PROCESS & SCHEDULE

<table>
<thead>
<tr>
<th>STEP 0</th>
<th>STEP 1</th>
<th>STEP 2</th>
<th>STEP 3</th>
<th>STEP 4</th>
<th>STEP 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>KICKOFF</td>
<td>UNDERSTAND</td>
<td>ANALYZE</td>
<td>STRATEGIZE</td>
<td>FINALIZE</td>
<td>FINAL REPORT</td>
</tr>
<tr>
<td>GETTING STARTED</td>
<td>CONTEXT AND COMMUNITY ANALYSIS</td>
<td>HOUSING MARKET ANALYSIS</td>
<td>HOUSING NEEDS IDENTIFICATION</td>
<td>PRIORITIES IMPLEMENT</td>
<td>DOCUMENT</td>
</tr>
<tr>
<td>ORGANIZATION ASSESSMENT</td>
<td>POLICIES AND STRATEGIES</td>
<td></td>
<td>REFINE PRESENT</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1 MONTH SEPTEMBER

5 MONTHS OCTOBER – FEBRUARY

2 MONTHS MARCH–APRIL
Session Goals

- Describe our priority recommendations
- Understand roles and need for robust partnerships
- Next steps

Keep in Mind

There are no silver bullet solutions

The city cannot solve Topeka’s housing challenges—it’s resources are finite and role is limited

There is a need to:
- Expand community capacity
- Develop new partnerships
- Increase overall commitment to housing
- Expand financial resources
Review

What is the need?
What will it take to meet the need?

Priority Strategies

What are the recommended priorities?
How are they implemented in different contexts?
What is the city’s role?
What are roles for different partners?
Review

What is the need?
### Key Findings

<table>
<thead>
<tr>
<th>Key Finding</th>
<th>Need</th>
</tr>
</thead>
<tbody>
<tr>
<td>30% of Topeka Households are <strong>Cost Burdened</strong>.</td>
<td><strong>Quality affordable</strong> rental housing (&lt;$700/mo.)</td>
</tr>
<tr>
<td>Potential homebuyers can’t find <strong>suitable homes</strong>.</td>
<td><strong>Moderately-priced</strong> for-sale housing ($120k-$225K).</td>
</tr>
<tr>
<td>Lack of reinvestment in core neighborhoods.</td>
<td><strong>Reinvestment</strong> in the existing housing stock.</td>
</tr>
<tr>
<td>Topeka has a <strong>high rate of homelessness and evictions</strong> for a city of its size.</td>
<td><strong>Transitional</strong> housing for homeless and other vulnerable households.</td>
</tr>
<tr>
<td>There are limited <strong>maintenance-free housing</strong> for growing senior population.</td>
<td>A variety of <strong>Senior housing</strong> options.</td>
</tr>
<tr>
<td>Topeka’s wages for entry level jobs do not support housing stability.</td>
<td>Affordable housing with <strong>better access to jobs</strong> (and higher-paying jobs).</td>
</tr>
<tr>
<td>High-wage earners frequently choose to live outside the city.</td>
<td><strong>Upscale rental and for-sale</strong> housing.</td>
</tr>
<tr>
<td><strong>Single-family homes</strong> are the dominant new construction housing type.</td>
<td>New <strong>missing middle</strong> and multifamily development.</td>
</tr>
</tbody>
</table>
DEMAND SUMMARY: CURRENT
AVERAGE ANNUAL DEMAND

AFFORDABLE
2,100 units
For-Rent Units
For-Sale Units
<$665 per month
<$115k sales price

WORKFORCE
2,250
For-Rent Units
For-Sale Units
$720-$1,250
$120k-$210k

MODERATE
840
1,700
For-Rent Units
For-Sale Units
$1,050-$1,600
$180k-$275k

UPSCALE
400
450
$1,600k-$2,500k
$275k-$395k

TOTAL DEMAND
7,300
7,300
Housing Units
5,600
5,600
For-Rent Units
1,700
1,700
For-Sale Units

RENT/PRICE RANGE
*$this represents more of a “net” demand; most of this demand is met by the existing stock.*
Review

What will it take to meet the need in the future?
### Demand Implications: 10-15 Years

#### Housing Types

<table>
<thead>
<tr>
<th>Price/ Rent</th>
<th>Subsidy Dependent</th>
<th>Infill / New Home Market</th>
<th>Rehab Market</th>
<th>Renovation</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;$400-$750/mo</td>
<td>$160 - $250k</td>
<td>$120k - $160k</td>
<td>$100 - $120k</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Demand Pool</th>
<th>4,300 HHs</th>
<th>1,500 HHs</th>
<th>200 HHs</th>
<th>750 HHs</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>GAP</th>
<th>$100k/unit</th>
<th>$60k</th>
<th>$30k</th>
<th>$5k</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Implied Subsidy 100% of Pool</th>
<th>$430m</th>
<th>$90m</th>
<th>$6m</th>
<th>$4m</th>
</tr>
</thead>
</table>

- **$53 million** needed each year
- **$6.9 million** current City budget for housing
The need is greater than resources available...

...Must be strategic.
HOUSING STRATEGIES TO ADVANCE THE GOALS

SIX STRATEGIES

1. Improve the quality of the existing housing stock
   - 1.1
   - 1.2
   - 1.3
   - 1.4
   - 1.5

2. Address abandoned & vacant properties
   - 2.1
   - 2.2
   - 2.3
   - 2.4

3. Expand resources to encourage housing stability and support homeownership
   - 3.1
   - 3.2
   - 3.3
   - 3.4
   - 3.5
   - 3.6

TWENTY-SIX TACTICS

4. Support development of a diverse mix of housing types
   - 4.1
   - 4.2
   - 4.3
   - 4.4

5. Expand production of affordable housing to enhance economic mobility
   - 5.1
   - 5.2
   - 5.3
   - 5.4

6. Expand financial and organizational capacity
   - 6.1
   - 6.2
   - 6.3
Priority Recommendations

Fund the Affordable Housing Trust Fund
Many households cannot afford a $788* rent for a safe and decent 2 BR unit…

City of Topeka

- **33%**
  - White: 31%
  - Hispanic: 36%
  - African-American: 52%

Source: ACS 2013-2017

*Gross rent, including $200/month for utilities. Utilities assumption based on maximum utility allowance limits by HUD.
...and many households are cost-burdened, paying more than they can afford.
EXISTING SUPPLY

SUBSIDIZED AFFORDABLE HOUSING

5,590
subsidized affordable units
(includes LIHTC, Public Housing, Housing Choice Vouchers, and Section 8 units)

17,700
Income-qualifying Households
(based on 60% AMI w/o subsidies)

1,710
of LIHTC and HUD units are restricted to/occupied by Seniors Households (55+)

9,930
Senior Households are income-qualifying
(based on 60% AMI w/o subsidies)

Source: LIHTC Database and HUD
AFFORDABLE HOUSING SUPPLY IN COMPARISON TO NEED

17,700
HHs qualify

5,840
owner households

6,270
private market

5,590
Subsidized units and households

2020

*renters

Source: production based on past 10 years of LIHTC allocations; demand based on estimate of households with incomes below 60% AMI; growth based on Heartland 2050
AFFORDABLE HOUSING SUPPLY IN COMPARISON TO NEED

17,700 HHs qualify

5,840 owner households

6,270 private market

5,590 Subsidized units and households

*renters

2020

12,110 unit gap of dedicated affordable housing

Source: production based on past 10 years of LIHTC allocations; demand based on estimate of households with incomes below 60% AMI; growth based on Heartland 2050
AFFORDABLE HOUSING SUPPLY IN COMPARISON TO NEED

17,700 HHs qualify

5,840 owner households

6,270 private market

5,590 Subsidized units and households

2020

12,110 unit gap dedicated affordable housing

40% are in below average condition

Or 4,850 units

Source: production based on past 10 years of LIHTC allocations; demand based on estimate of households with incomes below 60% AMI; growth based on Heartland 2050
AFFORDABLE HOUSING SUPPLY IN COMPARISON TO NEED

17,700 HHs qualify

5,840 owner households
6,270 *renters private market
5,590 *renters Subsidized units and households
2020

12,110 unit gap dedicated affordable housing

4,850 of these units have conditions that could put vulnerable tenants at risk and need to be replaced

Source: production based on past 10 years of LIHTC allocations; demand based on estimate of households with incomes below 60% AMI; growth based on Heartland 2050
AFFORDABLE HOUSING SUPPLY IN COMPARISON TO NEED

17,700 HHs qualify
-0.05% annual decline
17,500 HHs qualify

7K units Demand met by private market

gap of 5K units quality affordable housing

Goal: 125 units per year
35 units per year

5,590 subsidized households
2020

+2,500 new units
2040

+700 gap of 4K units quality affordable housing

Source: production based on past 10 years of LIHTC allocations; demand based on estimate of households with incomes below 60% AMI; growth based on Heartland 2050
Without preservation of existing affordable units, the area will lose up to... 409 units by 2030

Source: LIHTC database, assuming potential loss of affordability restrictions at 15 years after the property is placed in service
FUND THE AFFORDABLE HOUSING TRUST FUND
TOPEKA’S FUND

City of Topeka Affordable Housing Trust Fund

- Finalized by Ordinance No. 20194 on July 23, 2019
- Encourages the acquisition, rehabilitation and development of affordable housing, emergency shelter and supportive services
- Will address affordable housing and economic development needs of the city through gap funding
- Eligible applicants can include private, public, non-profit, for-profit entities
- Affordable Housing Trust Fund Review Committee
FUND THE AFFORDABLE HOUSING TRUST FUND
TOPEKA’S FUND

City of Topeka Affordable Housing Trust Fund

- Finalized by Ordinance No. 20194 on July 23, 2019
- Encourages the acquisition, rehabilitation and development of affordable housing, emergency shelter and supportive services
- Will address affordable housing and economic development needs of the city through gap funding
- Eligible applicants can include private, public, non-profit, for-profit entities
- Affordable Housing Trust Fund Review Committee

Why Affordable Housing Trust Funds?

- Extremely flexible
- Able to foster partnerships that create affordable housing to meet community needs
- Unique as they benefit from a dedicated source of ongoing revenue
- Increase affordable housing production
- On average, each dollar spent by a housing trust fund leverages seven dollars in additional funding for housing, such as loans from banks
FUND THE AFFORDABLE HOUSING TRUST FUND

HOW ARE THEY FUNDED?

Typical Funding Sources

- Dedicated Housing Fees
- Redevelopment Tax Increment Set-Aside Funds
- Discretionary Local Revenues
- Grant and Charitable Contribution Funds
- Loan Repayments and Commercial Development Loans
FUND THE AFFORDABLE HOUSING TRUST FUND
HOW FAR WOULD $5 MILLION GO?

COST AND VALUE

MULTIFAMILY NEW
$145k
$40k GAP

SINGLE FAMILY NEW
$230k
$60k GAP

SINGLE FAMILY GUT REHAB
$205k
$30k GAP

SINGLE FAMILY RENOVATION
$180k
<$10k GAP

Cost to produce
Value of tax rebate
FUND THE AFFORDABLE HOUSING TRUST FUND
HOW FAR WOULD $5 MILLION GO?

- **MULTIFAMILY NEW**
  - 125 UNITS
  - $145k
  - $40k GAP

- **SINGLE FAMILY NEW**
  - 80 UNITS
  - $230k
  - $60k GAP

- **SINGLE FAMILY GUT REHAB**
  - 170 UNITS
  - $205k
  - $30k GAP

- **SINGLE FAMILY RENOVATION**
  - 500 UNITS
  - $180k
  - <$10k GAP
A focus on **preservation and renovation** will stretch the funds farther.

New construction should be supported as well, as a **supplement to other tools and programs**, such as LIHTCs, that fill most of the gap.
FUND THE AFFORDABLE HOUSING TRUST FUND
RECOMMENDATIONS FOR TOPEKA

KEY FUND ELEMENTS

PRIMARY STRUCTURE RECOMMENDATIONS

- All units funded should serve those earning **80% AMI** or less
  - 50% fund 30% AMI units
  - 30% fund 30% AMI to 60% AMI units
  - 20% fund 60% AMI to 80% AMI units

- Forgivable **Low-Interest or Zero-Interest** Loan.
  - Same term as program or first-position loan
    - For LIHTC deals
      - 0% loan with a balloon payment after year 15
      - Roll into a second 15-year term if exercised
    - For non-LIHTC
      - below-market interest; interest-only payments

- **Bridge loan** for pre-development costs; with preference given to non-profit developers

- Eligible Projects:
  - Renovation and/or rehab projects in Focus Areas
  - New construction projects with additional sources, such as LIHTC, HOME, CDBG, or similar funds

Key Implementers: City Council, Affordable Housing Trust Fund Review Committee, City Staff, Housing Providers, Donors, Philanthropy
FUND THE AFFORDABLE HOUSING TRUST FUND
HOW ARE THEY FUNDED?

Typical Funding Sources

- Dedicated Housing Fees
- Redevelopment Tax Increment Set-Aside Funds
- Discretionary Local Revenues
- Grant and Charitable Contribution Funds
- Loan Repayments and Commercial Development Loans

Affordable Housing Trust Fund
St. Louis City, MO

- Awards loans and grants to develop affordable housing and provide housing-related services, including accessibility modifications, home repair, and support for the homeless.

- Benefits families and individuals with incomes at or below 80% of the AMI.

- 40% of funds awarded benefit those earning 20% or less than the AMI.
FUND THE AFFORDABLE HOUSING TRUST FUND
HOW ARE THEY FUNDED?

Typical Funding Sources

- Dedicated Housing Fees
- Redevelopment Tax Increment Set-Aside Funds
- Discretionary Local Revenues
- Grant and Charitable Contribution Funds
- Loan Repayments and Commercial Development Loans

Affordable Housing Trust Fund
Lawrence, KS

- Encourages and supports the acquisition, rehabilitation, and development of affordable housing and emergency shelter, as well as supportive services necessary to maintain independent living.

- City staff allocated $100,000 to put into an affordable housing pilot project to demonstrate the impact of local funds.

- Building on the accomplishment of the pilot project, in 2016 City Commissioners approved $300,000 for the AHTFund for FY2017-2018 budgets, and $350,000 for FY2019-2021.

- $1 million annual funding approved through 1/20th cent sales tax for 2019-2028 in addition to above amounts.
FUND THE AFFORDABLE HOUSING TRUST FUND
SUMMARY

NEEDS ADDRESSED

• Increase availability of affordable housing units
• Improve housing condition
• Improve neighborhood conditions
• Encourage reinvestment in existing housing stock
• Expand resources for homeowners
• Expand resources for vulnerable populations
• Provide a new gap financing tool

GOALS ADDRESSED

1. Stabilize Topeka’s core
2. Housing as opportunity
3. Support new housing development
4. Address problem landlords, absentee owners, and vacant properties
5. Expand the housing ecosystem
SIX STRATEGIES

Priority Recommendations

1. Fund the Affordable Housing Trust Fund

2. Establish a Strategic Land Bank
Historic policies, such as redlining, continue to impact our communities...

...including Topeka’s core neighborhoods.
CREATE A LAND BANK
WHY A LAND BANK?

Create a **land bank** to return vacant properties to productive use

- The City of Topeka **has conducted land banking activities** in the past for specific developments

- However, **these efforts were not part of a larger strategy** to use a land bank to support long-term neighborhood redevelopment and stability

- Land Banks are generally granted the following powers:
  - Obtain property at **low or no cost through the tax foreclosure** process
  - **Hold land tax-free**
  - Clear title and/or extinguish back taxes
  - **Lease properties for temporary uses**
  - Negotiate sales based on the outcome that most closely aligns with community needs

- Land banks have the authority to **acquire and clean title, and transfer properties to new owners** in a strategic manner that advances community priorities
CREATE A LAND BANK
BEST PRACTICES

Create a **land bank** to return vacant properties to productive use

- Land banks work best with a **predictable, recurring funding source**
- Partnerships with **community and economic development organizations** can provide critical gap funding
- Gaining community trust and striving for transparency in all operations is key
- Land Banks are most successful when paired with resources to stabilize and rehabilitate properties to return them to productive use
CREATE A LAND BANK
RECOMMENDATIONS FOR TOPEKA

Next Steps

▪ Create or identify public or nonprofit entities to **strategically acquire vacant / problem properties and convert them to productive use**

▪ Work with Shawnee County to establish **ability to view, strategically purchase available vacant properties** prior to their sale at the Judicial Tax Foreclosure Sale

▪ Align with active and future **SORT projects** to maximize the potential impacts

▪ Partner with **quality developers and contractors**
CREATE A LAND BANK
A COUPLE EXAMPLES

Land Bank Rehab Program Kansas City, KS

- Works with contractors, real estate investors and experienced rehabbers to revitalize their community
- All offers are approved by County Administration
- Public-private partnership

Land Bank Pittsburg, KS

- Efficiently acquires, holds, manages, and transforms abandoned, tax-foreclosed, or otherwise under-utilized or distressed properties into productive use
- Acquires property through purchase, owner donation, or tax foreclosure
- Properties are priced at 75% of the appraisal price, as determined by the Crawford County Appraiser’s Office
CREATE A LAND BANK
SUMMARY

NEEDS ADDRESSED

• Encourage reinvestment in existing housing stock
• Improve housing condition
• Improve neighborhood conditions
• Allow for strategic acquisition

GOALS ADDRESSED

1. stabilize Topeka’s core
2. housing as opportunity
3. Support new housing development
4. Address problem landlords, absentee owners, and vacant properties
5. Expand the housing ecosystem
Priority Recommendations

1. Fund the Affordable Housing Trust Fund

2. Establish a Strategic Land Bank

3. Expand Community Development Ecosystem
What is being done today and what is recommended?
REVIEW
WHERE DO HOUSING STRATEGIES FIT?

**Development**
Address feasibility issues to meet market demand with quality housing products

**Stabilization**
Stabilize and strengthen neighborhood conditions to promote quality reinvestment

**People**
Prepare Topekans to be stables tenants or homeowners

**Examples**
- Neighborhood Revitalization Program; tax credits; tax increment financing
- Weatherization & repair programs; code enforcement; landlord licensing
- Tenant protections; homeownership support; rental assistance
## REVIEW
WHERE DO HOUSING STRATEGIES FIT?

<table>
<thead>
<tr>
<th>Development</th>
<th>Stabilization</th>
<th>People</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cornerstone of Topeka</td>
<td>Community Action, Inc.</td>
<td>Veteran's Administration</td>
</tr>
<tr>
<td>Pioneer Group</td>
<td>Topeka Rescue Mission</td>
<td>Topeka Housing Authority</td>
</tr>
<tr>
<td>Topeka Housing Authority</td>
<td>Ministries</td>
<td></td>
</tr>
<tr>
<td></td>
<td>The Salvation Army</td>
<td></td>
</tr>
<tr>
<td>SENT</td>
<td>Community Action, Inc.</td>
<td>Housing &amp; Credit Counselling</td>
</tr>
<tr>
<td>Habitat for Humanity</td>
<td>Topeka Rescue Mission</td>
<td>Doorstep</td>
</tr>
<tr>
<td></td>
<td>Ministries</td>
<td>Jayhawk Area on Aging</td>
</tr>
<tr>
<td></td>
<td>The Salvation Army</td>
<td>Catholic Charities</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Let’s Help Inc.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Valeo Behavioral Health Care</td>
</tr>
<tr>
<td>Kansas Housing Resources</td>
<td>U.S. Bank</td>
<td></td>
</tr>
<tr>
<td>Corporation</td>
<td>Federal Home Loan Bank</td>
<td></td>
</tr>
<tr>
<td>City of Topeka</td>
<td>City of Topeka</td>
<td>City of Topeka</td>
</tr>
</tbody>
</table>

*This list is not all-inclusive; it is an example of how different organizations fill different roles.*
## Organizations

- Cornerstone of Topeka
- Pioneer Group
- SENT
- Habitat for Humanity
- Community Action, Inc.
- Topeka Rescue Mission Ministries
- The Salvation Army
- Veteran's Administration
- Housing & Credit Counselling
- Doorstep
- Jayhawk Area on Aging
- Catholic Charities
- Let’s Help Inc.
- Valeo Behavioral Health Care
- U.S. Bank
- Federal Home Loan Bank
- Kansas Housing Resources Corp.
- Topeka Housing Authority
- City of Topeka

## Existing Programs

- Rent Assistance
- Utility Assistance
- Housing Repairs/Weatherization
- Affordable Housing Development
- Section 8 Housing
- Homeless Shelters and Rehousing Initiatives
- Home Buyer Assistance Program
- Housing Rehabilitation Program
- Shelter Plus Care

## Recommended Actions

- Fund Affordable Housing Trust Fund
- Create and Implement Strategic Land Bank
- Support establishment of CDCs
- Expand Weatherization and Repair/Rehab resources

---

*This list is not all-inclusive: it is an example of how different organizations fill different roles.*
UNDERSTANDING TOPEKA’S NEIGHBORHOODS

NEIGHBORHOOD CYCLES

Source: Development Strategies, 2019
UNDERSTANDING TOPEKA'S NEIGHBORHOODS

INVESTMENTS NEEDED

**OPPORTUNITY**
Public money flows into targeted sites

**TRANSITIONAL**
Public and institutional investment occurs
Fledgling economy emerges

**STABLE**
Projects occur without subsidy

**GROWING**
Tax base supports other neighborhoods
NEIGHBORHOODS AND EQUITY
HOUSING COST BURDEN - A GREATER HARDSHIP FOR MINORITIES

% Cost Burdened Households vs. % Minority Households
EXPAND COMMUNITY DEVELOPMENT ECOSYSTEM
STRATEGY DETAIL

Leverage city resources to create a more robust community development ecosystem

KEY IDEAS

- Support the creation of Community Development Corporations (CDCs) in applicable neighborhoods
- Utilize CDBG funds to conduct capacity-building training
- Partner with LISC or a similar national organization to provide training and ongoing support for CDCs
- Explore creation of a housing CDFI
Leverage city resources to create a more robust community development ecosystem

What do Community Development Corporations do?

- **Focus on revitalizing areas experiencing significant disinvestment**

- Utilize in a range of initiatives critical to community health:
  - economic development
  - affordable housing
  - financial literacy
  - education
  - sanitation
  - streetscaping
  - neighborhood planning projects

- **Community residents highly engaged**, allowing for direct grass-roots participation in decision-making
EXPAND COMMUNITY DEVELOPMENT ECOSYSTEM
STRATEGY DETAIL

Leverage city resources to create a more robust community development ecosystem

Key aspects for a sustainable model

▪ Usually successful when involving public-private partnership

▪ Adopt and carry out neighborhood strategic plans that identify geographically targeted investments (Align with SORT)

▪ Retail and commercial development strategies are recommended as a core part of the neighborhood development package
EXPAND COMMUNITY DEVELOPMENT ECOSYSTEM
A COUPLE EXAMPLES

Atlanta Neighborhood Development Partnership
Atlanta, GA

- Founded in 1991 and certified as a CDFI in 1998, works to ensure equitable distribution of affordable housing throughout the metropolitan Atlanta region
- Provided $36 million in financing to nonprofit and for-profit housing developers, supported nearly $270 million in housing projects
- 5,689 units of housing financed through the loan fund.
- 28,400 Atlantans provided with affordable rental and homeownership

Southeast Neighborhood Development, Inc. (SEND)
Indianapolis, IN

- Non-profit community development corporation, created by residents to revitalize the near southeast side of Indianapolis
- Transformed more than 130 deteriorated and vacant houses into affordable homes
- Repaired more than 400 homes to make them safer and more energy efficient for the homeowners. Developed 135 affordable apartments for residents ranging from senior citizens, to families, to artists
NEEDS ADDRESSED

• Encourage reinvestment in existing housing stock.

• Align housing investments with community and people investments.

• Capacity building.

GOALS ADDRESSED

1. stabilize Topeka’s core

2. housing as opportunity

3. Support new housing development

4. Address problem landlords, absentee owners, and vacant properties

5. Expand the housing ecosystem
HOUSING STRATEGIES
TO ADVANCE THE GOALS

Priority Recommendations

1. Fund the Affordable Housing Trust Fund

2. Establish a Strategic Land Bank

3. Expand Community Development Ecosystem

4. Expand Key Programs
FEASIBILITY GAP
HOW FAR WOULD $5 MILLION GO?

COST AND VALUE

<table>
<thead>
<tr>
<th>Project Type</th>
<th>Cost to Produce</th>
<th>Value of Tax Rebate</th>
</tr>
</thead>
<tbody>
<tr>
<td>MULTIFAMILY NEW</td>
<td>$145k (GAP: $40k)</td>
<td>$40k</td>
</tr>
<tr>
<td>125 UNITS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SINGLE FAMILY NEW</td>
<td>$230k (GAP: $60k)</td>
<td>$60k</td>
</tr>
<tr>
<td>80 UNITS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SINGLE FAMILY GUT REHAB</td>
<td>$205k (GAP: $30k)</td>
<td>$30k</td>
</tr>
<tr>
<td>170 UNITS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SINGLE FAMILY RENOVATION</td>
<td>$180k (GAP: &lt;$10k)</td>
<td>&lt;$10k</td>
</tr>
<tr>
<td>500 UNITS</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
EXPAND EXISTING PROGRAMS
WEATHERIZATION

Expand **weatherization programs** to help lower utility costs for low-income homeowners

- Expand funding sources **for home weatherization programs**
- Consider **expanding weatherization program** to rental properties owned by responsible landlords providing non-subsidized affordable units. This would benefit renters by lowering utility bills
- Positive impacts of weatherization programs:
  - **12%** annual energy cost savings
  - Saves an average of **$514** in out-of-pocket medical expenses
  - **$583** per ² day due to fewer missed days of work
  - Returns **$2.78** in non-energy benefits for every **$1.00** invested
  - Improves² health and job stability
  - Creates jobs and other trade training opportunities

Sources:
2. Green & Healthy Homes initiative, “Weatherization and its Impact on Occupant Health Outcomes”.
EXPAND EXISTING PROGRAMS
HOME REPAIR

Expand weatherization programs to help lower utility costs for low-income homeowners

Expand financial and technical assistance for home repair

- Explore waiving permitting fees for low- and moderate-income homeowners to invest in their homes
- Explore expansion of a tool / equipment sharing program
- Expand renovation and repair resources for neighborhoods with housing condition challenges
- Create list of qualified contractors; provide assistance for homeowners and homebuyers entering renovation process
- Partner with home supply stores, local contractors, and other organizations to conduct regular repair training classes
- Assistance could be structured as grant, or forgivable loan, for income-qualifying homeowners
- Align with SORT and planned neighborhood improvements
EXPAND KEY PROGRAMS

SUMMARY

NEEDS ADDRESSED

• Encourage reinvestment in existing housing stock
• Improve neighborhoods conditions
• Reduce vacancy

GOALS ADDRESSED

1. stabilize Topeka’s core
2. housing as opportunity
3. Support new housing development
4. Address problem landlords, absentee owners, and vacant properties
5. Expand the housing ecosystem
Prioritization

- Where do we start?
- What actions should occur now vs. in a few years, or later?
Prioritization

**New Efforts**
- Fund AHTF
- Establish Strategic Land Bank
- Host CDC Training
- Housing CDFI
- Housing near employers
- Landlord Licensing*
- Alternative Transportation

**Expanded Efforts**
- 2nd Chance Tenancy
- Aging in Place
- Weatherization
- Rehab Assistance
- Tenant Legal Counsel
- Expand Homeownership Supports

**Continued Efforts**
- Shelter Plus Care
- Emergency Assistance
- Code Enforcement
- THA Units
- THA Vouchers
- Demolition Program
- Leverage Assets
- SORT
- Revise Zoning Code
- Utilize Foreclosure/Vacant Property Registry
- Support Downtown Development

*Assumes a change in state law regarding interior inspections
What is the City’s role?

Where are Partnerships needed?
### What is the City’s role?

#### New Efforts

- **Fund Affordable Housing Trust Fund (AHTF)**
  - **Role:** seed, administer, partner
- **Establish Strategic Land Bank**
  - **Role:** set policy, establish, administer, fund
- **Support Community Development Corporations (CDCs)**
  - **Role:** facilitate

#### Expanded Efforts

- **Weatherization**
  - **Role:** partner
- **Rehab/Renovation Assistance**
  - **Role:** fund, administer, partner
## New Efforts

- **Fund Affordable Housing Trust Fund (AHTF)**
  - Fund administration by philanthropy
  - Seed for CDCs
  - Partner for national organizations
  - Administered by CDCs

- **Establish Strategic Land Bank**
  - Establish policy
  - Administer and fund by developers

- **Support Community Development Corporations (CDCs)**
  - Facilitate by CDCs
  - Partner by national organizations

## Expanded Efforts

- **Weatherization**
  - Partner by non-profit
  - Administered by CDCs

- **Rehab/Renovation Assistance**
  - Fund by philanthropy
  - Administered by non-profit
  - Partner by CDCs
How do these strategies apply to different focus areas?
How do we characterize the market(s) in each of these complex areas?

TOPEKA’S NEIGHBORHOOD CYCLES

Source: Development Strategies, 2019
UNDERSTANDING TOPEKA'S NEIGHBORHOODS
INVESTMENTS NEEDED

OPPORTUNITY
Public money flows into targeted sites

TRANSITIONAL
Public and institutional investment occurs
Fledgling economy emerges

STABLE
Projects occur without subsidy

GROWING
Tax base supports other neighborhoods

Investments in Public Realm
Catalyst Projects
Investments in People

Private Investment

Time

Claudia Barahona | Matthew Wettl 2013
WHAT ARE THEIR **CHARACTERISTICS**?

**Opportunity**
- Marketability of existing stock
- High vacancy and low overall condition
- High cost burden
- Substantial feasibility gap
- Multi-faceted interventions needed
- Long-term commitment needed
- Potentially catalytic public assets

**Transitional**
- Some market-based investment occurring
- Improving housing conditions
- More marketable housing stock
- Targeted interventions needed
- BRT could be a catalyst
- Moderate feasibility gap

**Stable**
- Generally stable market conditions
- Projects underway or proposed
- Historic preservation
- Shrinking feasibility gap
- Rising land costs
- Limited large-scale sites / public control
- Targeted interventions still needed

**Growing**
- High home values
- Historic preservation
- No feasibility gap
- Limited vacant land

*Source: Development Strategies, 2019*
WHAT IS THE **APPROACH**?

### Opportunity
- Improve conditions
- Reduce housing instability
- Leverage public assets for catalytic development
- Build community development / ecosystem capacity
- Long-term investment strategy

### Transitional
- Improve conditions
- Selective stabilization
- Preserve affordability
- Expand homeownership
- Build community development / ecosystem capacity

### Stable
- Create / preserve affordability
- Sustain investment

### Growing
- Promote inclusion and access
- Create affordability

Source: Development Strategies, 2019