

Sustaining Affordable Housing and Neighborhoods.

THE PROMISE OF A DECENT, SAFE AND SANITARY HOME.

Housing the Nation's people in a decent, safe and sanitary home has been an American priority at least since 1949, that's seventy years.

THE CHALLENGE OF OUR TIME.

The promise is not being fulfilled. Providing affordable housing for the town's residents is the challenge of the day. Middle and low income workers are getting hit from both ends: incomes and wages are stagnant and housing costs are accelerating. Affordable housing for America's low and moderate income households is moving up the public policy and action priority list.

THE HOUSEHOLD INCOME-EXPENSE SQUEEZE.

The affordability of housing in America at the start of the 21st century is an issue for many households. The remedy is complicated since not only are housing costs out-of-whack, but other household expenses for health care, education and transportation are also growing faster than household incomes can absorb.

According to the Pew Research Center: Unemployment is at record lows, "But despite the strong labor market, wage growth has lagged economists' expectations. In fact, despite some ups and downs over the past several decades, today's real average wage (that is, the wage after accounting for inflation) has about the same purchasing power it did 40 years ago. And what wage gains there have been have mostly flowed to the highest-paid tier of workers.

[<https://www.pewresearch.org/fact-tank/2018/08/07/for-most-us-workers-real-wages-have-barely-budged-for-decades/>]

THE PRIVATE, PUBLIC AND INSTITUTIONAL SECTOR PARTICIPATION.

The private housing industry is active in the affordable housing market. The industrial sector interest is growing. The Federal Government has been a lead agent in housing for low and moderate income families at least since the Housing Act of 1949. States agencies provide Low Income Housing Tax Credit (LIHTC) programs and others for affordable housing. Cities and counties have programs. Still the need exists.

The private technology industry is active in the affordable housing market. The high-value employees they need appear to want to live in interesting urban environments...and, of course, interesting urban environments have expensive housing. Microsoft, Apple and Google have committed large sums of money to provide affordable housing for their employees and for the community professionals.

The high-value employees want quality teachers, nurses, police and a plethora of other professions to populate their community. Without affordable housing, these important community professionals are absent; and the high-value employees go elsewhere.

THE "COMPLETE NEIGHBORHOOD".

Neighborhood affordability, as well as livability, requires a holistic assessment. Affordable housing is important, but without convenient and reasonably priced access to health care, recreation, education and community security, neighborhood life is diminished. Neighborhood planning devoted to the completeness of neighborhoods leaves households wanting.

CONCLUSIONS.

1. **Inadequate supply of affordable housing is a problem;** more affordable housing is needed along with affordable health care, education, recreation and public safety.
 2. **Higher wages and increased transfer payments are important,** but alone they won't solve the problem.
 3. **Public sector programs to improve codes, provide infrastructure, preserve existing affordable housing and support the construction of new affordable housing are important;** necessary but not sufficient.
 4. **Corporate contributions are important,** but alone they will not alleviate the need.
 5. **Public policy that leverages public programs and powers with private and institutional resources** in a consistent and sustained way will improve conditions.
 6. **The "All-of-the-Above" approach is required** with the collaborative efforts of the private, public and institutional sectors.
4. **Establish a certification program for "critical community professions"** linked to funding and financing programs for affordable housing.
 5. **Direct corporate support to experienced affordable housing providers** such as private builders and federal, state, local and institutional organizations that know how to produce affordable housing and retain a self-perpetuating inventory.
 6. **Pursue specific action plans:**
 - **Develop "complete neighborhoods"** by institutionalizing holistic neighborhood planning in the city's process.
 - **Preserve existing affordable housing** for owners of standard rentals and owner occupied dwellings with improvement grants, utility company subsidies and compassionate code enforcement with a focus on assisting remedial improvements.
 - **Promote "missing middle" housing** with by-right zoning codes, location criteria and design standards.
 - **Create a Land Bank** of lands available to affordable housing providers from public agency surplus lands, brownfield sites and other under-utilized lands.
 - **Explore public-private financing techniques** to make affordable housing ownership available to low and moderate income households.
 - Establish Housing Trust Fund.
 - Pursue Linkage Fee Nexus Study.
 - Introduce Revolving Loan Fund.
 - Design private mortgages, second mortgages, land leases and other techniques to lower housing costs.
 - Evaluate Community Land Trusts.

AN APPROACH.

1. **Adopt a housing policy;** a policy that firmly links the city's prosperity and its social cohesion with a thriving middle class that depends on affordable housing for low and moderate income households. Residential associations, institutions and private sector businesses all have reasons to support affordable housing plans and regulations.
2. **Appreciate the interdependence of primary jobs and critical community professions** with sustained support for affordable housing for certified police, nurses, firefighters and teachers and other important community occupations.
3. **Establish a "livable wage"** for all "critical community professions; promote the idea with the private and institutional sectors.