

2016 ANNUAL REPORT

Housing Affordability and Economic Equity Analysis



OFFICE OF COMMUNITY & ECONOMIC DEVELOPMENT
Collaborative solutions for a promising future

Introduction

This report an annual snapshots of the housing market in the urbanized area of Washtenaw County, and resultant affordability trends. This is intended to provide a summary of actions, policies, and outcomes that have been summarized in the Housing Affordability and Economic Equity – Analysis for Washtenaw County completed in January 2015. Progress toward the goals identified in the report will go toward addressing imbalances in income, education, and opportunity between jurisdictions and segregation that will hamper the regional economic growth potential of the area.

Goals

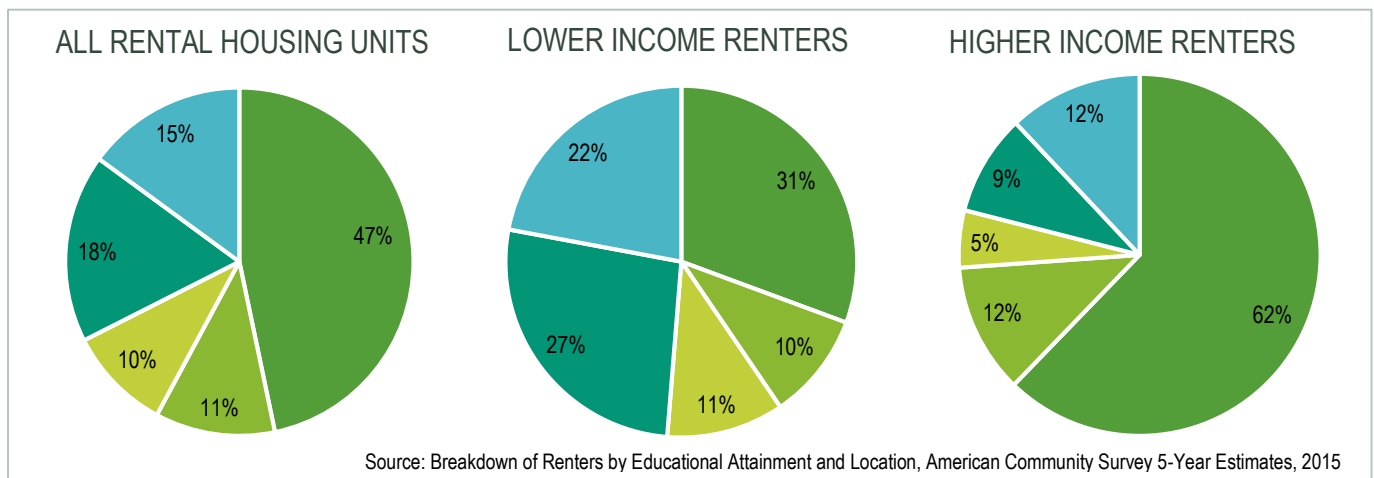
Several communities and entities of Washtenaw County have reviewed the report, approved the document, and committed to the work ahead of achieving the goals of the report.

- Ann Arbor needs to focus its attention on the preservation and production of affordable non-student rental housing for low and moderate income workers. **Goal:** 2,797 new units of non-student affordable housing at or below 60% AMI should be added by 2035.
- Pittsfield Township needs to focus its efforts on future demand for affordable non-student rental housing for low and moderate-income workers. **Goal:** 342 new units of non-student affordable housing should be added by 2035.
- Ypsilanti City and Ypsilanti Township cannot remain the de facto affordable housing policy for Washtenaw County, as this will ensure decline of property values and stability, exacerbating economic and racial segregation, and ultimately, opportunity.
- Ypsilanti City and Ypsilanti Township must find partners to intervene in the destabilizing cycle of foreclosure, disinvestment, abandonment, flipping, and distress in certain neighborhoods. **Goal:** 4,178 units of housing for college-educated households should be cultivated in Ypsilanti by 2035.

Principles

The goals are based each jurisdiction providing their fair share of housing for different groups of renters. The groups are based on education level, which is then tied to income. For example, if Ypsilanti Township has 18% of all rental units in the urbanized area, there should be 18% available in each category.

- ANN ARBOR CITY
- PITTSFIELD
- YPSILANTI CITY
- YPSILANTI TWP
- ALL OTHER COMMUNITIES



Dashboard – Grow Supply

Starting in 2015, Washtenaw County has been tracking progress toward goals by each jurisdiction. A baseline of committed affordable housing units was set in Jan. of 2015, and the tables below track progress toward both adding units, maintaining existing units, and keeping units affordable.

City of Ann Arbor

Rental Units	2015	2016	Total	
New market-rate units	265	651	916	<p>2035 Goal: 2,797 new units</p> <p>■ Units needed to meet goal ■ Cumulative Increase ■ 2015 Baseline</p> <p>2,777 1,054</p> <p>Cumulative Increase of 18 Units</p> <p>City of Ann Arbor</p>
New committed-affordable units	3 (AHC)	16 (AHC)	19	
Total New Units	268	667	935	
Committed-affordable rehabbed	280	58 (AHC + Avalon)	338	
Committed-affordable units lost*	1 (Avalon)	0	1	
Annual change in Committed-affordable units	+2	+16	+18	
Total committed-affordable units	1,054	1,070		
Goals – by 2035	2,795 or 147/year	2,777 or 154/year		
How soon to goal	1,399 years to goal	310 years to goal		

Pittsfield Township

Rental Units	2015	2016	Total	
New market-rate units	127	174	301	<p>2035 Goal: 342 new units</p> <p>■ Units needed to meet goal ■ Cumulative Increase ■ 2015 Baseline</p> <p>342 216</p> <p>Pittsfield Township</p>
New committed-affordable units	0	0	0	
Total New Units	127	174	301	
Committed-affordable rehabbed	0	0	0	
Committed-affordable units lost*	0	0	0	
Annual change in Committed-affordable units	0	0	0	
Total committed-affordable units	462	462	462	
Goals – by 2035	342 or 18/year	342 or 19/year		
How soon to goal	No Progress	No Progress		

Definitions

- Committed-Affordable Units:** These units have an affordability restriction that limits occupancy to household within specific income ranges, usually up to a certain percentage of the Area Median Income (AMI). In addition, there is also a limit on the amount of rent that can be charged. These restrictions are usually in place for a defined period of time (e.g. 20 years) and require ongoing compliance.
- Market-Rate Units:** These are units where rental rates can fluctuate with the market, and where there are no restrictions on the income of residents or requirement to maintain rent or purchase price levels.

Dashboard – Grow Demand

The goals for the City of Ypsilanti and Ypsilanti Township are around increasing the number of college-educated households. To track this annually, education status of workers aged 25 and over will be used from the annual Longitudinal-Employer Household Dynamics dataset. The baseline year for this data was 2014.

Additional tables show changes to rental housing stock and the change in committed affordable units in the City of Ypsilanti and Ypsilanti Township.

City of Ypsilanti

Change in College-Educated Residents	2014	2015	Total
Goal – by 2035	1,383 or 69/year		
College-educated residents	1,866 (2014)	1,799 (2015)	-87

Rental units	2015	2016	Total
New market-rate units	0	0	0
New committed affordable units	0	0	0
Total new units	0	0	0
Committed affordable rehabbed	105	4 (YHC)	109
Annual change in committed-affordable units	0	0	0
Total committed affordable units	1089	1089	1089

2035 Goal: 4,178 units

- Units Needed to Meet Goal
- 2015 Baseline
- Cumulative Decrease

City of Ypsilanti

Cumulative Decrease of 87

Ypsilanti Township

Change in College-Educated Residents	2014	2015	Total
Goal – by 2035	2,795 or 140/year		
College-educated residents	5,966 (2014)	6,038 (2015)	+72

Rental units	2015	2016	Total
New market-rate units	0	0	0
New committed affordable units	0	0	0
Total new units	0	0	0
Committed affordable rehabbed	0	0	0
Annual change in committed-affordable units	0	0	0
Total committed affordable units	866	866	866

2035 Goal: 4,178 units

- Units Needed to Meet Goal
- Cumulative Increase
- 2015 Baseline

Ypsilanti Township

Cumulative Increase of 72

2016 Progress

Washtenaw County

- Released the Platt Road redevelopment RFP including minimum of 50 affordable housing units.
- Coordinated with MML and other communities on draft changes to Rent Control Act
- Worked with other county departments on framework for equitable decision-making county-wide.

Ann Arbor Downtown Development Authority

- Ann Arbor DDA paid 3rd of 3 installments of \$300,000 to Ann Arbor Housing Commission for affordable housing.

City of Ann Arbor

- The Ann Arbor City Council adopted zoning changes to further allow accessory dwelling units as a new prototype of housing
- Continuation of Housing Commission RAD conversion which will result in the rehabilitation of all public housing by 2020.

City of Ypsilanti

- Approved and began utilizing property disposition strategy & implementation of Neighborhood Enterprise Zones
- Strong Housing rehabilitation complete and Parkridge Homes rehab underway (former YHC properties).
- Made required infrastructure changes for future Amtrak rail stop.

Pittsfield Township

- Mixed use plan adopted for Packard/Carpenter area and State Street corridor.

Ypsilanti Township

- Continued partnership with Habitat for Humanity for neighborhood stabilization, adding the Sugarbrook neighborhood.
- Successfully expanded rental inspection program to all rentals.
- Continued targeted outreach to developers on market-rate housing projects.

2017 Workplan Summary

All communities	<ul style="list-style-type: none"> Platt Road advocacy for inclusion of affordable housing in proposal selected Advocate for state legislative change to Rent Control Act to allow for incentive zoning
City of Ann Arbor	<ul style="list-style-type: none"> Consider various means to increase funding of Ann Arbor Affordable Housing Trust Fund Work to waive tap fees or not require second sewer line for detached ADUs, and consider low-interest mortgages for ADUs that meet affordability criteria (Santa Cruz example) Discuss policy to commit sale proceeds of city-owned property to Affordable Housing Fund Work to remove regulatory barriers including fees, zoning, etc, including progress on Downtown Zoning
Pittsfield Township	<ul style="list-style-type: none"> Consider Payment In Lieu of Taxes (PILOT) policy In lower-market areas, identify neighborhoods needing stabilization and related interventions In higher market areas, identify parcels, areas for mixed income development
Ypsilanti Township	<ul style="list-style-type: none"> Continue/Increase funding for neighborhood stabilization Develop economic development strategy around ACM and other development opportunities Targeted outreach to developers including RFQ for development on Township-owned sites
City of Ypsilanti	<ul style="list-style-type: none"> Marketing of Neighborhood Enterprise Zone (with grant support) Support of YHC rehabilitation of all existing units, and expansion of Family Empowerment Program RFP for new development at Boys and Girls Club and other potential sites & restoration of Amtrak service
Washtenaw County	<ul style="list-style-type: none"> Develop a process to evaluate all county investments through an equity lens Consider/analyze ability to provide land bank functionality for demand and supply strategies Hold vote on Platt Road redevelopment proposals and execute purchase agreement Publish 2nd Annual Affordable Housing Progress Report and updates jurisdictions