

Beyond Housing: Bridging Policy Silos To Maximize Impact & Leverage

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Why go beyond housing?

- Cultivate Allies
 - counter NIMBY sentiment
 - support expanding funding for housing
- Maximize Impact
 - People and communities are multifaceted
 - Housing is only one of many needs
 - Initiatives that combine housing with other essential services more likely to “move the needle”
 - Programmatic silos one of the biggest barriers to progress

Political alliances and programmatic partnerships

- Understanding and recognition of each other's needs
- Opportunities to advance mutual self-interest
- Willingness to try new approaches to address common challenges
- Willingness to be self-critical and follow evidence where it leads
- Willingness to situate housing within a broader agenda; delay gratification

Framing housing within a broader agenda

- Opportunity Infrastructure
- Housing as Platform
- Jobs, Jobs, Jobs

OPPORTUNITY INFRASTRUCTURE

- Everyone deserves an opportunity to pursue their vision of the American Dream
- The nation's housing programs are essential components of the "opportunity infrastructure" needed to achieve this goal
 - Rental housing – stability, saving, geographic mobility
 - Homeownership – roots, build wealth
- Not a free lunch – everyone must pay their fair share

OPPORTUNITY INFRASTRUCTURE

Potential allies include individuals and organizations that care about:

- Income inequality
- Equity / equal opportunity
- Asset building and economic inclusion
- Workforce development
- Fighting poverty

Affordable Rental housing

Stability is a prerequisite for economic mobility

- Stability allows children to do better in school
- Stability allows adults to focus on getting and keeping jobs

Evidence shows:

- Subsidized housing does not promote economic mobility on its own. Need additional financial incentives and work supports
- Location matters

Policy Implications – Rental

- How can we improve the stability of rental housing?
 - Long-term leases; Eviction prevention; Reduced churning w/in subsidized housing; School stability
- How can we expand affordable housing w/in opportunity areas?
- How can we integrate self-sufficiency & asset-building opportunities into rental housing?
 - Family Self-Sufficiency program; Cornerstone Equity; LIHTC rent to own; IDAs

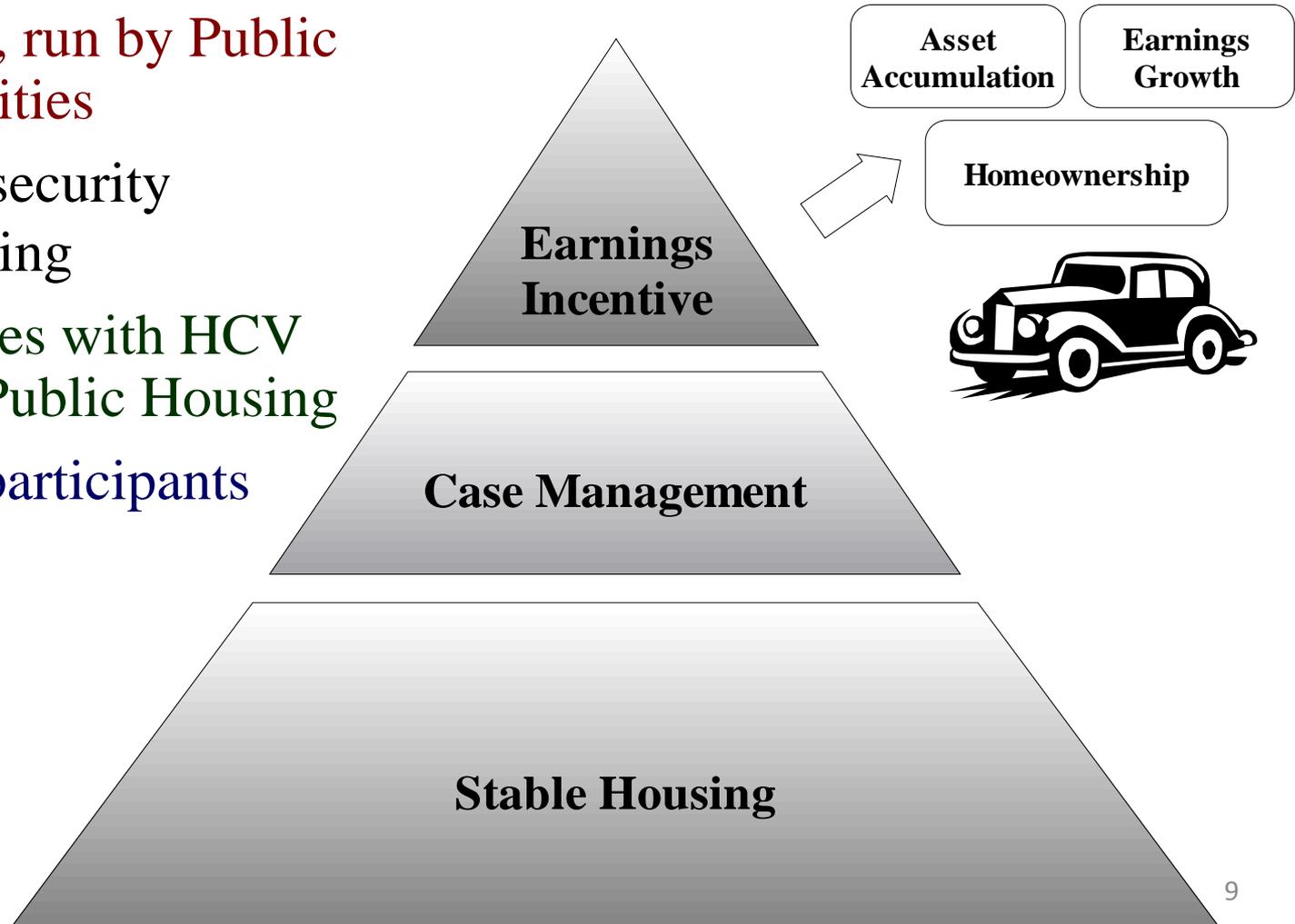
Family Self-Sufficiency (FSS)

- HUD program, run by Public Housing Authorities

- economic security
- asset-building

- Open to families with HCV Vouchers or in Public Housing

- 69,000+ FSS participants nationally

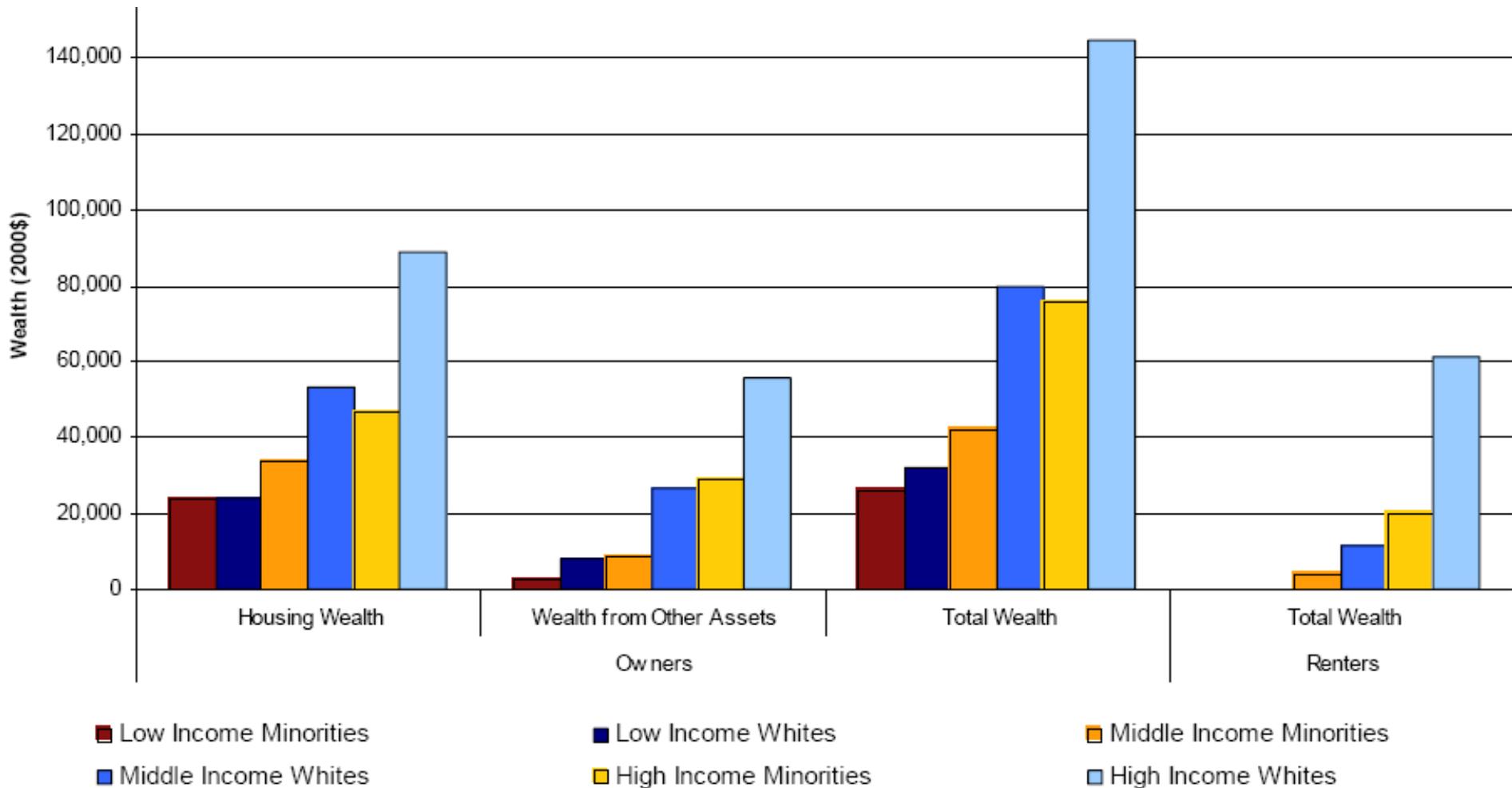


FSS – HUD Prospective Eval.

Tracked 170 Households for 4 Years (2006 to 2009)

- 41 graduated successfully
 - Avg. escrow for 35 with positive balances: \$5,294
 - Avg. annual income increased from \$19,902 to \$33,390
 - Avg. hourly wage increased from \$11.73 to \$14.41
 - Avg. weekly hours increased from 37 to 39
- 66 were still enrolled in FSS
 - Avg. escrow for 56 with positive balances: \$3,516
 - 43 were still enrolled in FSS and mostly employed
 - Hourly wage increased from \$11.84 to \$13.61
 - Weekly hours increased from 29.4 to 34.9
 - 23 were still enrolled in FSS and mostly unemployed
- 63 had exited FSS without graduating

Homeownership: Comparing the Wealth of Owners & Renters



Source: Carolina Katz Reid, Achieving the American Dream? A Longitudinal Analysis of Homeownership Experiences of Low-Income Households

Figure 20: Differences in Household Wealth, Renters versus Owners, 1994

Benefits of homeownership

- Opportunity to build wealth
- Greater ability to control one's physical environment
- Expanded residential choices, particularly w/in neighborhoods with strong schools
- Perhaps by increasing residential stability, it may have positive outcomes for children, including higher educational attainment, reduction in deviant behavior
- Improvements in individual housing quality
- Stronger neighborhood ties and civic participation

Risks for low income families

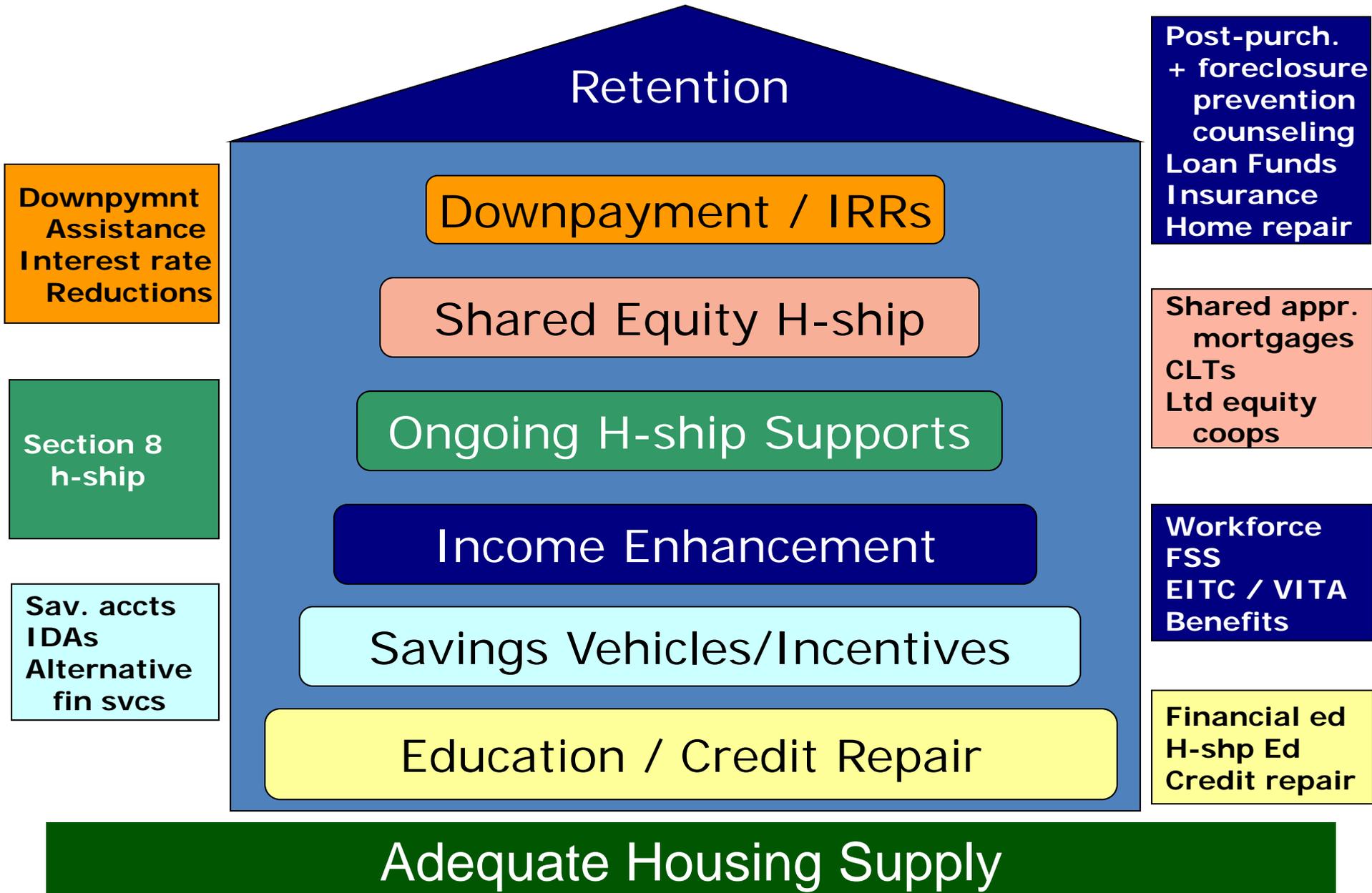
- Purchases may take place in areas with stagnant or declining home values,
... or in distressed neighborhoods w/o supports
- Financing during prior boom more likely to be subprime, with potentially high interest rates and fees
- Homeownership may turn out to be more costly than renting
- Many families are vulnerable to default / foreclosure due to inadequate savings / education deficit

New challenges

- Foreclosures
- Increases in required down payments
- Increased in required credit scores
- Problems of damaged credit
- Appraisals

**CAN / SHOULD WE HELP FAMILIES OVERCOME
CHALLENGES AND ATTAIN SUSTAINBLE
HOMEOWNERSHIP?**

Sustainable Homeownership Continuum



HOUSING AS A PLATFORM

- A decent, safe, and affordable home is a fundamental prerequisite for achieving core goals:
 - Healthy children and families
 - Ensure that seniors and people with disability can live healthy, independent lives
 - Educational achievement
 - Environmental goals
- In a world of limited funding, we need to work to break down silos and identify ‘win-win’ solutions that advance shared goals

Improving child health outcomes



Decent, affordable housing can...

...free up family resources for nutritious food and health care expenditures

... reduce health problems associated with exposure to allergens, neurotoxins, and other dangers in the home by allowing families to access better quality housing

...decrease residential crowding and other sources of housing-related stress that lead to negative developmental and educational outcomes for children

Improving health outcomes for seniors and people with a disability



Decent, affordable housing can...

... facilitate the delivery of services needed for the elderly to remain healthy and independent

...improve compliance with treatment regimes by improving residential stability

...free up family resources for nutritious food and health care expenditures

Improving educational outcomes



Decent, affordable housing can...

... increase residential stability, allowing families to avoid unwanted moves that lead children to change schools, which may impair their educational progress;

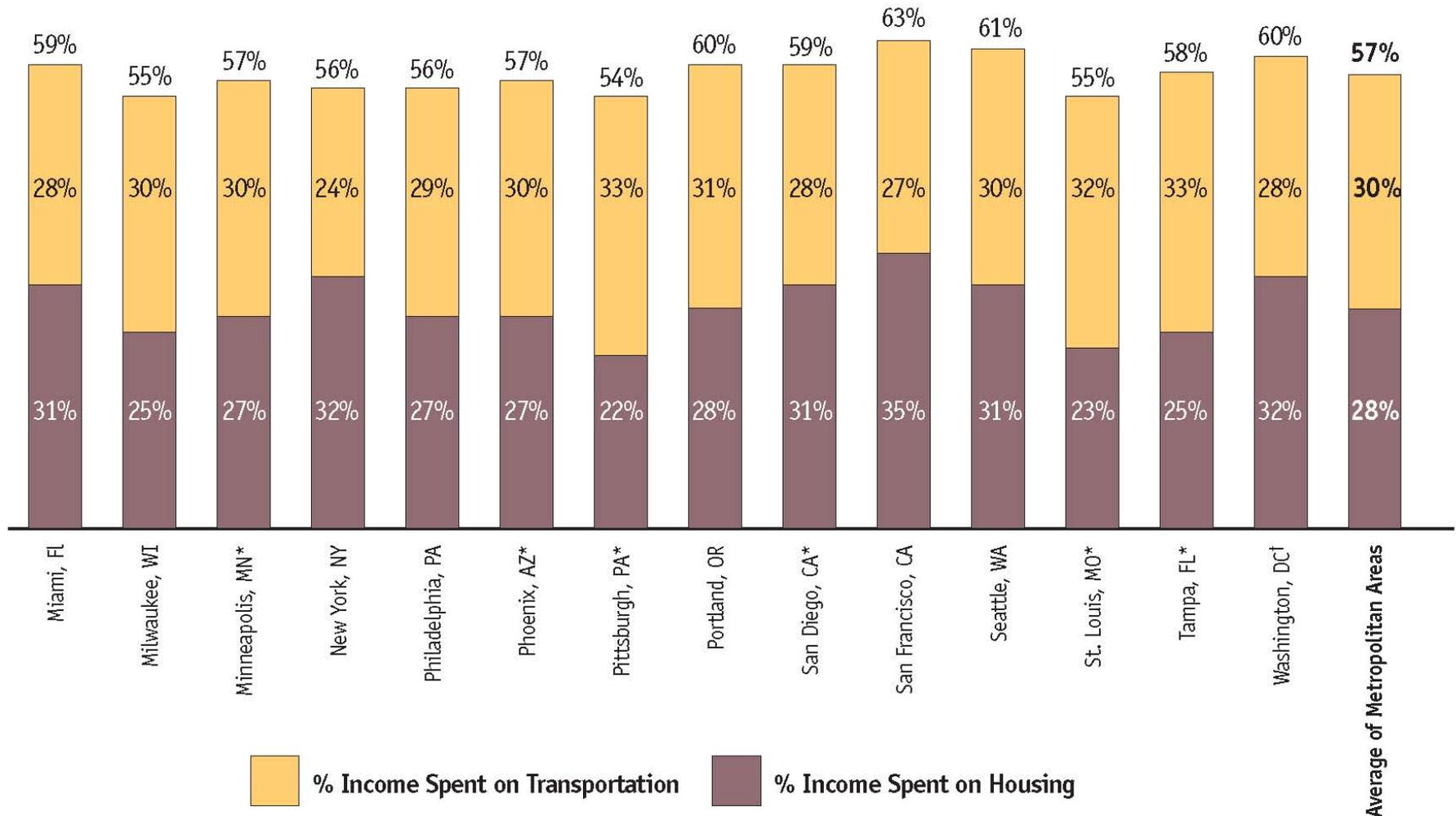
... reduce the incidence of asthma and other respiratory ailments that keep kids out of school and **reduce exposure to lead paint**

... provide a forum for delivering after school programs and anchoring holistic community revitalization that includes school enhancements

Policy Implications

- Child health
 - Healthy housing standards
 - Code enforcement
- Housing for older adults
 - Integration of services / access to Medicaid \$\$
 - Age-appropriate retrofits / Universal design
- Education
 - Promote residential and school stability
 - Integrate school and housing revitalization
 - Afterschool programs

Case Study: Housing & Transportation



A HEAVY LOAD:

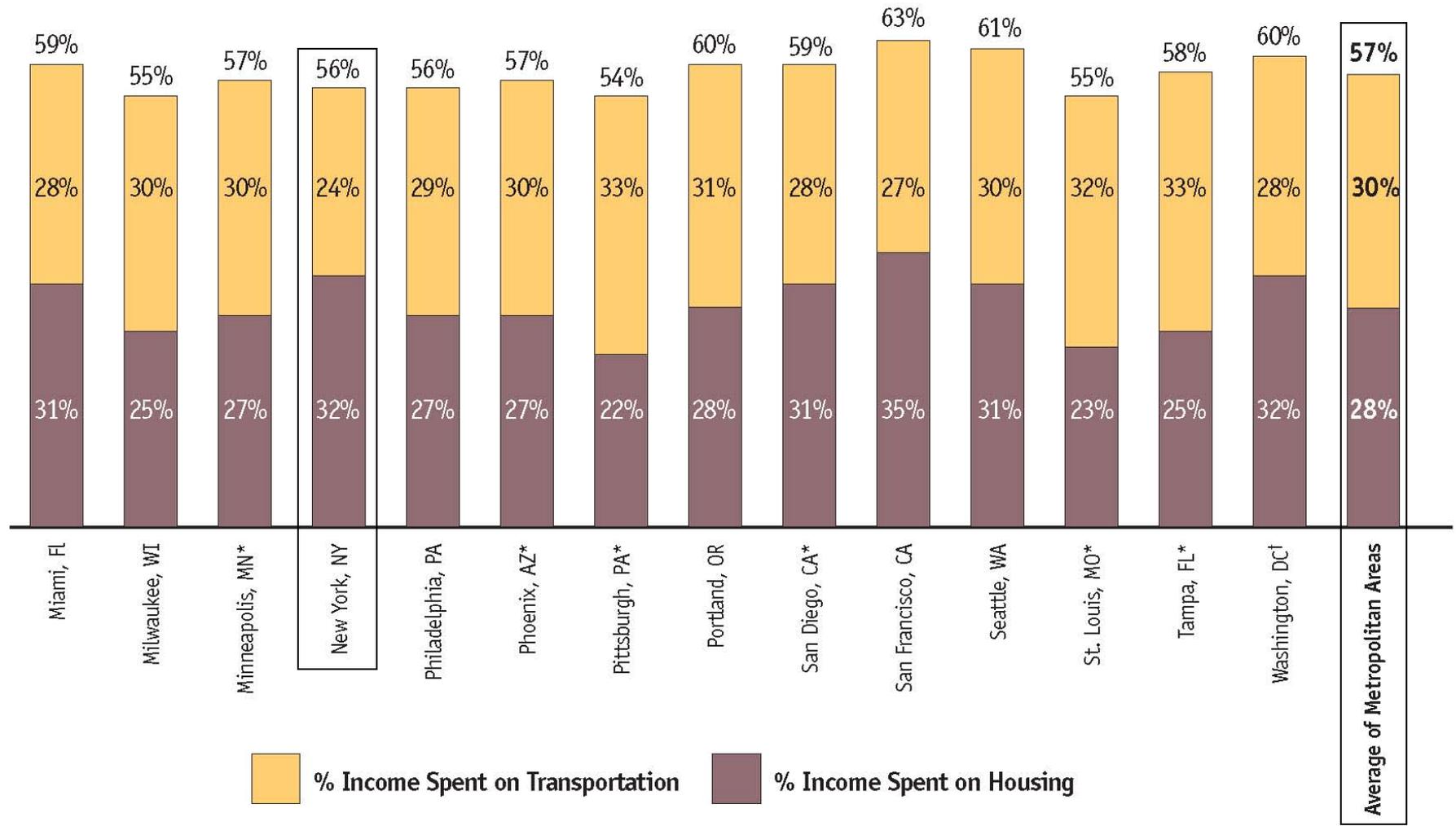
The Combined Housing and Transportation Burdens of Working Families

Center for Housing Policy
October 2006



A Heavy Load

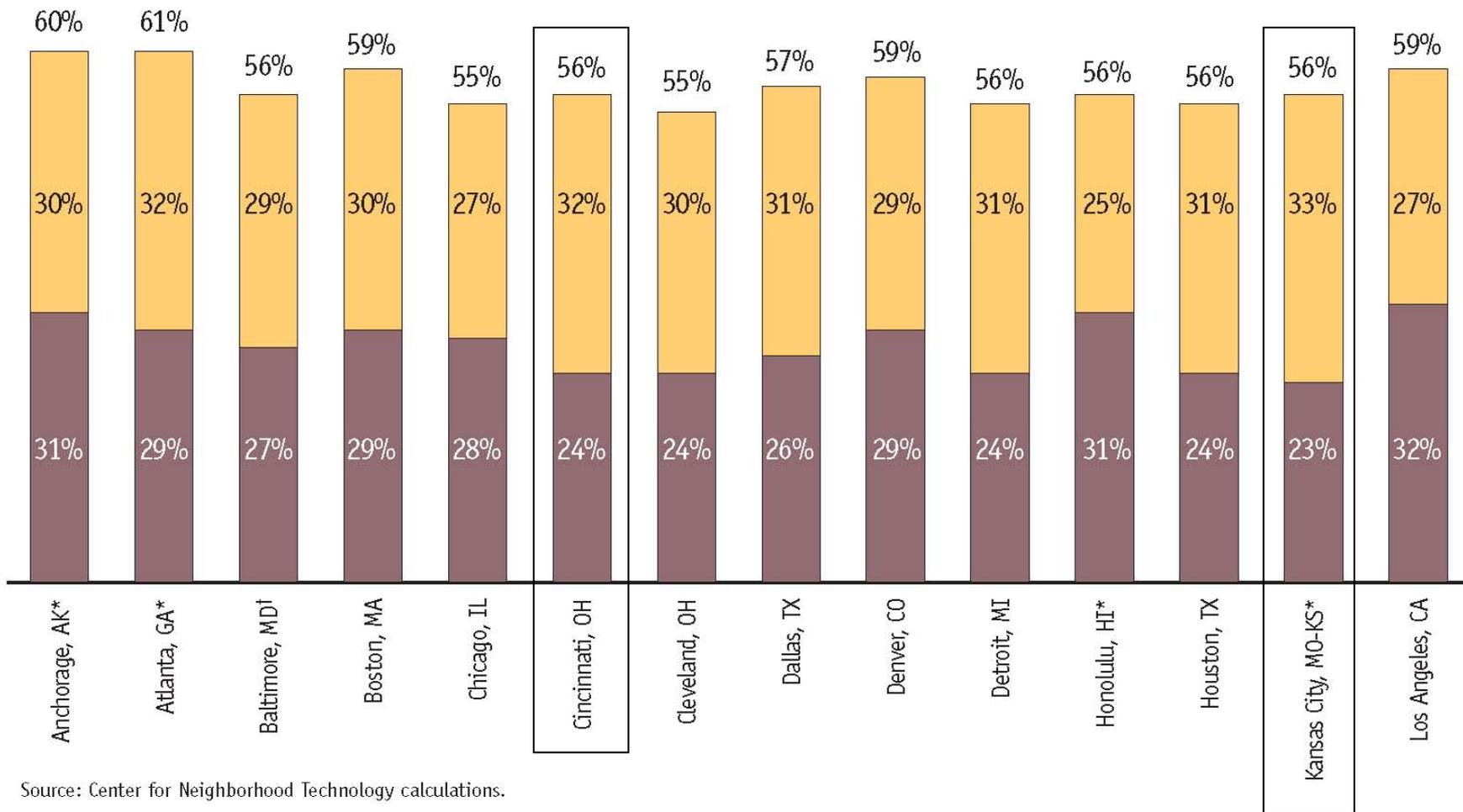
What Working Families Spend on Housing and Transportation





A Heavy Load

What Working Families Spend on Housing and Transportation



Source: Center for Neighborhood Technology calculations.

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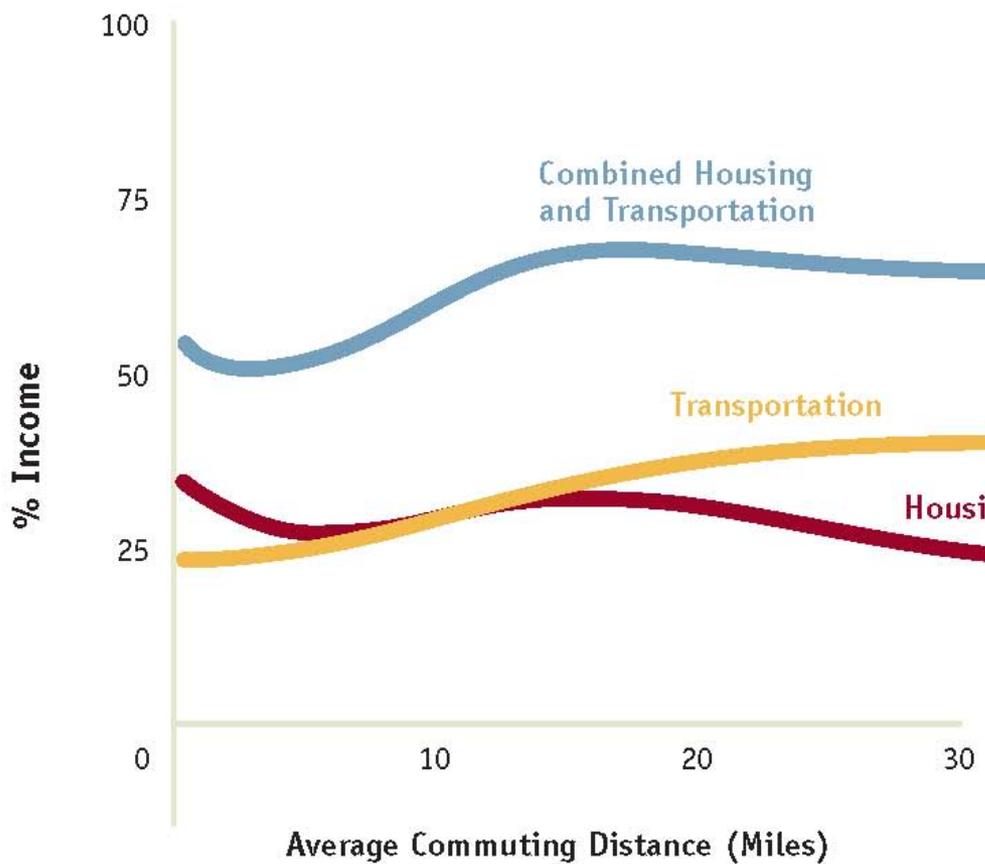
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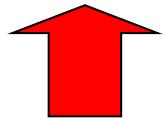


Source: Center for Neighborhood Technology calculations.

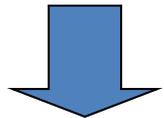
Policy Implications

- If we care about affordability, we should care about the complete costs of place:
 - Housing + Transportation + Utilities
- Strategies for reducing combined costs:
 - Preserve and expand affordable housing in places where transportation costs are low
 - Improve transportation options where housing costs are low
 - Adopt green building standards

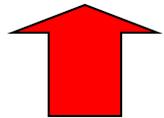
Benefits of Mixed-Income Location-Efficient Development



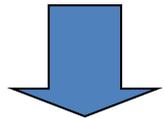
Social Equity



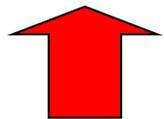
Commutes



Time with family



Greenhouse gas emissions



Green space, walkability & public health



Infrastructure costs

Alignment of Interests

- **Mixed-Income Location-Efficient (MILE) Development**
 - Environment / Smart Growth
 - Public health groups
 - Developers
 - Affordable housing advocates
 - Equity advocates
 - Advocates for efficient government (low infrastructure costs)

JOBS, JOBS, JOBS

- Housing is the engine of the nation's economy
- Produce jobs through new construction, rehabilitation, energy-efficient upgrades, operation, subsidy
- Every community has unmet housing needs – subsidized, market-rate affordable, energy-efficiency, etc.
- Public-private partnerships to create jobs through housing can speed up the our economic recovery

JOBS, JOBS, JOBS

Potential allies include individuals and organizations that care about:

- Economic growth
- State / local tax revenue
- Jobs for working families (incl. unions)
- Environmental sustainability

Economic Benefits / Jobs

1. New construction creates jobs

- **Direct** – Jobs for construction workers
- **Indirect** – Jobs for workers involved in producing materials in the supply chain
- **Induced** – Jobs created by the spending of workers

	Family LIHTC	Senior LIHTC	Market-rate
Direct/Indirect	80	75	80
Induced (spending by workers)	42	39	42
Total	122	114	122
			30

Economic Benefits / Jobs

2. The operation of housing creates jobs

Two components:

A. Ongoing expenditures by new residents
(another 30-32 jobs per 100-unit property)

B. Effects of maintenance, operations, large capital improvements, etc.

3. Revenue for states / localities

-- permit / impact fees; utility user fees; property taxes

Economic Benefits / Jobs

4. Increase in residual income for residents to spend on local goods and services
5. Improved recruitment and retention of workers by employers
6. Lower foreclosure rates among well-run affordable homeownership programs
7. Reduced spending in other government programs (e.g., permanent supportive housing, housing for older adults)

Policy Implications

- Ensure that affordable housing is really affordable – utilities, property taxes, etc.
- Meet the full spectrum of housing needs
 - Adequate supply of rental housing
 - Market-rate affordable housing
- Consider economic benefits of energy-efficiency retrofits

Conclusion: To build political alliances, we need programmatic partnerships

- Understanding and recognition of each other's needs
- Opportunities to advance mutual self-interest
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- Willingness to be self-critical and follow evidence where it leads
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