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AGENDA

Committee of the Whole

5:30 PM March 27, 2023

Council Members:

Omar Tarazi

Cynthia Vermillion

Les Carrier

Tina Cottone

Peggy Hale

Pete Marsh

Andy Teater

President

Vice President

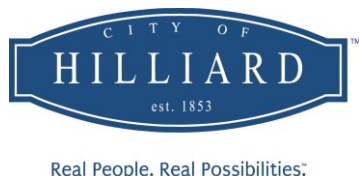
Michelle Crandall, City Manager

Diane (Dee) Werbrich, Clerk of Council

City Hall, Council Chambers • 3800 Municipal Way, Hilliard, OH 43026



- I. Call to Order**
- II. Roll Call**
- III. Approval of Minutes**
 - A. March 13, 2023, Committee of the Whole
- IV. Business**
 - A. Community Plan Update
- V. Items for Discussion**
- VI. City Manager Updates**
- VII. Adjournment**



CITY COUNCIL

March 13, 2023 Committee of the Whole Minutes

CALL TO ORDER

The meeting was called to order by President Omar Tarazi at 6:00 PM.

ROLL CALL

Attendee Name:	Title:	Status:
Omar Tarazi	President	Present
Cynthia Vermillion	Vice President	Present
Les Carrier	Councilman	Present
Tina Cottone	Councilwoman	Present
Peggy Hale	Councilwoman	Present
Pete Marsh	Councilman	Present
Andy Teater	Councilman	Excused

Staff Members Present: City Manager Michelle Crandall, Law Director Phil Hartmann, Assistant City Manager Dan Ralley, Deputy Police Chief Ron Cook, City Planner John Talentino, Transportation and Mobility Director Letty Schamp, Planning Manager Carson Combs, Community Relations Director David Ball and Clerk of Council Diane Werbrich

Others Present: Erin Prosser, Assistant Director of Housing Strategies, City of Columbus

APPROVAL OF MINUTES

President Tarazi asked if there were any changes or corrections to the February 27, 2023, Committee of the Whole meeting minutes. Hearing none, the minutes were approved as submitted.

STATUS:	Accepted
AYES:	Tarazi, Vermillion, Carrier, Cottone, Hale, Marsh
EXCUSED:	Andy Teater

BUSINESS

A. HOUSING DIVERSITY IN OUR COMMUNITY

Ms. Crandall introduced Ms. Prosser.

(See Ms. Prosser's Attached Presentation)

Ms. Hale asked if the \$200 million bond will need to be renewed. Ms. Prosser replied the next four years will gauge what the impact is and determine where they are. She noted as they continue to add population, they will continue to add people below the 80 percent area median income (AMI) which will add a lot of different people to do a lot of different work in the community. Ms. Prosser stated as they look at what is currently available in their affordable housing portfolio, she expects that as they continue to grow they will have to continue to grow that portfolio. She reported that they learned a lot of lessons from the 2019 bond package and what it could deliver and suspects they will learn a lot more moving forward with this bond package over the next four years and what it can deliver as well.

Ms. Cottone stated that Ms. Prosser mentioned in-fill or building an additional domicile on a property, which has come up in reference to seniors staying in their homes and asked if this has happened where someone was trying to have a home like this for a parent. Ms. Prosser replied yes and it does allow some of that flexibility in family units and their parent does not necessarily have to go to a rental in the market place. She referenced her mother who still currently lives in the house she grew up in and stays there because that is where her friends and social network are and not because she needs or even



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wants to be in that house but she has to make a choice to leave her community if she wants to change her unit. Ms. Prosser wants to have a place where her mom could have made a different decision and been in a unit that was more responsive to her as a single person as opposed to staying in that house and that is where you start to see that natural aging in place. She explained now not only is her mother in a house that is too much for her but there is a family that is not in that house. With that natural filtration of housing and how things turn over, her mother has now created a blockage because there is no place for her to go. She continued that as they look at the diversification of housing, it is about creating natural transition to where people are in life and making sure there are options but allowing them to stay in their communities is important. Having that single type of housing has created that blockage in the system as well. Ms. Cottone then asked if there are any stories regarding the benefits not just those with lower income residents but the higher income residents in those mixed income buildings. Ms. Prosser replied that she previously spent a lot of time in the Weinland Park neighborhood and it was important to them to end up with a mixed income community but this was not a community people were choosing because of public safety and crime issues. As those issues were addressed, they knew that market would take off because it is right between the Short North and the University. They worked hard in those years to build in as much affordability as possible and preserved/added 500 units of affordability in a ten-by-ten block neighborhood, which was done with the same design requirements as the market rate properties. She reported that to this day, 60 percent of the residents in that neighborhood are living below the poverty level but living in high quality, affordable housing with wrap around services, which gives them the opportunity to build up and out of that situation. She stated the connection to jobs and that broader economy plus having friends and neighbors be part of that network is very important. In addition, it was important to have University employees living in that community that could be part of that fabric and linkage for those community members in affordable housing looking for their next steps out of that community. Ms. Prosser noted another important piece as we start to blend is how the really important things are staffed. She reported there are 67,500 job openings in Central Ohio so the ability for small businesses, health care, nursing homes to find workers is important and those workers will likely need to be close to those places. It is also important to ensure all workers who we rely on to enter our workforce have proximity to those job opportunities in those high opportunity areas. She noted these are things that we want to do better in Central Ohio than seen in Austin or Nashville where people keep going farther away from the jobs until they can afford a house and then they figure out how to manage the rest. Ms. Prosser stated would like to see a future where that is not the case for our workers and they also have a place to live in our community.

Vice President Vermillion asked how do you achieve a mixed income model in the suburbs. Ms. Prosser replied it is a lot about deliberation and ensuring that things are not done like they were before. She explained that one is a natural diversification and building out those spaces where empty nesters can make a different decision and families can move back into homes; understanding how to have places for younger adults who are graduating from the Ohio State University to have a place to land; ensuring there are connections with transit and understanding how people are connected to amenities like grocery stores and looking at how to develop communities in a way that is not quite as homogenous as in the past. She noted the City of Columbus has reviewed their development review process because they really enabled these really big projects and struggle to enable the smaller things they want to see in the community. Ms. Prosser reported the income distribution in the City of Hilliard is one-third in below \$75,000, one-third is between \$75,000 and \$150,000 and one-third is above \$150,000 so there is a decent mix of income, which is not true in other suburban communities. Vice President Vermillion asked how an affordable home stays affordable in the open market place. Ms. Prosser replied there is naturally occurring affordable housing like the townhomes on Bethel Road in Columbus, which are a few years old, continue to be maintained and are naturally more affordable and making sure the supply does not crunch those into being less affordable because of supply and demand. She noted they want to preserve that natural affordability and are going to spend \$40 million to do that. When Columbus puts public dollars into a project, it comes with compliance and a requirement that those units are rented to families at that income level. The City of Columbus has those infrastructures but they also rely on the Ohio Housing Finance Agency and HUD and other dollars that are put into those projects to enable that compliance. Ms. Prosser said a lot of time they do partner with non-profits that will probably maintain that affordability long-term but do have those mechanisms of compliance as they use public dollars. Vice President Vermillion



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reported that in 2021 almost a quarter of the home purchases were from corporate investors and asked how that affects the affordable housing market and what can be done about that. Ms. Prosser replied that as they think about changing and with that increase in pricing, those investors who enter our market place are coming because housing is getting more expensive and is a valuable investment to them. To keep those investors out of our communities, we need to make sure we are not attractive to them. She believes there will have to be conversations about what that looks like in terms of what is and is not allowed. If we can keep the market naturally affordable and elastic as seen in the last few years, Central Ohio will become less attractive to those investors and we will not see the level to which they are engaged in other communities like Austin and Nashville.

Mr. Carrier asked why do we think the government can solve the housing crisis because there have been programs for decades and the government has been involved in housing for more years than 50 years. He stated he would like to understand on a macro perspective why they think it is solvable now and is it because they are adding more tax payer dollars to it. Mr. Carrier reported that the City of Columbus is getting ready to spend \$200 million of tax payer dollars and from what he can tell, they are going to give that money to the developers to build houses for people. He added if a developer wants to come to Hilliard, they are going to build it, develop it and create the infrastructure because in the end it is affordable to everyone except the tax payers. Mr. Carrier explained that it is affordable to the end user or the customer who gets the house but the subsidizing entity is the tax payers and he is trying to understand how that makes sense for the tax payer. Ms. Prosser replied looking at housing from the City of Columbus perspective, it is about infrastructure which is as important as their ability to deliver a community that everyone can afford to live in and is just as important as their water, sewer and roadways. When they looked at their bond package. and they have bonded for a lot of years around infrastructure improvements, they also needed the investment in affordability and those units will not be delivered without that infusion of capital. She explained that with the new affordable rental, the tax payer cost for that long-term affordable unit is approximately \$38,000 per unit because it is paired with other dollars and brought into the market place. She stated they feel it is an important, compelling part because then the market will not be able to deliver it. Capital, land and workers keep getting more expensive, and as those costs rise, it gets passed down to the renter or home owner. Mr. Carrier added or the tax payer. Ms. Prosser added as they put the dollars in, they can leverage those dollars in that long-term affordability in a way that the market cannot deliver right now. She added they will not deliver it all as affordability and are going to be working really hard to get out of the way and reviewing their systems including zoning in order to get the government space out of that so they can let the private sector deliver. Ms. Prosser mentioned a book written at the end of the pandemic by Ed Glaeser which looked at the four things that impacted cities during the pandemic: transportation, police, education and housing. One of his conclusions was that of those four things, housing is the only thing the private sector is stepping into and is one that they can ask the private sector to participate with them in. As they look at the regional coalition it is why they have asked the Columbus Partnership to join them in this conversation because it is not just the government's responsibility and they are looking across all sectors to figure out how to get it right in Central Ohio region. Mr. Carrier reported that there is no mention of schools, safety services or infrastructure like streets. He stated one of the hottest places here is next to the City of Columbus at Darby Glen and Scioto Darby Road, which is a traffic nightmare. He reported the City had to actually buy land in Hilliard to avoid Columbus to fix the Walcutt Road traffic. When he hears about the City of Columbus investing \$200 million in affordable housing and creating more density, he worries the needed infrastructure to support all of that is not in the plan. He mentioned that Ms. Prosser touched on infrastructure for utilities but asked about streets and traffic. Ms. Prosser replied that the total bond package in 2022 is \$1.5 billion with \$200 million for affordable housing and the remainder for water, sewer, more traditional transportation and roads, which will be the expenditures on the public utilities and public service side. She restated then there is \$200 million for the affordable housing package. Ms. Prosser noted that is the opportunity to look at it from a regional coalition standpoint and is a reason they want to be an additive to communities like Hilliard as they think about how do these all happen or how do they coordinate as a region among the jurisdictions to execute those types of things. She reported that people are coming and if they do not build the houses, they are still coming. When they look at things they want to preserve or what they think is important like farmland preservation or quality of life, which are things that they get to manage proactively but the people are coming for the opportunities and the jobs.

Minutes Acceptance: Minutes of Mar 13, 2023 6:00 PM (Approval of Minutes)



She added when you ask people to drive until they qualify, like is seen in Austin, it ends up compounding the transportation problems because driving more miles, which adds to more congestion. If they proactively think about how to manage their infill development, the diversity of housing types or places to redevelop and how to fold those in, instead of allowing the system to continue as it is, which is that continued sprawl which will eat up the farmland. She noted it has been identified that 700 square miles of farmland would be lost if they continue to do business as usual. Thinking proactively at a regional level, the other ancillary infrastructure associated with this, they can do it well. Ms. Prosser said if they passively continue on the path they have been on, they can see what can happen, like in Austin, in the community if they do not do this in a planful or coordinated way.

President Tarazi asked for additional information on the fact the people are coming but the capital is not because capital is better somewhere else. Ms. Prosser explained that one of the challenges is that we are at the precipice of the housing challenge and are having these conversations a lot sooner than other peer cities. When looking at how to attract some investment dollars in the community in a good way and not buying up existing housing but getting new people in the community to help build the housing needed. She noted the rents are not quite where they need to be to attract those folks because they will take that same amount of capital and move it to Atlanta where they could get \$1,800-\$2,000/month for rent versus \$1,200/month here which makes better business sense to go somewhere else. The question is how to bring those people and dollars into our community, which will be that regional coalition talking about what is going on in Central Ohio and why it is advantageous to bring that investment into our community and do it well. Ms. Prosser stated as they look at all of our communities and the ability to be proactive and mentioned the City going through the planning process to think proactively on how the City wants the dollars to come into the community. People are not ready yet to come into the community so we have time to make good decisions and think about what the City of Hilliard looks like in the future, supporting everyone that lives in the community and not pricing their children's children out of this place. Ms. Prosser stated when they regionally come together from an advocacy standpoint, they can start to court those dollars that is positive and meaningful instead of reacting to the people coming into the community.

President Tarazi stated people he knows who buy property is competing against cash buyers from out of town. So what he is seeing is that the money is there and bidding continues to increase. Ms. Prosser replied it is coming but they are not seeing it to the degree as some other cities. She added that is part of the challenge of this space when talking about housing because it is part of the private market and our ability to influence private sales is hard and challenging. She stated how do they make sure they have a naturally elastic healthy housing market and is the way they can help and shift that goal. How do we create again and push back into that healthy, functional housing market so we are someone that can make choices and buy houses and not compete with those investors. She noted it is a national challenge around the corporate ownership space but if good decisions are made about how the housing market functions it will be less attractive.

Mr. Ralley's Presentation (See Attached)

President Tarazi stated due to time constraints, Council can discuss this further under Council Discussion at tonight's Regular meeting.

ITEMS FOR DISCUSSION - None
CITY MANAGER UPDATES - None

Mr. Carrier, seconded by Ms. Cottone, moved to adjourn the meeting by Voice Vote.

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MOVER:	Les Carrier
SECONDER:	Tina Cottone
AYES:	Tarazi, Vermillion, Carrier, Cottone, Hale, Marsh
EXCUSED:	Andy Teater

ADJOURNMENT – 7:01 PM

Omar Tarazi, President
Council Committee of the Whole

Diane Werbrich, MMC
Clerk of Council

Approved: _____

Minutes Acceptance: Minutes of Mar 13, 2023 6:00 PM (Approval of Minutes)

Council Memo: Information Only

Subject: Community Plan Update
From: Michelle Crandall, City Manager
Initiated by: Dan Ralley, Assistant City Manager
Date: March 27, 2023

Summary

Representatives from PlanningNEXT will be presenting a summary of the Community Plan Update.

Due to the size, the link to the presentation and draft Comp Plan are below:

Presentation:

https://hilliardohio.gov/wp-content/uploads/2023/03/Hilliard_PC_adoption.pdf

Draft Comp Plan:

https://hilliardohio.gov/wp-content/uploads/2023/03/HilliardPlanDraft_UpdatedPages_20230314_LR.pdf