

## 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: wages are stagnant and housing costs are accelerating. Affordable housing for America's low and moderate income families 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 21<sup>st</sup> 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.

### 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. State agencies provide Low Income Housing Tax Credit (LIHTC) and other programs 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. Individual affordable dwellings are important, but each home needs to be located near convenient and reasonably priced health care, recreation, education and shops. Community security is always essential. Complete neighborhood principles apply to affordable communities.



**A COMMUNITY-BASED VISION.**

**Envision** a community where the cost of housing is in line with household incomes.

**A VISION-DRIVEN STRATEGY.**

The **strategy** for achieving this vision is:

1. Reduce the relative cost of housing while maintaining quality standards.
2. Increase resident “housing buying power”.

**A STRATEGY-DIRECTED ACTION PLAN.**

Develop **action plans** to increase the supply of affordable housing and also increase the household “housing buying power”.



New duplexes on a residential collector street.



A small brick apartment building on a single family neighborhood street.

**THE NEIGHBORHOOD AFFORDABLE actions:**

1. **Adopting 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.
2. **Enlisting participation** of motivated residential associations, institutions and private sector businesses to support affordable housing plans and regulations.
3. **Increasing the supply of affordable housing** by improving codes, providing infrastructure, preserving existing affordable housing and supporting the construction of new affordable housing.
4. **Taking an “All of the Above” approach** knowing that increasing the supply of affordable housing is only part of the problem; increased wages and benefits are also needed.
5. **Increasing households’ “net housing buying power”** by working to increase wages and benefits while reducing the costs of home operating costs, health care, transportation and education to bridge the gap between wages and housing costs.
6. **Understanding that higher wages or increased transfer payments will not be effective** if the resulting increase in resident “housing buying power” has no supply of affordable housing to purchase. Increased demand chasing a fixed supply will keep prices high.
7. **Directing corporate support to experienced affordable housing providers** such as private builders and federal, state, local and institutional organizations that know how to produce and retain housing that is affordable.

**8. Leveraging corporate and institutional resources** to support public programs are useful but alone they will not alleviate the need. Corporate efforts to increase wages and benefits may have more impact on household budgets than housing subsidies.

**9. Pursuing specific action plans:**

- **Develop “complete neighborhoods”** by imbedding holistic planning ideas 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 to assist with remedial improvements.
- **Promote “missing middle” housing** with by-right zoning codes, location criteria and design standards.

**10. Leveraging public assets, such as surplus lands, with private and institutional resources** will expand total resources.

**11. Creating a Land Bank** of properties available to affordable housing providers from public agency surplus lands, remediated brownfield sites and other under-utilized lands.

**12. Exploring public-private financing techniques** to make affordable housing ownership available to low and moderate income households.

- Establish a Housing Trust Fund.
- Pursue a linkage fee nexus study.
- Introduce a Revolving Loan Fund.
- Design private mortgages, second mortgages, land leases and other techniques to lower housing costs.

**13. Using public funding and finance tools** such as tax credit programs, Community Land Trusts, and Revolving Loan Funds.

**14. Appreciating that the city depends on “essential workers”** including public safety, medical, education and food industry workers. These essential workers need affordable housing accessible to their work:

- Identify and certify “essential workers” to be eligible for affordable housing financing and funding programs.
- Establish a “living wage and hazardous pay” for the city’s “essential workers”.



A single family home next to apartment neighbors.



Historic bungalows and resort cottages become permanent homes in an established neighborhood.