

## **The Impact of DDA's Commitment to Affordable Housing**

March 7, 2013

The Washtenaw Housing Alliance applauds and appreciates the many ways the Ann Arbor DDA has been an important partner in our community's efforts to end homelessness by investing in affordable housing. The WHA has long pointed out that successfully developing affordable housing in our community, where housing is so expensive and the market is so tight, means we need every possible partner at the table—non profits, private developers, city and county government and, we are pleased to say, the Ann Arbor DDA.

In our efforts to strengthen community support behind initiatives to end homelessness, the WHA understands that our various partners join us because ending homelessness benefits the entire community. We are pleased that the DDA understands these community benefits and has also been forthright in articulating how affordable housing and ending homelessness benefit the downtown which is in line with their mission. An important strategy used by the DDA to work toward their mission is to support a diversity of housing and more housing for all people.

Susan Pollay, Director of the DDA wrote, "We believe that the community's diversity is one of its strengths, and downtown is stronger for our efforts to house people at all incomes. The DDA's housing grants spring from our efforts in support of our mission and in support of our community and City."

The DDA has recognized that people with nowhere to live can create challenges to the atmosphere of downtown and that while panhandling and homelessness are not synonymous; it is not healthy for downtown for people to be living on the street. The DDA has also acknowledged the fact that housing is needed for people who work in service industries downtown so that our downtown businesses have access to good employees—and these employees have good access to downtown. And the DDA has also joined our community in sharing a goal of creating integrated, diverse neighborhoods, including the downtown and near-downtown residential areas.

As a result, since 1999, the DDA has been the most significant source of local public support for affordable housing. During a period when the City's budget severely limited contributions to the Ann Arbor Affordable Housing Trust Fund, the DDA invested \$2,380,438 to help develop and sustain the affordable housing stock in and immediately adjacent to downtown. This complemented the \$1,799,726 in local funds invested by the City between 1999 and 2010.

The DDA has invested in projects as diverse as Baker Commons owned by the Ann Arbor Housing Commission; Courthouse Square, an affordable housing program for seniors right in the heart of

downtown; Avalon's scattered site supportive housing in and near the downtown; and Dawn Farm's (one of our 2 local substance abuse treatment agencies) Chapin Street transitional housing project. These projects have been critical to our ability to serve those with the greatest need for housing in our community. Whether it is roof repairs, energy upgrades to keep costs low, or general rehabilitation, the DDA has provided invaluable leverage that allows our housing providers to bring in other money to our community.

No matter where we go in the state of Michigan, we are always proud of the fact that our colleagues in affordable housing are envious of our relationship with our local governments. It is a sign of the commitment throughout this community that the DDA has joined City and County government in using their resources for housing and homelessness assistance.

The DDA has provided money for the following projects (not a complete list):

- Baker Commons, owned by the Ann Arbor Housing Commission: Roof Replacement—something that tenants in that property can tell you from the leaks they had experienced, was badly needed.
- Avalon Housing: Energy upgrades to properties on S. Division Street to increase energy efficiency in operations and to keep utility costs low.
- Dawn Farms: to help support their sobriety-based transitional housing program through building rehabilitation and debt retirement.
- Avalon Housing: W. William St. property: assistance with refinancing at the end of a Low Income Housing Tax Credit compliance period
- Avalon Housing: preservation of a Washtenaw Affordable Housing Corporation property that was at risk of being lost to our affordable housing stock.

***Research continues to support our efforts to create more affordable housing in our community. It is six times more costly for our community to support someone who is homeless through public emergency services such as shelters, emergency room care, in-patient hospital care and law enforcement interventions*** than it is to house them. A recent study in New York State showed significant decreases in the use of homeless shelters, inpatient hospitals, emergency rooms and prisons among supportive housing tenants—resulting in an annualized savings of \$16,282 per unit. The study also found that this amount, if re-invested, would offset 95% of the cost of providing supportive housing.

We are grateful to the members of the DDA Board and the DDA staff for their commitment to helping people who are the most vulnerable in our community. We look forward to continuing to work with them.

Julie Steiner, Executive Director