

Poverty Solutions Engagement Series: Making Housing More Affordable

Friday, April 7th, 2017

3:30-6:30pm

U-M School of Social Work

1080 South University, Ann Arbor, MI 48109

Breakout Session Topics

- [1. Housing Affordability in Detroit: Property Tax Exemption as a Poverty Solution](#)
- [2. Preserving Detroit's Affordable Housing](#)
- [3. City of Desire: Inclusive Visions for Detroit](#)
- [4. Homelessness and Affordable Housing in Washtenaw County](#)
- [5. Reimagining Supportive Services and Self Sufficiency in Low Income Housing](#)

Housing Affordability in Detroit: Property Tax Exemption as a Poverty Solution

PANELISTS

Michele Oberholtzer, United Community Housing Coalition

Roshanak Mehdipanah, University of Michigan

Alexa Eisenberg, University of Michigan

Ted Phillips, United Community Housing Coalition

Each year, non-payment of property taxes causes thousands of Detroit residents lose their homes to tax foreclosure. Detroit's exceptionally high tax rate disproportionately burdens low-income residents, threatening their ability to maintain homeownership and attain long-term financial stability. Michigan law (MCL 211.7u) requires local governing bodies to make a Poverty Tax Exemption (PTE) available for homeowners in poverty who own and occupy their property. By reducing or eliminating property taxes for low-income homeowners, this policy works to alleviate poverty by decreasing household tax burden and preventing the devastating financial consequences of property tax foreclosure.

In this session, participants examined one way homeowners may be able to avoid foreclosure with a Property Tax Exemption. Participants discussed some potential benefits and drawbacks to this strategy. While foreclosing could cause a future uptick in property tax payments by increasing the low-cost housing stock for new buyers, it also increases vacancies in neighborhoods and displaces long-time residents from their neighborhoods and homes.

The Property Tax Exemption would potentially decrease the total revenue to the state, but it would also allow residents to retain ownership of their homes, reduce neighborhood blight, and allow residents to stay in and give back to the communities in which they live.

LEARN MORE

- [United Community Housing Coalition](#)
- [Property Tax Exemption Information](#)

Preserving Detroit's Affordable Housing

PANELISTS

Sarida Scott, Executive Director, Community Development Advocates of Detroit

Julie Schneider, Policy Director, Detroit Department of Housing and Revitalization

The Low-Income Housing Tax Credit (LIHTC) program is the nation's largest source of financing for building or rehabilitating affordable housing. The sale of the credits provides equity to help finance the production of decent affordable housing for low-income renters who are in or near poverty, many of whom are elderly or disabled or have experienced chronic homelessness. But once projects reach 15 years of operation, investors sell their ownership, often leaving affordable housing projects in need of new sources of capital to provide much needed maintenance. In Detroit, more than 5,300 units will reach 15 years between now and 2020, so finding solutions to restructuring financing and management is an urgent need.

The City of Detroit Department of Housing and Revitalization is partnering with key stakeholders such as Community Development Advocates of Detroit (CDAD) to address challenges like this. CDAD serves as a voice for the community and works to address housing equity, to maintain mixed-income availability and to utilize community engagement to preserve and create affordable housing options that are within geographic distance to fundamental community resources such as grocery stores and public transportation.

Participants in this session discussed the importance of community engagement as a critical component in the effort to preserve low-income housing and identified some of the challenges involved with getting the right voices in the room and maintaining trust with the community. Current strategies underway to maintain affordable housing support at the federal level include HOME investments; the United States Department of Housing and Urban Development (HUD) mortgage/insurance programs, federal grant support and use of low-income housing tax credits.

LEARN MORE

- [Community Development Advocates of Detroit \(CDAD\)](#)
- [Description of Detroit Department of Housing and Revitalization](#)

City of Desire: Inclusive Visions for Detroit

PANELIST

Lars Graebner, Assistant Professor of Practice in Architecture,
U-M Taubman College of Architecture and Design

How can Detroit make use of innovative financing strategies for affordable housing? A visionary and sustainable plan for Detroit could include rent-to-own, public housing authority, and co-op strategies. This session explored these concepts and the use of fallow land for energy production, new low energy housing, and establishing wetlands as neighborhood stabilization and development tool.

Participants in this session talked about Detroit's unique challenges with sewage overflows and aging infrastructure, which cause major public health concerns. There are opportunities to leverage the hydrological system as an urban planning tool by looking at historical archives of waterways and designing housing options that create daylighting streams and optimize opportunities to live near them. While such plans improve housing options in desirable settings, they may also increase property value and cause displacement for individuals who cannot afford rising costs. Thus, a visionary and sustainable plan for creating new affordable housing should include public housing authority strategies as well as innovative models such as rent-to-own, and co-op housing units.

LEARN MORE

- [Lars Graebner's Plan](#)

Homelessness and Affordable Housing in Washtenaw County

PANELISTS

Jennifer Hall, Executive Director, City of Ann Arbor Housing Commission

Andrea Plevak, Director, Office of Community & Economic Development

Carole McCabe, Executive Director of Avalon Housing, Inc.

This session explored efforts to address homelessness and affordable housing in Washtenaw County and how this connects to larger equity conversations taking place. Strategies to improve affordable housing include creation of renewable energy options to increase affordability, identifying integrated living for intellectually and developmentally disabled residents, and partnering with University of Michigan students to study and identify effective affordable housing strategies tailored to Washtenaw County. Session participants talked through the challenges the county faces in creating affordable housing related to the environment for developers, state oversight of initiatives, and underfunding. They also discussed the need for more public-private partnerships.

LEARN MORE

- [Washtenaw County Affordable Housing Study](#)
- [City sells the Liberty Lot for \\$10 million dollars, \\$5 million of which is promised for affordable housing](#)
- [Washtenaw Opportunity Index](#)
- [Avalon Housing](#)

Reimagining Supportive Services and Self Sufficiency in Low Income Housing

PANELISTS

Marquan Jackson, Director, The Family Empowerment Program

Zach Fosler, Executive Director, Ypsilanti Housing Commission

This session explored how the Ypsilanti Housing Commission leveraged both public and private dollars to develop supportive housing for low income families on the south side of Ypsilanti. The Family Empowerment Program was created to promote and enhance supportive services required by developments with Project-Based Vouchers from the U.S. Department of Housing and Urban Development with a two-generation model. Project-based vouchers allow public housing agencies to attach up to 20 percent of its voucher assistance to specific housing units if the owner agrees to either rehabilitate or construct the units, or the owner agrees to set-aside a portion of the units in an existing development. The program has expanded to all of Ypsilanti Housing Commissions, and there is a new opportunity to secure 10 years of funding with a pay to performance model, which would include key measures tied to funding for the program.

Participants in this session considered critical questions, such as: “How residents can successfully age-in-place?” and, “What are the key measures of success?” Since elder stability and using work as a proxy for success are sometimes difficult variables to measure, more opportunities for resident and community engagement are needed to identify additional measures of success.

LEARN MORE

- [Family Empowerment Program](#)
- [Ypsilanti Housing Commission](#)