

Meeting Summary

Inclusionary Housing Advisory Board

417 East Fayette Street, 3rd Fl Conference Room

July 31st, 2019

Attending: Arlene Fisher, Denise Deleavor, Henry Smart, Ivy Carter, Jalal Greene, Johndre Jennings, Mel Freeman, Michael Middleton, Taylora-Imes-Thomas, Wendy L. Blair, William Ariano

Agenda: The meeting was called to order by Bill Ariano, chair who also determined that a quorum was present.

Housing Commissioner Michael Braverman welcomed the Board and made opening comments, including expressing optimism about creating affordable units.

The Advisory Board discussed the following items:

- Introduction to the Commission.
- Ethics Requirements lead by Elena Dipietro from the City's Law Department.
- Jay Greene, DHCD's COO presented an overview of the Inclusionary Housing Legislation that included explaining the requirements to make units available, maximum City subsidy (Investment Threshold), and Advisory Board.
- Board asked that DHCD will review the way an analysis is undertaken and examine that the formula is accurately applied.
- Board requested Staff Summaries & Recommendations for projects be submitted to Board for review prior to the next scheduled Board meeting. *
- The Board suggested it would be helpful if they were made aware of all the subsidies a Developer is receiving for a project and questioned if outside subsidies can cover the cost of the City's contribution.
- The Advisory Board noted that the process for when a Developer considers the Inclusionary Housing requirement, tends to be done once a project is completed. The Board suggested a review on how to get ahead of the curve and find ways to provide units before the project is complete.
- Examples of Montgomery County's Inclusionary Housing process was presented to the board and that their law mandates when a developer requests a permit for their project is also when they apply for the Inclusionary Housing requirement.
- Board members suggested that due to the nature of time, it would be in the Boards best interest not to waste time making alterations to the legislation and instead write new legislation.
- First project presented was Anthem House. DHCD staff provided the analysis which determined that one efficiency unit would qualify as an affordable unit for a Household earning 100% of the AMI under the Investment Threshold requirements. The staff recommended that DHCD work with the developer to determine which of the options to make the units available under the Law, is the most feasible and report back to the Board. One of the options offered under the

Law, would be a Payment in Lieu. Board member asked in general if the Board is subject to the Equity ordinance? Board suggested on the analysis going forward that the DHCD staff include options regarding the dollar value and specify what the options are for the Board to review. The Board approved staff's recommendation.

- Second project presented by the Board was Liberty Harbor East. DHCD staff reported that the Project is not required to provide affordable units as the subsidy required to make the units affordable exceeds the Threshold Limits established under Section 2B-2(f)(3) of the Law. Board suggested as a potential revision to the law, the standard requirement could be lowered from 20% of the Major Public Subsidy to something less and mentioned reviewing Capital stack vs. Rental subsidy. Board questioned the balance of the Inclusionary Housing Budget and asked that DHCD provide it at the next meeting and that DHCD will plan to discuss how the Affordable Housing Trust Fund is impacted. The Board approved staff's recommendation.
- Third project presented is The Homestead Building at Springwell Senior Living Community. During the initial presentation, staff noted that Springwell was an independent senior living community that charged an inclusive monthly fee for all services. Based on the fee structure, DHCD undertook the analysis based on the total inclusive fee and then on the housing portion of the fee. The analysis that was conducted using the housing portion of the fee, determined that three 1-bedroom units could be offered to households earning 100% of the AMI. The analysis that was undertaken using the total monthly fee determined that the cost to make units affordable exceeded the Investment Thresholds under the Law. Because residents are required to pay the full monthly fee, DHCD recommended that the Project did not meet the requirements of the Law. The Board deferred approving staff's recommendation pending a breakout of all services included in the monthly fee and could compare the housing cost against other costs.
- Board discussed next meeting dates and asked that a Doodle Poll be sent to confirm members availability to establish a regular date and time for when meetings are required.
- The Advisory Board's next meeting will be TBD.
- Meeting adjourned at 10AM.

*Added per Board's request during September 30th 2019 Advisory Board meeting.