

AFFORDABLE HOUSING STRATEGY UPDATE

City of Lakewood
Department of Planning and Development



Summary of Action Steps

Action Step 1 – Launch Rental Restoration Program Preserving Affordability

Action Step 2 – Gap Financing for Rental Development Projects

Action Step 3 – Non-profit partnerships

Action Step 4 – Homeownership opportunities for low and moderate income households

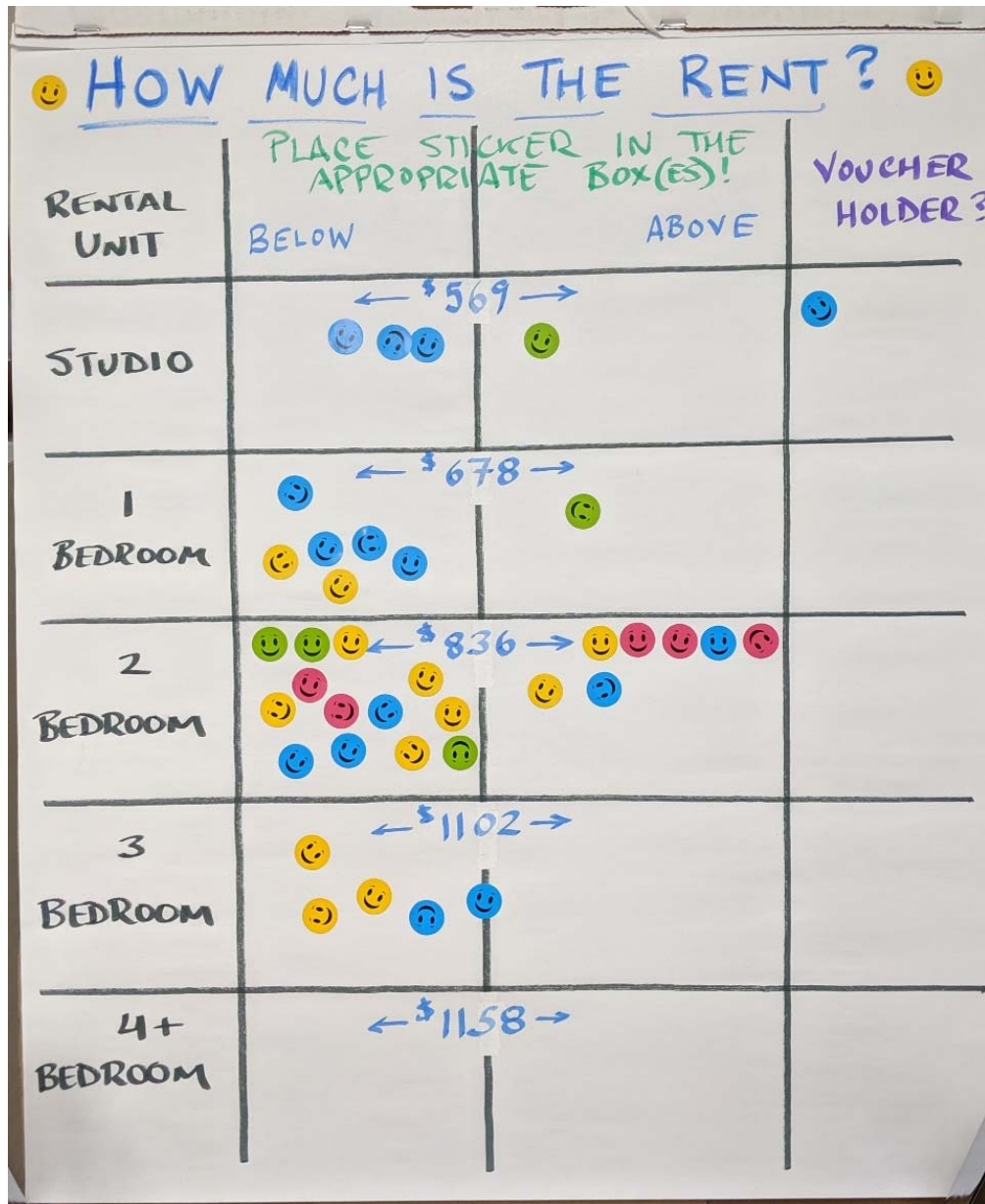
Action Step 5 – New Affordable Home Construction

Action Step 6 - Connect property owners to resources and incentives

Action Step 7 - Outreach & Advocacy to HUD by Administration and City Council

Action Step 1: Rental Restoration Program Launch

- Program launched April 29
- Mailings to landlords in low mod census tracts and those with existing voucher units
- 6 properties have applied
 - Biggest challenge has been documenting renter incomes
- Landlord meeting held September 25 with 28 landlords attending
 - Extensive outreach to landlords through City partners, mail and email
 - 8 landlords filled out pre-applications
 - Anticipate as many as six new applications based on feedback



Rents above and below HUD Fair Market Rents

We have existing, private market, affordable units.

Action Step 2: Gap Financing for Rental Development Projects

- Using HOME funds provide gap financing for rental projects that incorporate affordable units for low income households
 - Several conversations with new building owners and developers, but so far have not found a partner
 - Challenges include communicating and enforcing complicated federal tenant protections; HUD Fair Market rents; construction, financing and ongoing maintenance costs;

Action Step 3: Non-profit partnerships

- Identified EDEN and Lakewood Community Service Center (LCSC) as non-profit partners for the Rental Restoration Program's ongoing affordability requirements.
 - Both organizations can provide a steady stream of income eligible renters to assist landlords should they need assistance filling vacancies
- Meeting with CHN Housing Partners to discuss affordable housing development – October 28

Action Step 4: Homeownership opportunities for low and moderate income households

Acquire and rehab vacant, foreclosed properties, typically through tax foreclosure.

- 1477 Lauderdale recently was completed and sold to an eligible buyer.
- 1612 Orchard Grove is under construction and will be listed and sold to a low- and moderate-income households in early 2020

2048 Halstead will likely transfer to the City by year's end



Action Step 5: New Affordable Home Construction

- 2 new single-family homes are being planned for construction in 2020. The City will solicit estimates beginning in November 2019.
 - 17450 Shaw single family home construction
 - 12311 Plover single family home construction

12311 Plover

Inspired by Birdtown's historic past, the property will offer a flexible live-work space using a high-quality design approach to affordability.



Action Step 6: Connect property owners to resources and incentives

- Outreach to owner occupants
 - Water bill messages – included 3 times this year for all citywide customers
 - Direct mail – hundreds of mailers in the last 12 months
 - Summary of programs included with all correction notices
 - Social media
 - Lakewood Alive
- Outreach to landlords
 - Direct mail
 - Social media
 - Press Release
 - Email

October Lakewood Life will reach 29,300 households & businesses

Action Step 6: Connect property owners to resources and incentives

Resources –

- City programs – Low Interest Loans, Rental Restoration, Home Improvement Grants
- Lakewood Alive Pride Fund & Paint Program
- HELP Loan – County sponsored, available to well qualified applicants regardless of income, residential improvements
- New resource coming soon (pending County approval)
 - Residential PACE Program for energy efficiency improvements
 - Insulation
 - Windows
 - Solar Panels
 - HVAC

Action Step 7: Outreach & Advocacy to HUD by Administration and City Council

- Met with CMHA four times to explore partnership opportunities and evaluate feasibility of a pilot program with Lakewood Building Department to improve the inspection process for landlords and voucher holders.
 - Voucher unit inspection services being re-bid in 1st quarter of 2020 – Lakewood will be on the notification list and can submit a proposal.
 - CMHA recently hired a mobility coordinator and will apply for a HUD program to improve outcomes for voucher landlords and tenants. The same program is currently being implemented in Seattle.

(Reference: <https://www.cleveland.com/news/2019/08/why-housing-vouchers-fail-to-help-clevelanders-escape-poverty-and-how-we-can-do-better-leila-atassi.html>)

Next steps and strategies

- Issue RFQ for Plover & Shaw new construction projects in November; break ground Spring 2020
- Execute Rental Restoration Program contract with Lakewood Avenue applicant (4 rental units) before end of year
- Continue regular outreach to landlords
- Execute contracts with EDEN and LCSC for Rental Restoration Program support services
- Follow up with CMHA on their timeline for issuing RFP for inspection services contract and explore all opportunities to improve tenant/landlord voucher program experience
- Introduce ordinance requesting authority to list & sell 1612 Orchard Grove
- Introduce residential PACE Program (energy efficiency upgrades to 1 – 4 units residential properties) to Council