

City of Fayetteville, Arkansas

113 West Mountain Street Fayetteville, AR 72701 (479) 575-8323

Legislation Text

### File #: 2024-1817

## Resolution to Summarize Actions Taken and Anticipated to Support Housing Production in the City of Fayetteville

A RESOLUTION TO SUMMARIZE ACTIONS TAKEN AND ANTICIPATED TO SUPPORT HOUSING PRODUCTION IN THE CITY OF FAYETTEVILLE

**WHEREAS**, the City recognizes that housing is both a commodity financed by private capital investment, a universal human need, and a cornerstone of community well-being; and

**WHEREAS**, in the decade of the 1980s federal funding for the Department of Housing & Urban Development was reduced by 40%, funding for Assistance to Local Government was reduced by 60%, funding for Public Housing & Section 8 Rental Assistance was reduced by 50%, CDBG funding was reduced by 30%, and Federal Grants to Large Cities was reduced by 35%; and

WHEREAS, in 2008 the unraveling of subprime mortgage lending led to worldwide financial instability, the reduction in mortgage lending, and the collapse of the housing market which led to the loss of roughly three years of housing production in the United States, which cascaded into the reduction in the labor pool for housing construction as workers gravitated to other fields of employment, resulting in increased competition for housing construction labor; and

**WHEREAS**, the onset of a worldwide pandemic in 2020 led to the disruption of supply chains and labor forces which resulted in significant shortages in construction materials while simultaneously impacting the market prices for those materials which were available; and

WHEREAS, during the past two decades our beloved University of Arkansas experienced an increase in enrollment from 15,000 students to 32,000 while only being able to add 1,000 on-campus dorm beds; and

**WHEREAS**, current housing purchase and rental prices are indicative that housing production has not kept pace with population growth and market demand; and

**WHEREAS**, sufficient housing is both desirable from a humanistic perspective as well as an important part of Fayetteville's ongoing economic vitality; and

**WHEREAS**, the City of Fayetteville has responded by both taking significant proactive measures and planning further additional steps to support and nurture the private markets' production of housing in a multitude of forms for the benefit of both existing and future residents; and

WHEREAS, the steps the City has taken to date include but are not limited to the following:

- Entering into a 99 year lease of City property with the 7Hills Homeless Center for the Walker Residential Unit for emergency sheltering, providing \$337,000 in maintenance funding to that facility, and providing an additional \$801,926 in financial assistance to the 7Hills Homeless Day Center for daily services to homeless residents between 2018-2024;
- Investing \$1,000,000 for public infrastructure as a cost share with Partners for Better Housing on the Willow Bend project;
- Administering the Community Development Block Grant (CDBG) program to improve housing, public and community facilities, and provide public services to low-moderate income Fayetteville residents;
- Committing \$1,630,000 of American Rescue Plan Act funds for a consortium of partnering organizations to address housing instability in Fayetteville;
- Administering CDBG funding for a housing rehabilitation/repair program for low income residents and seniors as one intervention to both maintain existing housing stock and help prevent residents becoming homelessness;
- Administering the Hearth Program, which has provided \$2,576,580 in assistance between 2016-2023 to provide permanent supportive housing and ongoing counseling, life skills training, and advocacy services to formerly homeless individuals and families;
- Establishing the Community Development and Assistance Programs Advisory Board, whose purpose is to advise the Community Resources Division and the City Council on the community development and public assistance programs mentioned above and whose purpose can be amended to place a specific emphasis on housing issues;
- Establishing a new partnership with the Excellerate Foundation for the Sheltering Assistance from Extreme Weather (SAFE) Program to distribute \$50,000 for both cold weather and warm weather services during 2024;
- Funding and administering a permit-ready building design program which is ready to be implemented that will reduce design costs of residential construction for property owners in a 320 acre program area;
- Providing funds for consideration of infrastructure cost shares to promote appropriate infill in portions of the city.
- Adopting the most liberal Accessory Dwelling Unit standards in the State of Arkansas, if not the entire nation;
- Codifying the creation of Cluster Housing developments such that up to 12 smaller dwellings rather than the national standard of 7 to 8 units may share parking courts and open space;
- Budgeting for the update of our Downtown Strategic Plan with an eye towards the provision of mixed-use developments with greater downtown housing density;
- Initiating the 71B Corridor Rezoning Project, with more than 500 land parcels under consideration, which aims to add housing in all its forms but especially mixed use and multifamily housing, as a use-by-right where it is currently precluded under existing land use regulations, thus providing an unprecedented opportunity for Fayetteville residents to access more housing options, walkable neighborhoods, mass transit, and safety improvements;
- Increasing the staff that ensure life safety standards are met while providing for the time sensitive processing of entitlement applications and the review and approval of construction

documents by building safety, engineering, planning, inspection, and other development related support staff;

- Participating fully in the regional activities and initiatives of the Northwest Arkansas Council, Groundwork – the NWA Council's Workforce Housing Center, the Northwest Arkansas Regional Planning Commission, the Continuum of Care, and the NWA Urban Land Institute's educational programs, to name a few; and
- Approving the zoning for and entitling the development of several thousand (estimated between 2,000 and 4,000) dwelling units which are not yet under construction due to current interest rates but which the city is ready to plan check and permit when developers are ready.

## NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FAYETTEVILLE, ARKANSAS:

<u>Section 1</u>: That the City Council of the City of Fayetteville, Arkansas hereby acknowledges that municipal governments in Arkansas cannot contribute funds for the private production of housing, but that we nonetheless desire a full range of housing stock in a variety of forms and price points such that our residents may more readily find clean, safe, and affordable housing to purchase or rent within our beloved community.

<u>Section 2</u>: That the City Council of the City of Fayetteville, Arkansas hereby acknowledges that housing prices are one half of the affordability equation, and that income levels are the other half of all affordability ratio measures, and to this end we have already funded \$2,000,000 towards childcare and \$2,000,802 towards job training from our ARPA funding so that our residents would have the opportunity to pursue higher paying employment for the long-term betterment of their families.

<u>Section 3</u>: That the City Council of the City of Fayetteville, Arkansas will be considering the results of a fee study in the near future, and will likely have the opportunity to appropriately adjust planning, engineering, and development services related fees which have not been adjusted in 17 years, and because these are fees and not taxes, any new resulting revenues must be reinvested in supporting the very means of delivering planning, entitlement processing, plan review, and inspection services to the benefit of housing production.

<u>Section 4</u>: That the City Council of the City of Fayetteville, Arkansas hereby reaffirms our desire to continue working with and through all our regional partners, stakeholders, commissions, boards, committees, neighborhood groups, residents, and staff with the goal of adequate housing availability.

<u>Section 5</u>: That the City Council of the City of Fayetteville, Arkansas hereby calls upon state and federal lawmakers to restore programmatic funding for the creation of housing which was lost in the 1980s.

<u>Section 6</u>: That the City Council of the City of Fayetteville, Arkansas hereby acknowledges that, because the shortage in housing is both national and regional, we desire to form regional partnerships with neighboring jurisdictions with the goal of developing meaningful and practical strategies to nurture the creation of housing, recognizing that all people have intrinsic value and universal needs regardless of

their current living location.

<u>Section 7</u>: That the City Council of the City of Fayetteville, Arkansas hereby pledges to act in the best interest of our community, to responsibly utilize the resources within our control such that we balance the long-term environmental wellbeing of our residents with the need for housing, to consider the needs of our least fortunate citizens when considering opportunities for diverse housing which provides families with viable choices for meeting this foundational need.

<u>Section 8</u>: That the City Council of the City of Fayetteville, Arkansas hereby acknowledges that ambiguity deters investment, and that if the enhanced speed of housing development review decisions is the practical desire, the most beneficial positions to add would be a City Engineer, Deputy Director of Development Services, Planner, Inspector, or Plan Checker, but as all staff report to the Mayor and not the City Council, any such position would need to be funded via updated development fees appropriated by Council and left to the administration to implement.



#### **MEETING OF MARCH 19, 2024**

TO: Mayor Jordan and City Council

THRU:

FROM: Council Member Mike Wiederkehr Council Member Holly Hertzberg Council Member Teresa Turk Council Member Sarah Bunch Council Member Scott Berna

#### SUBJECT: Resolution to Summarize Actions Taken and Anticipated to Support Housing Production in the City of Fayetteville

#### **RECOMMENDATION:**

Council Members Wiederkehr, Hertzberg, Turk, Bunch, and Berna recommend approval of a resolution summarizing the actions taken and anticipated to support housing production in the City of Fayetteville.

BACKGROUND:

DISCUSSION:

**BUDGET/STAFF IMPACT:** 

ATTACHMENTS: Agenda Request Packet - Housing Production (#3)

Civic Clerk Item No.: 2024-1817

## AGENDA REQUEST FORM

FOR: Council Meeting of March 19, 2024

FROM: Council Member Mike Wiederkehr Council Member Holly Hertzberg Council Member Teresa Turk Council Member Sarah Bunch Council Member Scott Berna

ORDINANCE OR RESOLUTION TITLE AND SUBJECT:

A RESOLUTION TO SUMMARIZE ACTIONS TAKEN AND ANTICIPATED TO SUPPORT HOUSING PRODUCTION IN THE CITY OF FAYETTEVILLE

APPROVED FOR AGENDA:

City Council Member Mike Wiederkehr

Approved by email City Council Member Holly Hertzberg

City Council Member Teresa Turk

Approved by char City Council Member Sarah Bunch

City\_Council Member Scott Berna

Blake Pennington, Sr. Asst. City Attorney Approved as to form

3-11-24

Date

3/12/24

Date

3/12/24 Date

3/11/20 Date

3/12/24

Date

3/12/24 Date

### Pennington, Blake

From: Sent: To: Subject:

Hertzberg, Holly Tuesday, March 12, 2024 9:58 AM Pennington, Blake Re: Res - Actions Taken and Anticipated to Support Housing Production in Fayetteville

I approve of the draft. Thank you!

Holly

On Mar 11, 2024 at 3:58 PM, <<u>Blake Pennington</u>> wrote:

Good afternoon, Council Members:

Attached is what I believe is the final draft of a resolution summarizing actions taken and anticipated to support housing production in the City of Fayetteville along with an agenda request form.

You can either sign and return the agenda request form to me or indicate your approval of the draft by email. If you approve by email I'll indicate that on the agenda request form and attach your approval email.

Please let me know if you have any questions.

Thank you,

Blake E. Pennington Senior Assistant City Attorney City of Fayetteville, Arkansas bpennington@fayetteville-ar.gov Direct: 479.575.8312 www.fayetteville-ar.gov



FAYETTEVILLE

## Pennington, Blake

From:	Bunch, Sarah
Sent:	Monday, March 11, 2024 7:10 PM
To: Subject:	Pennington, Blake
	Re: Res - Actions Taken and Anticipated to Support Housing Production in Favetteville

Blake I tried to do auto sign on my phone, but I am unsure it worked. Please accept this as my notification of support and my desire to co-sponsor.

Sarah Bunch Sent from my iPhone

On Mar 11, 2024, at 3:58 PM, Pennington, Blake <br/>
<br/>
bpennington@fayetteville-ar.gov> wrote:

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Thank you,

## Blake E. Pennington

Senior Assistant City Attorney City of Fayetteville, Arkansas <u>bpennington@fayetteville-ar.gov</u> Direct: 479.575.8312 <u>www.fayetteville-ar.gov</u> <image001.png>

<AGENDA REQUEST - Res Actions Supporting Housing - Council Members Wiederkehr, Hertzberg, Turk, Bunch, and Berna.pdf>

## Pennington, Blake

From:	Turk, Teresa
Sent:	Tuesday, March 12, 2024 10:17 AM
То:	Pennington, Blake
Cc:	Wiederkehr, Mike
Subject:	Re: Res - Actions Taken and Anticipated to Support Housing Production in Fayetteville

Blake,

Please add my name to co-sponsors to the resolution.

Thank you, Teresa

From: Pennington, Blake <br/>
Spennington@fayetteville-ar.gov>

Sent: Monday, March 11, 2024 3:58 PM

**To:** Wiederkehr, Mike <mike.wiederkehr@fayetteville-ar.gov>; Hertzberg, Holly <holly.hertzberg@fayetteville-ar.gov>; Turk, Teresa <teresa.turk@fayetteville-ar.gov>; Bunch, Sarah <sarah.bunch@fayetteville-ar.gov>; Berna, Scott <scott.berna@fayetteville-ar.gov>

Subject: Res - Actions Taken and Anticipated to Support Housing Production in Fayetteville

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FAYETTEVILLE ARKANSAS

#### **RESOLUTION NO.**

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**PASSED** and **APPROVED** this 19<sup>th</sup> day of March, 2024.

APPROVED:

ATTEST:

By:

LIONELD JORDAN, Mayor

By:\_\_\_\_\_\_ KARA PAXTON, City Clerk/Treasurer