

OneAthens Affordable Housing Initiative
Implementation Team Meeting
June 12, 2007
7:00-9:30PM, Fanning Institute

Present from Team: Tom Rodgers (Chair), Heather Benham (Athens Land Trust), Oscar Cardenas (People of Hope), Rick Parker (Athens Housing Authority), Malisa Thompson (GA Dept. of Community Affairs), Wilson Elder (Real Estate Developer), Charles Cofer (Palm House Recovery Center), Mable Mitchell (Prudential), Susan Bogardus (BB&T), Courtney Davis (Athens Area Homeless Shelter), Stanley Johnson (Department of Labor), Fred Moorman (Real Estate Developer), Alvin Sheats (Hancock Community Development Corporation), Mary Weaver (HFH Homeowner Representative)

Present from Community: Sarah Morang (UGA Law Student), Jason Lawson (DuSouth Consultants, Inc.), Howell O'Dillon (Fred's Historic Properties)

Present from Staff: Delene Porter

I. Tom gave Welcome and asked for Introductions.

II. Group discussed minutes from May 29th. They made changes to the income needed to afford a home costing \$92,000. If a house is subsidized to sell at \$92K they are still outside the range from many families in Athens.

- At \$90K need \$568 + taxes= \$741.65 + utilities (\$150) = \$900 per month, this means the family would have to make \$32,400 per year and this does not include the cost of repairs and upkeep = need to make low to mid \$30K- hard for single earners as well as many two earners- Still need to get an accurate picture of WHO WE ARE TARGETING?
- According to Department of Labor statistics- 65% of jobs in ACC pay less than \$25,000 per year.
- Subsidy in the soft/silent second mortgage that can be recouped upon sale of the house- but this drives up cost of the sale price since they have to sell at the highest price possible
- ALT preserves even more of the public investment and keeps the house affordable by retaining ownership of the land beneath the home

The above changes were made and minutes were accepted as amended.

III. What is GICH? (Discussion of Product 1- Apply for GIGH status under the Department of Community Affairs' Georgia Initiative for Community Housing 3 year support program.)

- The Georgia Initiative for Community Housing offers communities a three year program of collaboration and technical assistance related to housing and community development.
- The objective is to help communities create and launch a locally based plan to meet their housing needs.
- GICH is a collaboration of DCA, GMA, and UGA's Housing and Demographics Research Center.
- GICH provides professional facilitators, housing experts, legal experts and an administrative support structure to help guide a Housing Team through the steps of 1) clearly identifying what the community wants related to housing, 2) showing how to develop an asset map and to identify resources, and 3) developing and implementing a housing work plan.
- Participating Communities will:
 1. Create a Community Housing Team
 2. Develop new ideas about meeting local housing needs
 3. Learn about approaches and available resources to meet housing needs
 4. Produce a community housing plan
 5. Begin implementation of their plan

6. Hold a series of *facilitated retreats* held over a three year period designed to allow communities to fashion solutions to their housing needs
 7. Be able to attend related *workshops* and receive *technical assistance* for the community housing team to engage in cross-community sharing and collaboration
- Athens has a clear vision of what it wants for its community, but needs to create a clear road map to achieve this vision.
 - Athens is further along than many GICH housing communities so GICH would allow Athens to start where it is. Much of the vision has been identified, but there are gaps in understanding demand and supply for rental and homeownership.
 - GICH can help complete a demand study- this would involve face-to-face interviews and surveys with housing consumers at job fairs and by neighborhood.
 - Understanding the needs and interests of the target market will allow the community to incentivize the preservation and creation of the most needed housing.
 - This information will also support the implementation of other PPA Housing Recommendations.
 - GICH allows you to plan and implement at the same time.
 - Direct grants/financial support are available, but will not be large.
 - **The technical assistance, partnership with DCA, and the creation of a Team to oversee and support the implementation of a comprehensive housing strategy for three years should be the main reasons for applying.**
 - Housing Teams are made up of different stakeholders in the community including housing providers, housing consumers, bankers, and developers. The OneAthens Housing Team has this representation and would qualify as a diverse team.
 - **Vote was unanimous to support an application for GICH status. Tom will ask OneAthens Chair Judge Jones about approaching the city.**
 - The city will need to submit the application. The city will need to support travel/lodging for a portion of the Housing Team to the GICH retreats. This will probably cost \$5,000.
 - Deadline is in August.
 - Discussion pointed out that this 3 year process should be integrated into the ACC plan. Members agreed and said that there is PPA representation on the ACC Comp Plan Housing Committee.

IV. ACC Rental Supply- AHA Study (discussion of Product 3- Complete a comprehensive assessment of affordable housing demand and supply for both owner occupied and rental housing and Product 4- Identify strategies to immediately increase affordable housing supply.)

- Rick Parker presented data collected by the Athens Housing Authority Apartment Survey.
- AHA targeted all apartment complexes over 24 units. (So no data on smaller apartment complexes, duplexes, or single family detached rentals)
- They defined Student housing as any apartment complex made up of > 50% students
- They have a photo of each apartment complex with contact information and data about rent and vacancy
- Using GIS mapping & Census Data mapping they located all of the 24+ apartment complexes on a map and can locate student vs. family, large vs. smaller, and pricing
- Student market is approximately the same size as the family market
- Student market does bid up the price of rental housing because they rent by the bedroom
- As a result gaps/breaks exist in monthly rents
- Larger bedroom sizes are the least affordable
- Students pay ~ \$350 to \$400 per bedroom
- There are affordability problem for families earning less than \$24,000
 - \$500 rent + \$100 utilities = \$600 per month
 - 30% affordability = \$2,000 monthly income

- There are almost no 3-4 bedroom apartments that are affordable and available
- Census data underestimates median rent
 - \$450 vs. \$550 (students reporting per BR rent)
 - Median rent is higher than assumed
- There is a shortfall in affordable housing
 - Vacancies are very low for affordable apartments
 - Households below \$10,000 - 20.6%
 - Units below \$350 per month - 15.3%
 - **Shortfall of more than 600 units**
 - Households below \$24,999 - 24.7%
 - Units below \$500 per month - 22.6%
 - **Shortfall of 281 units**
- **More study is needed**
 - **Sheer volume of data**
 - **BR size analysis**
 - **Location of units**
 - **Single family units for rent**
- Below \$25,000 affordability is a problem
- Problem for anyone making below \$10 per hour
- Above \$35,000 market seems to work
- Group continued to discuss the gap in \$350-\$500 apartment range. What incentives can we create to help developers meet this gap? How can we protect/rehab existing affordable apartment complexes?
 - Rental Rehab assistance program was an old program that could be revitalized.
 - There is very little multi-family land left in ACC
 - Want development on public transit, have to look at increasing density
- Group will continue this discussion.

V. Lease/Purchase discussion (continued discussion of Product 2- Pilot a new DCA program for Lease to Purchase in Athens in conjunction with Department of Labor job training, counseling, and placement.)

- At last meeting, Group discussed/inquired about the following:
 - What can DCA Provide?
 - Buy down cost of home
 - Support for a Case Manager and Peer to Peer program
 - Support for management costs
 - Support for Individual Development Accounts to help families build up down payment and home repair funds
 - What do the Housing Team and community need to provide?
 - Need to supply the units
 - Need to supply the people for the program
 - Develop Homebuyer Education Program specific to Lease Purchase
 - Develop Peer-to-peer program for financial literacy and support
 - Design the Lease Purchase Program- 5 year and 2 year program, transparent, easy to access, who owns, markets, administers education?
 - Need to understand the market- do a market analysis for this program?
- Malisa reported back from DCA- HOME \$ are available, but need to know what is needed
 - HOME funds can help with down payments and rents during lease
 - Single Family Development Program may include a lease purchase program, but need a developer willing to invest for 2 or 3 years before getting a return

- DCA's HOME \$ can be used to buy down development costs (up to \$30,000) and provide assistance to the buyer (up to \$30,000)
- Whole program only has \$2.3 million- would only be able to do a few homes- Need to know the numbers
- Rick, Malisa, Susan, Heather, and Alvin agreed to meet before the next Housing Team meeting to create estimates of what is needed in subsidy

VI. Next Meetings

1. Number Crunching Sub-Committee- June 25, 10AM, at AHA
2. Housing Team- June 26, 7-9PM, at Fanning