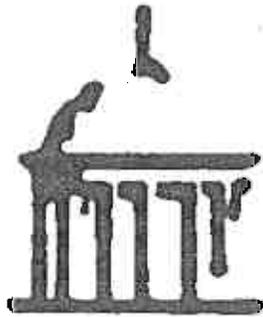


**Report from
Johnson County
Affordable Housing Task Force
February 24, 2009**



**Facilitated by:
Jeff Schott
Institute of Public Affairs
University of Iowa**

REPORT FROM JOHNSON COUNTY AFFORDABLE HOUSING TASK FORCE FEBRUARY 24, 2009

Introduction

The Housing Trust Fund of Johnson County requested the Institute of Public Affairs (IPA) of The University of Iowa to assist the Johnson County Affordable Housing Task Force to discuss the findings and recommendations of the Johnson County Affordable Housing Market Analysis conducted in December 2007 by Mullin and Lonergan Associates and to determine whether there may be consensus among Johnson County local governments and other organizations regarding regional cooperation for implementation of the report's recommendations.

Process

Representatives of IPA and the Housing Trust Fund met in late May/early June 2008 with officials of the following agencies: City of Iowa City, City of Coralville, Johnson County, Iowa City Community School District, City of North Liberty and The University of Iowa. Based on those meetings, it was determined that there was general interest in exploring the recommendations of the Affordable Housing Market Analysis and identifying which of these recommendations should be undertaken on a regional basis.

Due to the June 2008 floods, this project was suspended for several months. In late Fall 2008, the organizations agreed to resume the initiative. The Task Force held meetings on December 18, 2008 and February 24, 2009. Meeting notes from these sessions are attached to this report.

Recommendations

The Task Force reached consensus to send the following recommendations to the JCCOG Board:

- A. It is acknowledged that for affordable housing programs and policies, decision-making rests at the local government level and there are different demographics and issues in each of our entities. However, Johnson County communities should work together to improve and clarify public understanding of the benefits of quality, high density, multi-family housing.
- B. While some of the recommendations can only be addressed by each respective jurisdiction (such as potential for enterprise zones and possible redevelopment areas) it would be helpful to build regional capacity to implement these opportunities and to strive for consistency in how they are handled across the jurisdictions. Therefore, it is the recommendation of the task force that JCCOG investigate and provide information about best practices regarding:
 - Inclusionary housing policies.
 - Enterprise zone designations.
 - Redevelopment opportunities.
- C. JCCOG should continue to work to create an environment for collaboration and cooperation. The participation and involvement of the University of Iowa is important, as well as input from other stakeholders such as the school district, major employers, nonprofits and housing related businesses (realtors, homebuilders, etc.). In order to encourage collaboration and cooperation, the task force specifically recommends that the JCCOG Board:
 - Create a standing committee that includes local government staff, officials and other stakeholders. The charge of this standing committee would be to 1) share information and work toward promoting consistency in affordable housing development policies and procedures; 2) be a forum for exchanging 'best practices' and other relevant information; and 3) build the regional knowledge base with respect to affordable housing programs and opportunities.
 - In five years, conduct another affordable housing market analysis to re-evaluate affordable housing needs and determine status of progress of achieving affordable housing goals and implementation of recommended action steps.
- D. It is the task force's understanding that it is has completed its work by considering the Market Analysis and making recommendations to the JCCOG Board.

Final Comments

It was a pleasure to assist the Johnson County Affordable Housing Task Force with this process. I was extremely impressed with the level of cooperation and positive attitudes of the organizations involved in this important effort.

Jeff Schott
Institute of Public Affairs
University of Iowa
March 9, 2009

**JCCOG Affordable Housing Task Force
Notes from meeting of December 18, 2008**

Members Present: Amy Correia (Iowa City), Louise From (University Heights), Cathy Fountain (University of Iowa), Tim Krumm (ICCSA), Gerry Kuhl (North Liberty), John Weihe (Coralville), Royce Phillips (Tiffin)

Staff Members Present: John Yapp, Kent Ralston (JCCOG); Steve Long, Steve Rackis (Iowa City); Ellen Habel (Coralville); Lane Plugge (ICCSA)

Others Present: Maryann Dennis (The Housing Fellowship), Karen Kubby (FAIR); Rebecca Reiter (League of Women's Voters); Dan Smith (Homebuilders Association); Andy Johnson (Housing Trust Fund of Johnson County), Jeff Schott (UI Institute of Public Affairs)

I.

John Yapp and Andy Johnson provided a brief summary of the process that has resulted in the formation of the task force. Members, staff and others present introduced themselves.

II.

Jeff Schott of the University of Iowa's Institute of Public Affairs summarized the process that will be used for the meeting. The task force will consider each of the nine recommendations given in the Affordable Housing Market Analysis. For each recommendation, the following questions will be addressed:

1. Has anything changed since December, 2007 that affects this recommendation?
2. What additional information is needed in order to consider implementation of this recommendation?
3. Does implementation of this recommendation require regional action? Must it be local? Is there some aspect that can be addressed regionally?

III.

1. **Work to change public perception of higher density, multi-family affordable housing. (Specific recommendations include public education about benefits of housing, putting a human face on workforce housing, encourage quality design by affordable housing developers and publicizing the report.)**

Are there any changes since the report that affect this recommendation?

- A major change is the economy. People are more likely to know someone who is affected. It also means that it is even more important to address.
- Members felt that the perception hasn't changed or has even gotten worse.
- Coralville has adopted some regulations to make sure that higher density is viewed as safe. This helps the public perception.
- There is more diversity in the community, including a greater diversity of housing options.

Do the changes affect the recommendation? It was the consensus of the group that this recommendation is still valid. (Additional comment: Good property managers have good property and good tenants. Poor managers have poor property. This is seen by some as the main factor that affects public perception.)

Is there additional information that would be helpful to have in implementing this recommendation?

An interest was expressed in learning more about what other communities have done and finding out if these efforts have had an impact. (Additional comment: The language used is important. Who is being targeted and who is being described.)

Should implementation be regional or local? It was the consensus that this can and should be done regionally. Having a consistent message across jurisdictions is important and helpful.

How should local governments be involved? Pros and cons of government spearheading this effort were discussed. Greater support for a community collaboration was expressed. Clear consensus reached that it would be helpful to know what types of information have been disseminated in other communities and whether it's been helpful.

- 2. Revise public policies to create an environment in which affordable housing opportunities can be created without obstacles. (Specific recommendations include increasing the amount of land available for multi-family housing and zoning concurrently with all annexation actions.)**

Are there any changes since the report that affect this recommendation?

- Development in the North Corridor has been controversial and issues are still in court. Significant opposition was raised to development of \$200,000 homes. Public opposition to even higher density would be significant.
- Discussion regarding requirements of state law. In general, annexed land is automatically zoned and the lowest residential zone.
- Communities are reluctant to specify zoning until a developer asks for it.
- Fringe area agreements were also mentioned.

Do the changes affect the recommendation?

Is there additional information that would be helpful to have in implementing this recommendation?

Communities shared their perspectives:

- Coralville is trying to do more with existing land and urban renewal. Cardinal Ridge includes some higher density and that was accomplished by working with the developer. Multifamily is a zoning issue, not part of the comprehensive plan.
- For Iowa City the issue is whether the zoning goal is included in the comprehensive plan. Otherwise, preemptively "spot zoning" would be opposed if not part of the plan.

Also, a question was posed whether or not there is an accepted "standard" percent of multi-family zoning based on population.

Should implementation be regional or local? The school district is interested in seeing this addressed regionally as a lack of suitable housing options results in concentrations of poverty which puts a strain on certain schools. Zoning is specific to each community but an interest was expressed in having increased dialogue from all communities. A corollary to transportation planning was cited. The planning is done regionally, but each jurisdiction adopts its own plan.

How should local governments be involved?

3. **Adopt a mandatory inclusionary housing ordinance to meet the significant unmet need for affordable housing. (Specific recommendations include having specific incentives offered in exchange for specific measures to be undertaken by a developer.)**

Are there any changes since the report that affect this recommendation?

- The change in the economy was again cited as a change. With greater unemployment, the need for affordable housing options is even greater.
- Loss of homes as a result of the flood have also impacted this need.
- On the other hand, the downturn in the economy has also affected the amount of development. There have not been any new subdivisions planned recently. Some developments have been delayed, stopped altogether, or gone into bankruptcy.

Do the changes affect the recommendation?

Is there additional information that would be helpful to have in implementing this recommendation?

- Has it worked in other areas similar to Johnson County? Has it been done regionally?

Should implementation be regional or local? Inclusionary zoning would probably be more effective if implemented on a regional basis, but several communities indicated that they would be unlikely to pursue a mandatory zoning ordinance. One option suggested is that communities look at a voluntary plan which would have the effect of elevating the interest of the communities and providing a message to the development community that these efforts are supported.

How should local governments be involved? Although some communities were not interested in a mandatory ordinance, there was some interest expressed in exploring what incentives might be provided and to identify points of commonality among communities.

4. **Potential redevelopment areas in Iowa City present opportunities for new affordable housing and neighborhood revitalization.**

Are there any changes since the report that affect this recommendation?

- Redevelopment opportunities are present in other communities.

- The flooding has provided opportunity for redevelopment.
- There is now more potential for diverse housing options, including some affordable in the mix.

Do the changes affect the recommendation?

Is there additional information that would be helpful to have in implementing this recommendation?

Should implementation be regional or local? It was the consensus that this can and should be done regionally. Because the infrastructure is in place, there may also be the easiest to accomplish.

How should local governments be involved?

- 5. Prioritize the preservation of existing affordable housing units. Work to change public perception of higher density, multi-family affordable housing. (Specific recommendations include working to ensure that housing stock with expiring subsidies are not converted to market rate units and preserving and rehabilitating the existing supply of mobile home parks.)**

Are there any changes since the report that affect this recommendation?

- Flooding damaged a large number of affordable units.
- A number of changes on the federal level that may affect the amount of funding available for rehabilitation efforts.
- Communities have rehabilitation programs when funding is available.

Do the changes affect the recommendation?

Is there additional information that would be helpful to have in implementing this recommendation?

Information about additional avenues of funding would be useful.

Should implementation be regional or local? Implementation of rehabilitation programs is generally on a local level but communication among communities about existing efforts and potential funding sources is important.

How should local governments be involved?

- 6. Treat affordable housing developers as a special class of developer. (Specific recommendations include a streamlined permitting process, participating in the cost of financing infrastructure improvements and waive local fees for affordable housing.)**

Are there any changes since the report that affect this recommendation?

- The potential availability of industrial development revenue bonds as a source of financing was cited.

Do the changes affect the recommendation?

Is there additional information that would be helpful to have in implementing this recommendation?

There was an interest in having information about what is being done now in the area (for example, some communities waive certain fees for project by certain nonprofits) as well as information about what a streamlined permitting process would look like. Public input is important. Also discussed were the benefits and risks of using TIF for funding infrastructure for housing.

Some communities feel they have done all they can to streamline the process. Concern was also expressed about adopting this as a goal without more clarification.

Should implementation be regional or local?

Permitting is done locally. Consensus was reached that a goal would be to strive for regional consistency among rules, fees and other requirements that are adopted and enforced on a local basis. Communication between planning departments and developers about what could be done and education of developers could be pursued on a regional basis.

How should local governments be involved?

IV.

As agreed, the meeting was adjourned at 4:00 PM. Three recommendations are left to address as well as determining whether consensus exists for future action items. The next meeting was set for Monday, January 12th from 2 to 5 PM, again in the Coralville City Council Chambers. The task force indicated an interest in coming up with some recommendations that the communities can go forward with.

**JCCOG Affordable Housing Task Force
Notes from meeting of February 24, 2009**

Members Present: Amy Correia (Iowa City), Louise From (University Heights), George Hollins (University of Iowa), Tim Krumm (ICCSA), Gerry Kuhl (North Liberty), Henry Herwig (Coralville), Royce Phillips (Tiffin) Rod Sullivan (Johnson County)

Staff Members Present: John Yapp, (JCCOG); Steve Rackis (Iowa City); Lane Plugge (ICCSA)

Others Present: Brad Houser (Rebecca Reiter (League of Women's Voters); Dan Smith (Homebuilders Association); Andy Johnson (Housing Trust Fund of Johnson County), Jeff Schott (UI Institute of Public Affairs)

I.

Andy Johnson welcomed the task force. Individual members of the task force and audience introduced themselves. Jeff Schott of the University of Iowa's Institute of Public Affairs summarized the process so far and reviewed the recommendations that have been discussed. The next step was to discuss the remaining three recommendations.

II.

7. Seek State Housing Enterprise Zone designation.

Are there any changes since the report that affect this recommendation?

- Flooding has impacted this. There are more areas that fit the designation and the rules have changed so that larger areas can be used. The group was not sure if there were any limits on the size. Enterprise zones are a way to use rehabilitation and revitalization to attract new development and economic activity.

8. Dedicate specific sources of revenue to finance affordable housing development over the long term.

Are there any changes since the report that affect this recommendation?

- Johnson provided a summary of progress made last year on securing dedicated funding for the State Housing Trust Fund, which provides funding to local housing trust funds such as the one in Johnson County. General funds have also been committed by Johnson County, Coralville, North Liberty and Iowa City.
- Discussion of other local funding sources. Many, such as an increase in the recorders fee, would require action by the state legislature before it could be done locally.

9. Create an environment for collaboration and cooperation.

Are there any changes since the report that affect this recommendation?

- The task force felt that its work was a reflection of this recommendation. However, MUCH has changed since the study that impacts what can be done. As a result of the flooding, cities are stretched financially and staff is stretched in terms of time and energy. In addition, the housing industry has been hurt by the economy and builders are finding it harder to participate in community efforts. Builders are, however, also interested in new

models, due to a slowdown in the market which presents cities with an opportunities as well if incentives can be found.

- The economy has impacted financial institutions and lending requirements.
- The flooding has impacted the University in many ways, including the ability to attract new students (particularly art and music). The assumption that our economy is immune from the factors that affect others may not hold true in the future. There is currently a hiring freeze. The impact of budget cuts may not be felt for 6 to 12 months.

III.

Where do we go from here?

As a framework for discussion, Jeff Schott suggested that the task force consider the following steps:

1. Identify which recommendations should be implemented on a regional basis.
2. Prioritize them.
3. Forward these recommendations to the JCCOG Board for consideration/amendment/approval. The JCCOG Board can then decide how to formulate an action plan.
4. Remainder of the recommendations can go to the communities for individual action.

The task force then considered each recommendation in turn and decided whether or not it could be addressed regionally. The result of this discussion was to reach consensus to send the following recommendations to the JCCOG Board (The task force determined there was no need for prioritizing their recommendations to the JCCOG Board):

- D. **It is acknowledged that for affordable housing programs and policies, decision-making rests at the local government level and there are different demographics and issues in each of our entities. However, Johnson County communities should work together to improve and clarify public understanding of the benefits of quality, high density, multi-family housing.**
- E. **While some of the recommendations can only be addressed by each respective jurisdiction (such as potential for enterprise zones and possible redevelopment areas) it would be helpful to build regional capacity to implement these opportunities and to strive for consistency in how they are handled across the jurisdictions. Therefore, it is the recommendation of the task force that JCCOG investigate and provide information about best practices regarding:**
 - **Inclusionary housing policies.**
 - **Enterprise zone designations.**
 - **Redevelopment opportunities.**
- F. **JCCOG should continue to work to create an environment for collaboration and cooperation. The participation and involvement of the University of Iowa is important as well as input from other stakeholders such as the school district, major employers, nonprofits and housing related businesses (realtors, homebuilders, etc.). In order to encourage collaboration and cooperation, the task force specifically recommends that the JCCOG Board:**

- **Create a standing committee that includes local government staff, officials and other stakeholders. The charge of this standing committee would be to 1) share information and work toward promoting consistency in affordable housing development policies and procedures; 2) be a forum for exchanging 'best practices' and other relevant information; and 3) build the regional knowledge base with respect to affordable housing programs and opportunities.**
- **In five years, conduct another affordable housing market analysis to re-evaluate affordable housing needs and determine status of progress of achieving affordable housing goals and implementation of recommended action steps.**

IV. Conclusion

It is the task force's understanding that it is has completed its work by considering the Market Analysis and making recommendations to the JCCOG Board