the COW.

A. Adoption of Housing Action Plan as part of the Comprehensive Plan

This Housing Action Plan will further refine the Housing Chapter of the Comprehensive Plan with more detailed actions and specific targets.

The Planning Commission, Affordable Housing Commission, consultants CZB, llc., and CBJ staff recommend linking to the Comprehensive Plan to reaffirm the Borough's commitment to the goal of supporting and sustaining a more diverse, better-functioning housing market. This would be similar to the adoption of the 2015 Juneau Economic Development Plan as an element of the Comprehensive Plan.

Currently there are fourteen plans that are adopted as additions to the Comprehensive Plan. The 2015 Comprehensive Plan states that it provides a logical, consistent and purposeful approach to managing community growth and development. The Plan is broad and includes chapters on Community Form, Housing, Economic Development, Energy, Natural Resources and Hazards, Transportation, Parks, Recreation, Trails and Natural Area Resources, Land Use, Public and Private Utilities and Facilities, Community Services, Cultural Arts and Humanities, Community Development, and Implementation and Administration. It also includes Land Use Maps. The additions to the plan generally are more specific than the Comprehensive Plan.

For example, the Non-motorized Transportation Plan refines the recommendations of the Transportation Chapter as well as the Trails section of the Recreation chapter by identifying specific routes and making recommendations for specific improvements and methods of funding such improvements.

If the HAP is added to the Comprehensive Plan, City projects, state projects, conditional use permits, rezones, and disposal of city property (by lease, sale, etc.) are evaluated against the comp plan – so this addition would mean that these things would be evaluated against the HAP.

An alternative to adopting the Housing Action Plan as an addition to the Comprehensive Plan is to adopt the HAP with a resolution. If the housing action plan is simply adopted by resolution, then it's a plan that's aspirational – it provides guidance for decision-making. It then becomes more a set of guidelines for future actions. The primary difference will be for the review of land use actions for consistency with the Comprehensive Plan.

Action Item: Choose one of the following:

1. Adopt Housing Action Plan as an addition to the Comprehensive Plan
2. Adopt Housing Action Plan by resolution

B. Sequence of Events/Prioritized List:

The nine solutions are in priority order based on the recommendation of the Affordable Housing Commission, who was the steering committee for this planning effort. Within the nine solutions the metrics and implementation actions are not prioritized. Currently the Chief Housing Officer is working with the Affordable Housing Commission to develop priorities for the implementation actions.

At the October 4th, 2016 Affordable Housing Commission meeting, priorities from the Housing Action Plan were noted and commission members assigned to work on them are:

- i) Blighted property policy – Kathleen and Russ
- ii) Mobile/manufactured home loans/Park development – Margaret and Wayne (financing); Wayne & Dave (park development)
- iii) Loans to sponsors (AHFC Program) – Tamara and Margaret
- iv) Funding for implementation of Housing Action Plan – Mandy & Honey Bee (they'll work closely with Scott)
 - (1) Targeting funding with housing/neighborhood plans
 - (2) Increase JAHF balance (including revision of JAHF program parameters, metrics and funding sources – with the goal of getting JAHF funding elements to be line-item budget appropriations)
 - (3) Creative funding for lowering cost to buy homes
 - (4) Downtown accessory apartment incentives
- v) Code enforcement – no assignment now

Action Item:

1. Adopt Housing Action Plan
2. Assembly to give instruction to staff and Affordable Housing Commission on prioritization

C. Juneau Affordable Housing Fund

There were numerous questions about the background and function of the Juneau Affordable Housing Fund.

1. How does the Juneau Affordable Housing Fund function? What projects funded already?

The Juneau Affordable Housing Fund began in July 2010 with Ordinance No. 2010-11(G)(b) that appropriated \$400,000 into the JAHF for the creation, acquisition, rehabilitation, or preservation of affordable housing.

The overall goal for the JAHF is to use funds to provide housing for households at 120% Area Median Income (AMI)ⁱ or below by:

- Funding capital costs of rental and ownership housing;
- For capacity-building activities of non-profit developers;
- Funding supportive services for occupants of affordable housing; and
- Funding operating expenses of housing developments.

The initial priority has been Affordable Housing (80% AMI and below).

To date, these are the projects that have utilized the JAHF:

- St. Vincent DePaul - \$13,000 for pre-development activities (senior housing)
- Housing Action Plan – \$77,000 consulting fees
- Accessory Apartment Grant Program - \$6000 spent, \$72,000 total to be spent by June 2017
- Mobile Home Down Payment Assistance Program, \$100,000 set aside (September 2016)

2. What are potential Juneau Affordable Housing resources? Where did \$3 million number come from?

For affordable housing projects (80% AMI and below), state and federal funding sources are currently limited, but may include in the future:

- State Legislative Capital request (\$90,000 in 2011)
- Federal (National Housing Trust Fund, Community Development Block Grant)
- State Housing Trust Fund or other program funding

For JAHF workforce housing targets 80% - 120% AMI, funding to be generated locally. (CBJ, partnerships,

Based on recognized housing need in the community, \$3 million was targeted as a funding level that would have a meaningful impact.

At the October AHC meeting – 2 members assigned to begin looking at recommendations for funding sources and strategy for expanding eligible uses.

3. What Activities and Outcomes Expected?

The Housing Action Plan calls for more funding to be available in the JAHF to meet metrics included in the HAP.

i) Continue current activities

- Matching Funds for affordable housing developers (increase dollars)
- Capital, operating, social services dollars for future homeless housing options

ii) Broaden scope of activities (& develop)

- Similar to “Housing Programs” ([Milwaukee Department of City Development](#))
 - Emergency and Essential Repairs Program
 - Targeted Investment/Neighborhood Improvement Projects
 - Code Compliance Improvement Grants
 - Weatherization Program
 - Exterior Beautification Grants
 - Rapid Re-housing Funds for the Homeless (rental assistance/down payment funds)
 - Workforce Housing Program/Employer-Assisted Housing Program
 - Foreclosures (Purchase and hold for non-profits, or for redevelopment)
 - Community Land Trust (Creation or Partnership Expansion with Juneau Housing Trust)
 - Workforce Housing Program (Purchase and make accessible workforce housing for targeted employers)

Action Item:

1. Adopt Housing Action Plan
2. Future funding consideration for Juneau Affordable Housing Fund/Housing Programs through the Capital Improvement Program (CIP)

D. CBJ Owned Land – Pederson Hill

The Housing Action Plan notes that publicly owned land and assets can be one of the most powerful tools to address housing availability and affordability issues. The HAP suggests using Pederson Hill as a case study and to develop the site with a combination of market and workforce housing.

One suggestion was that upon completion of the utilities and roads, CBJ could sell the lots to builders (up to 30% of the lots) and individuals (self-build). The percentage is a suggested target and would depend on the future land implementation strategy, partnership opportunities, and other factors.

Action Item:

1. Adopt Housing Action Plan
2. CBJ Assembly always decides land disposal method.

E. Requirement to Register Property and Have a 24/7 Contact

The Housing Action Plan includes recommendations to Preserve Existing Affordable Housing, especially older rental units and large multi-family buildings. One of the suggestions to assist with managing blight and to preserve the housing stock would be to require rental property to be registered, include a 24/7 contact for every unit.

Other options to coincide with this action could be:

- To include a periodic inspection (period may vary) for the registered units; and
- Create a program where owners passing inspections are eligible for property upgrade assistance.

Action Item:

1. Adopt Housing Action Plan

2. Assembly to give instruction to staff and Affordable Housing Commission on preferable steps to preserve existing affordable housing – through a combination of these suggestions or some other method.

Recommendation: CBJ staff recommends Assembly adoption of the Housing Action Plan and to shift focus to implementation.

ⁱ **Juneau Income Limits for 2016:**

	1 Person	2 Person	3 Person	4 Person
120% Area Median income	\$ 81,312	\$ 92,928	\$ 104,544	\$ 116,160
Area Median income	\$ 67,760	\$ 77,440	\$ 87,120	\$ 96,800
80% Area Median Income	\$ 54,208	\$ 61,952	\$ 69,696	\$ 77,440