

## Taskforce of Affordable Housing

-2<sup>nd</sup> Meeting –July 12, 2018 –

New Haven City Hall, Meeting Room 2

Members In attendance were: Erin Kemple, Serena Neal Sanjurjo, Otis Johnson, Karen Dubois-Walton, Dolores Colon, Edward Mattison, Bonita Grubbs, Aaron Greenberg.

Chair Greenberg called the meeting to order at 3:06. He noted he would go out of order and do 1<sup>st</sup> agenda item on leadership at end of the meeting.. Asked if there were any memos. Heard lots of testimony at 1<sup>st</sup> meeting. So need to think about questions we want to ask and answer.

Erin Kemple: what is affordable housing. State and federal have different definitions. 30 % voucher. Up to 40% or not have any income. Which population trying to address.

Karen Dubois-Walton- Define affordable, review portfolio in New Haven and what is the right ratio or right percentage. So we have some goal we are working towards. It should be New Haven but it should be Regional and a state assessment as well. What do we do to support where we have too much or too little of a particular thing?

Dolores Colon- Agreed on regional approach for point of reference. This is a New Haven problem. We have to take care of our own. We are in crisis Howard Avenue, Norton Street, Church Street South. There is an urgency to this We can't sit around waiting for reports or Washington. We need to identify and solve it yesterday.

Karen Dubois Walton- The problem can't be solved by New Haven alone. It is an untenable situation for all of the affordable housing to be in New Haven. Not that we are going to spend the bulk of report on what the region needs to do but to not include the region will not address the growth needs of the city and the way the city will be sustainable going forward.

Dolores Colon- can we find out about getting money from Milford and similar towns that don't want affordable housing in their backyard and keep turning away money being offered to them to do affordable housing. Can we say "next door neighbor, we will take the money and we will build the affordable housing?"

Erin Kemple- We should look at what is legal for people to do. Refusing to put any affordable housing in may have legal implications in terms of CT Statue 8-30g. It may violate Fair Housing laws if what they are saying is they don't want people of color living in their towns. That is illegal and not something we should tolerate. What is type of affordable housing need. We have mentioned rooming housing being shut down and burned down. Are there other kinds of affordable housing needs such as: housing for families, or people with disabilities? Also we should talk about tenure. Do we only want to talk about rental or do we want to talk about rental that is for homeownership? There are some of those being built in New Haven and the region. Just saying affordable doesn't address some of the underlying issues that come along with that.

Serena Neal-Sanjurjo- Are we as a group able to define what is affordable housing. Right now we use a median and a 30% threshold which in many cases it doesn't work. So defining affordable and taking into consideration some of our partners that don't want to do affordable housing. How does that meet our needs? Defining what folks can afford is huge.

Otis Johnson- Residents living within subsidized housing still can't afford it despite the subsidy.

Serena Neal-Sanjurjo – There is also another subset with no subsidy with the same issue.

Otis Johnson- Suggested concentrating on low income working class people caught up in this high rental situation.

Erin Kemple- Laid out the consensus points, that 1<sup>st</sup> issue is Definition of affordable. 2<sup>nd</sup> issue is identifying the need; 3<sup>rd</sup> issue is taking stock of what currently exists; 4<sup>th</sup> issue is what needs to be created or supported and 5<sup>th</sup> issue is what needs to be done to meet the need as defined. For example, some people are probably in housing that is affordable to them but may be losing that housing because it might be owned by them but they can't afford to keep it up

Edward Mattison- The state and federal definitions of affordability don't seem to fit very well. It would make sense for task force, Board of Alders, and city to have more realistic notion of what residents can afford on the income they have. What's the real affordability?

Otis Johnson- That is a question that was missed at the public hearing of what the people consider affordable.

Edward Mattison- It would be a whole lot less than what is currently deemed affordable.

Otis Johnson- that's the point. Lesson learned from people file fair rent complaints is they are willing to pay \$850 for an apartment that is not up to code. they don't mind if faucet leaks. They don't complain because it's what they can afford. The complaints come on rent increases they can't afford and especially with bad condition of unit. Task force should focus on working class, especially with children, to avoid the displacement that traumatizes children.

Dolores Colon- Task force time is limited and this project can't linger forever. Definitions need to be the table then so the Task Force can go from forward and find a solution as soon as possible. Residents are suffering. One good result was with Hill to Downtown housing with RMS Companies. The developer agreed on finding a way to subsidize some of the apartments for the working and insufficiently housed. For example, the young teacher, the young police officer, who doesn't make big bucks yet. Those people that if they wanted to buy a house couldn't put together all the money they need. The Taskforce's work should keep those people in town and help the people that need the subsidies as well. This is urgent. There is a crisis. Whatever solutions are out there need to be adapted to New Haven.

Otis Johnson- The horse is out the barn, affordable housing disappeared when the rental industrial complex came to New Haven 20 years ago. They went to Shelton Avenue, Clay Street, purchased two family homes and systematically uprooted folks. They raised rents hundreds of dollars on families. That category of housing was lost. That was the affordable housing that families could

afford at \$650 or \$850. Then this folk came in and raised rents and uprooted disabled people. We will never get that back because they own that property. It's not city property. That's a big segment of what we used to consider affordable housing. That's where Uncle Bobby, who had a job at popeyed would rent a room in aunt betty's attic. Those were the SRO's. We lost approximately 1500 units of that housing through LCI's antiblight projects over the years. I don't think we will ever recover that. Also the federal government is not providing any city's enough money for affordable housing. There have to be protests in front of Rosa DeLauro's office to make government realize we need money to build affordable housing. Developers aren't going to do it because they only care about making money. Government should be putting money into housing for the working class. They focus on homelessness but don't provide the money for the affordable housing either.

Edward Mattison- Since the taskforce is the supposed experts. What do Taskforce members think affordability is in New Haven is for one and two-bedroom house? No one is going to know better than this group. So this group should establish an affordability level.

Otis Johnson- that's difficult because of private entities.

Edward Mattison- Yes, but one way of trying to get define what needs to be advocated for is to have a sense of what it is that is reasonable for people to be asked to pay now. It's not going to be \$850 anymore.

Karen Dubois-Walton- Is the affordability separated from income? Coming up with a level regardless of people's income is challenging? A goal should be that no one who works full time should have an unfair rent. If you work full time at minimum wage you cannot afford rent in New Haven or anywhere else in the country. People are working two and three jobs but because of their wages they still cannot afford unassisted rent.

Edward Mattison- There is a gap between what people can pay in rent and what current rents are.

Serena Neal-Sanjurjo- All situations are not all the same. Setting a rate for rents without income levels would make it more difficult. The taskforce can't tell private sector what they have to charge. Many families at Church Street South and 66 Norton were working families with subsidies of some kind who still had difficulty in terms of finding housing. 66 Norton had residents working that lived there. They lived there because they could afford it there. And because it was a little below market they didn't call about the conditions. It was financially comfortable for them there to stay in that environment even though it was not the best. The issue around income will be the biggest barrier in trying to establish any type of policy. That drives this issue. A developer can build a thousand units, charge market rate rents and lease up 95% pre-built. There is not a shortage of renters that can afford that but there is a whole other level that can't. The taskforce has to figure out how to incorporate that group into new better livable housing based on that fact that they are hardworking people living in the city. That's the challenge. It is clearly defined by the level of the incomes of the people that live here.

Edward Mattison- several people suggested inclusive zoning which would be an attempt to do that because it requires developers to set aside units at prices people can afford. So the question is given the realities discussed what is an affordable level so when the taskforce meets with developers to talk about affordable housing what that is is clear.

Karen Dubois Walton- The taskforce could look at distribution of income. Start with the idea that no more than 30% of income should go to housing costs. Then show how many units are needed at different ranges. So at each level it clear what subsidy is needed. Then take that number and look at how it compares to present situation. This would show where the taskforce wants the market to be. It could be laid out in terms of rents in the city

Serena Neal Sanjurjo- the City does that every day but is constrained by state and federal guidelines and restrictions. The city has enough data based on development that is happening and is projected.

Erin Kemple – The taskforce can review where is the tipping point that makes a developer want to walk away because the amount of affordable units doesn't work economically. Statewide inclusionary zoning group kept coming back to this issue. Is 5% too low? Is 12% too high? Issue is driven by number of units, income streams developer has and subsidies. What is affordability when there is not one answer because income can be arrived at differently. Someone who received Medicaid and food stamps but not a lot of cash may have more affordability then someone with a similar income.

Bonita Grubbs- What about the boarded up abandoned properties. What can be done to match individuals to housing units that currently exists through a creative program to meet the need of affordability.

Otis Johnson- It could be New Haven's "stabilized housing." Stabilize rents for those properties. How can the city obtain those properties and start creating stabilized rents for that community?

Serena Neal-Sanjurjo- That would be wonderful. LCI has items before the Board of Alders to do something similar to that with the foreclosed properties that are available in the city.

Bonita Grubbs- Does the City own blighted and foreclosed properties?

Serena Neal-Sanjurjo- Yes a small list through LCI and its mostly lots. We do not have the number we used to have in the past, it's very small now because they have been sold off or used for some other development. Most of the blighted properties you see are either owned by a bank or a private owner. If its boarded up the city probably used its resources to board it up or got the bank to do it. If its privately owned it's a little more of a challenge, but the goal is to work with the banks to acquire the properties that are in foreclosure and not moving in the neighborhoods. Then they can be used for affordable home ownership or affordable rentals.

Otis Johnson – The city should acquire them before they go into foreclosure and are bought by the rental property companies

Edward Mattison- Suggestions on that issue are welcome. In a way it's good that there in not a lot of city owned property because it's a good thing that we have many fewer abandoned properties. The taskforce should figure out how to take advantage of the existence of the blighted properties. Contractors have said that the for many of them the only reasonable thing to do would be to demolish them and start from scratch. That option brings with it high building costs.

Erin Kemple- recapped issues above. Noted the idea around the blighted properties addresses issue #4 "how to address the need". Mentioned other cities are doing this i.e. Detroit.

Serena Neal Sanjurjo- is that a presentation for the taskforce to have. If we take the issues 1 at a time, then we can compile it all together. If we start at #1. Have someone from state and U. S. Housing and Urban Development come and speak to affordability is, why, and how we got to it, since solutions may be using their dollars.

Aaron Greenberg- 1<sup>st</sup> issue is the definition of affordability.

Otis Johnson- need to bring stakeholders in and ask residents what they feel. residents who have had cases with Fair Rent can be invited to come and testify.

Serena Neal Sanjurjo- US Department of Housing and Urban Development and the State Department of Housing can be invited to come and do a presentation.

Dolores Colon- Can they inform us how is the situation with subsidies like Section 8. What is the prognosis for it in the future? Are they going to increase, decrease, add regulations?

Dolores Colon-New Haven Home Recovery Now New Reach set up a model living situation for young people coming out of foster care at age 18. Have a maintained controlled SRO for young people. They are located in the Hill. They could explain how they financially make it happen. It may be a model to replicate. It could be with the blighted houses.

Karen Dubois Walton- they are converting that into units. It will be subsidized by Elm City Communities with project based vouchers. It won't be an SRO they will have apartments. Instead of shelter it will be apartments so that is a model to dig into. They received money from Department of Housing who put out rfp for parties interested in youth homelessness and the project based vouchers, that is what made it affordable. These are limited resources but resources to be tapped into.

Serena Neal Sanjurjo- so that would be part of the presentation about what exists.

Edward Mattison- it may be a pipe dream based on state of state and federal government. Have to look to creative ways to find other sources like non-profit housing developers working with the city to complete deals for these properties. SROS mostly they pay for themselves once they are going. There are hidden subsidies you have to cover like staffing costs for the city to make sure the places don't deteriorate, to avoid a return to tearing them all down because as happened before when leaders thought it was hopeless to fix them up.

Bonita Grubbs- there are specialized and specific housing buckets that define who is going to get access to funding. It's not just affordability so a more global approach may be warranted. For example, on the family side there is not as much stock available. However, the Department of Housing acknowledges the need for 3 and 4 bedroom units. Same thing with senior citizens housing another issue that is specialized.

Dolores Colon- when seniors retire they usually have big cut in income so may be in that pool of people we are trying to service.

Serena Neal Sanjurjo – related to issue #4, is the idea of land trusts around housing and preservation of housing might be a way to benefit and preserve affordability. That may be something to consider on that issue of “how to meet the needs”

Erin Kemple- a land trust separates the cost of the land from the costs of the house. The land trust holds the land and grants a lease to the people who own the house. The lease controls how much the house could be sold for and the permitted uses of the house. It creates long term affordability. It is being used in Oakland, and Vermont. There are different models for it. It prevents gentrification of people who have lived in places for a long time.

Edward Mattison- problems the taskforce is addressing are universal. Taskforce should look at what is out there and working or are great ideas that people haven't figured out how to get off the ground.

Bonita Grubb- introduced group with t-shirts connected to Christian Community Action and its mission of making good trouble for God. They are working a project around affordable housing and surveying individuals and can be a part of the process and make a presentation.

Aaron Greenberg- Summed up that the taskforce will have each meeting organized around one of those issues noting that this lines up with rest of year so that December would be the focus on the issue of “what to do to meet the need.”

Edward Mattison- how is this staffed? Does the membership divide up the work? Is the taskforce asking the city to do part of the work?

Serena Neal Sanjurjo- city resources are available where relationships exist.

Aaron Greenberg- the Office of Legislative Services can do some research and get some data.

Edward Mattison- the taskforce could divide up the questions to members that are interested and let them report back.

Serena Neal Sanjurjo- taskforce should have conference calls to after presentations to talk about what happened and prepare for the next meeting.

Erin Kemple- HUD and DOH are coming to show their affordability. Similarly, on the other questions the work will be done by presenters and process by the taskforce to inform its decision. The harder part is at the end for recommendations to the city to create and preserve affordable housing.

Aaron Greenberg- August meeting will include representatives from the State of Connecticut, the U.S. Department of Housing and Urban Development and the Housing Authority and stakeholders and few people coming to testify. We can schedule by email.

Aaron Greenberg- suggested that there be a chair and secretary officer structure is the taskforce wanted it.

Otis Johnson- Supported Alder Greenberg continuing to be non-voting facilitator.

Dolores Colon- noted she can serve in absence of facilitator.

Karen Dubois Walton- Supported having a voting taskforce member a chair such as Serena Neal Sanjuro.

Serena Neal Sanjurjo- stated preference for facilitator and back up to facilitator structure.

Erin Kemple- supported a non-alder as chair, because it's not just an Board of Alders taskforce or issue. She stated there is no need for recording secretary.

Otis Johnson- suggested that the taskforce wait and deal with the issue of leadership on its upcoming conference call.

Aaron Greenberg- thanked the public for attending and the taskforce.

Meeting adjourned at 4:00 PM