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TO: **Mayor Jordan**
City Council

CC **Kara Paxton**, City Clerk-Treasurer

FROM: **Blake Pennington**, Senior Assistant City Attorney

DATE: **March 27, 2024**

RE: **Compromise Housing Resolution Following Workshop**

I am attaching a new clean draft of the housing crisis resolution for your consideration. Based on the discussion and consensus of the City Council last night, I incorporated the following changes:

1. Section 3
 - a. Changed “commits to establishing” to “commits to the establishment of” the Task Force
 - b. Task Force membership changed from a fixed number of 11 members to between 7 and 11 members
 - c. Clarified that Task Force members will be appointed by the Mayor
 - d. Changed “expertise in” to “expertise or a demonstrated interest in” the areas relevant to the Task Force’s work.
2. Section 5
 - a. Added underlined clarifying language that the City Council “further commits to considering the hiring of additional staff working under the direction of the Mayor in areas with a need for greater capacity.”

If you would like to adopt the language in this new draft, you will need to move to amend and replace the current resolution language with the attached document.

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

WHEREAS, the City recognizes the fundamental importance of adequate housing as a basic human right and a cornerstone of community well-being; and

WHEREAS, recent data and trends indicate a significant shortage of affordable housing options within the city limits, exacerbating housing insecurity and homelessness among our residents; and

WHEREAS, the lack of affordable housing options disproportionately affects low-income individuals, families, seniors, students, veterans, and marginalized communities, leading to social and economic disparities within our city; and

WHEREAS, the COVID-19 pandemic has further exacerbated housing challenges, highlighting the critical need to immediate action to address housing instability and prevent homelessness; 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, the City Council acknowledges the staff who currently work together in support of increasing the housing supply under the direction of the Mayor and Chief of Staff to identify opportunities for improved public engagement through city growth master planning processes at the local and regional levels, appropriate infrastructure costs shares, and economic vitality initiatives in the following areas: Development Services, Long Range Planning, Community Resources, Economic Vitality, Public Works, and Water/Sewer Infrastructure; 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 Excelerate 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, such as the CATO Springs Development in support of the neuro-diverse SLS Community.
- 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; and

WHEREAS, the City Council acknowledges its responsibility to take proactive measures to mitigate the housing crisis and ensure that all residents have access to safe, healthy, and affordable housing options; and

WHEREAS, the City Council’s Rules of Order and Procedure provide that “Ad hoc committees may be appointed either by the Mayor or by a majority vote of the City Council to study special problems and projects of the city.”

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

Section 1: That the City Council of the City of Fayetteville, Arkansas hereby declares a housing crisis in the City of Fayetteville, recognizing the urgent need for comprehensive solutions to address housing affordability, availability, and accessibility.

Section 2: That the City Council of the City of Fayetteville, Arkansas hereby commits to continue supporting the efforts already underway by the City to address the housing crisis and will work to identify additional funding toward those efforts.

Section 3: That the City Council of the City of Fayetteville, Arkansas hereby commits to the establishment of an ad-hoc Housing Crisis Task Force to be formed with the following guidelines:

1. The Task Force will be formed by the end of the second quarter of 2024;
2. The Task Force will consist of 7-11 members to be appointed by the Mayor with expertise or a demonstrated interest in housing services, housing development, city planning and policy, and economics representing government agencies, non-profit organizations, renter groups, developers, landlords, and community members;
3. The Task Force will be active for one (1) calendar year following the date of its creation; and
4. The City Council reserves the right to extend said term at its discretion.

Section 4: That the City Council of the City of Fayetteville, Arkansas requests that the Housing Crisis Task force:

1. Review the available data regarding housing availability and accessibility of safe and affordable housing to the residents and prospective residents of Fayetteville;
2. Recommend target metrics that would indicate success in maintaining a healthy housing market with sufficient access to safe and affordable housing for residents and prospective residents of Fayetteville;
3. Identify specific regulatory and market barriers to the production of sufficient safe and affordable housing in Fayetteville; and
4. Propose specific policy recommendations to the City Council within one year of first convening.

Section 5: That the City Council of the City of Fayetteville, Arkansas commits to identifying opportunities to accelerate the approval of housing and housing opportunities in Fayetteville and further commits to considering the hiring of additional staff working under the direction of the Mayor in areas with a need for greater capacity.

Section 6: That the City Council of the City of Fayetteville, Arkansas hereby commits to working collaboratively with City staff, the Housing Crisis Task Force, and other stakeholders to develop and implement strategies to increase the supply of affordable housing units, streamline the permitting process for affordable housing projects, and explore innovative approaches to address housing insecurity.

Section 7: 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.

Section 8: That the City Council of the City of Fayetteville, Arkansas hereby acknowledges that we 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.

Section 9: 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.

Section 10: That the City Council of the City of Fayetteville, Arkansas hereby calls upon state and federal lawmakers to provide additional funding and resources to support local efforts to combat the housing crisis.

Section 11: 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.

Section 12: That the City Council of the City of Fayetteville, Arkansas hereby pledges to form regional partnerships with neighboring jurisdictions in developing comprehensive strategies to combat housing insecurities, recognizing the movement of residents and workers across city lines.

Section 13: 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.

Section 14: 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.

Section 15: That the City Council of the City of Fayetteville, Arkansas hereby pledges to establish metrics and regularly assess progress in addressing the housing crisis and to adapt strategies as needed to ensure equitable outcomes for all residents in its jurisdiction.

Section 16: That the City Council of the City of Fayetteville, Arkansas hereby requests that the City Clerk transmit copies of this resolution to relevant state and federal officials, as well as to local media outlets, community organizations, regional stakeholders, and other relevant entities to raise awareness of the housing crisis and mobilize support for solutions.