



WHERE BUSINESS HAPPENS

MBA's COMMERCIAL REAL ESTATE FINANCE/MULTIFAMILY
HOUSING CONVENTION & EXPO
Walt Disney World Swan And Dolphin, Orlando, Fla.

Case Studies in Financing Workforce Housing

Monday, February 4
2:00 – 3:15 pm



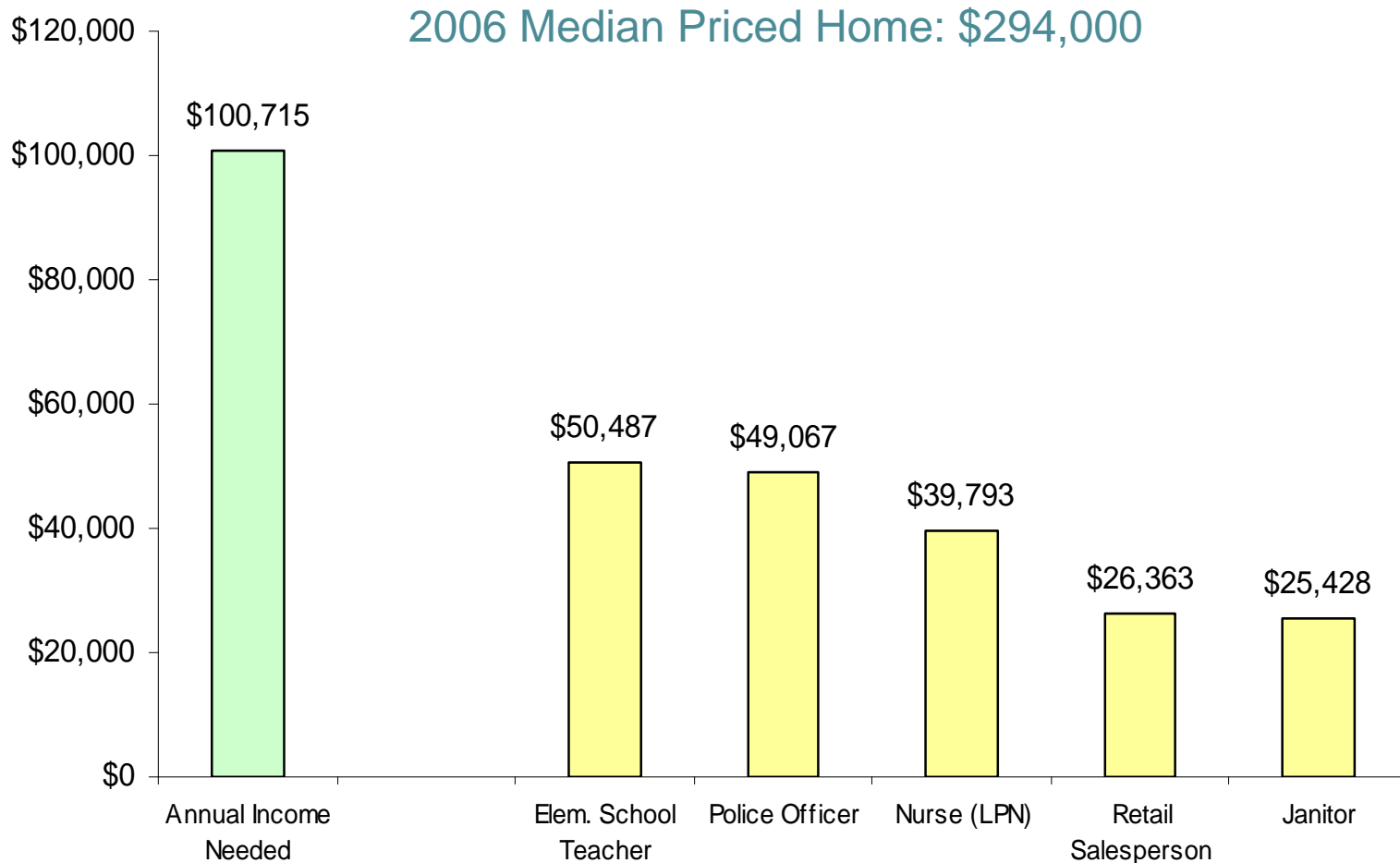
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Case Studies in Financing Workforce Housing

Jeffrey Lubell, Executive Director, Center for Housing Policy
Overview of Housing Challenges and Policy Responses

What is Happening in Philadelphia, PA?

2006 Third Quarter -- Homeownership



Paycheck to Paycheck. 2007. Washington D.C., Center for Housing Policy

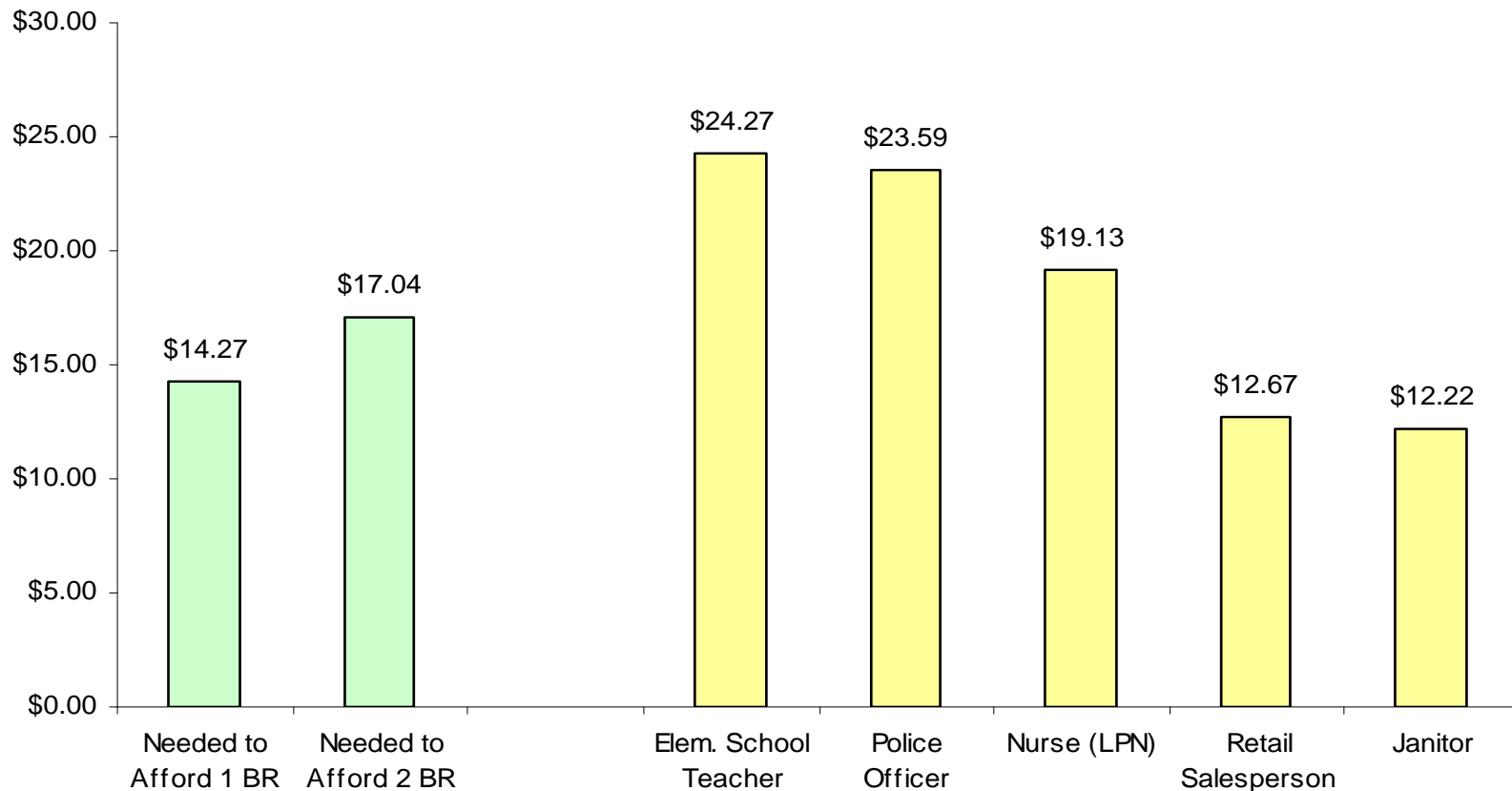
Data on the median-priced home are from the National Association of Home Builders' Housing Opportunity Index for the third quarter (3Q) of 2006. The annual income needed to qualify for a mortgage was calculated using the average prevailing interest rate, assumes a 10 percent downpayment and the use of private mortgage insurance, and includes principal, interest, taxes and insurance. Wage data are as of August, 2006 and were obtained from a proprietary database of salary information by geographic location maintained by Salary.com.

What is Happening in Philadelphia, PA?

2006 Third Quarter -- Rental



2006 Fair Market Rent: 1BR \$742/month, 2BR \$886/month



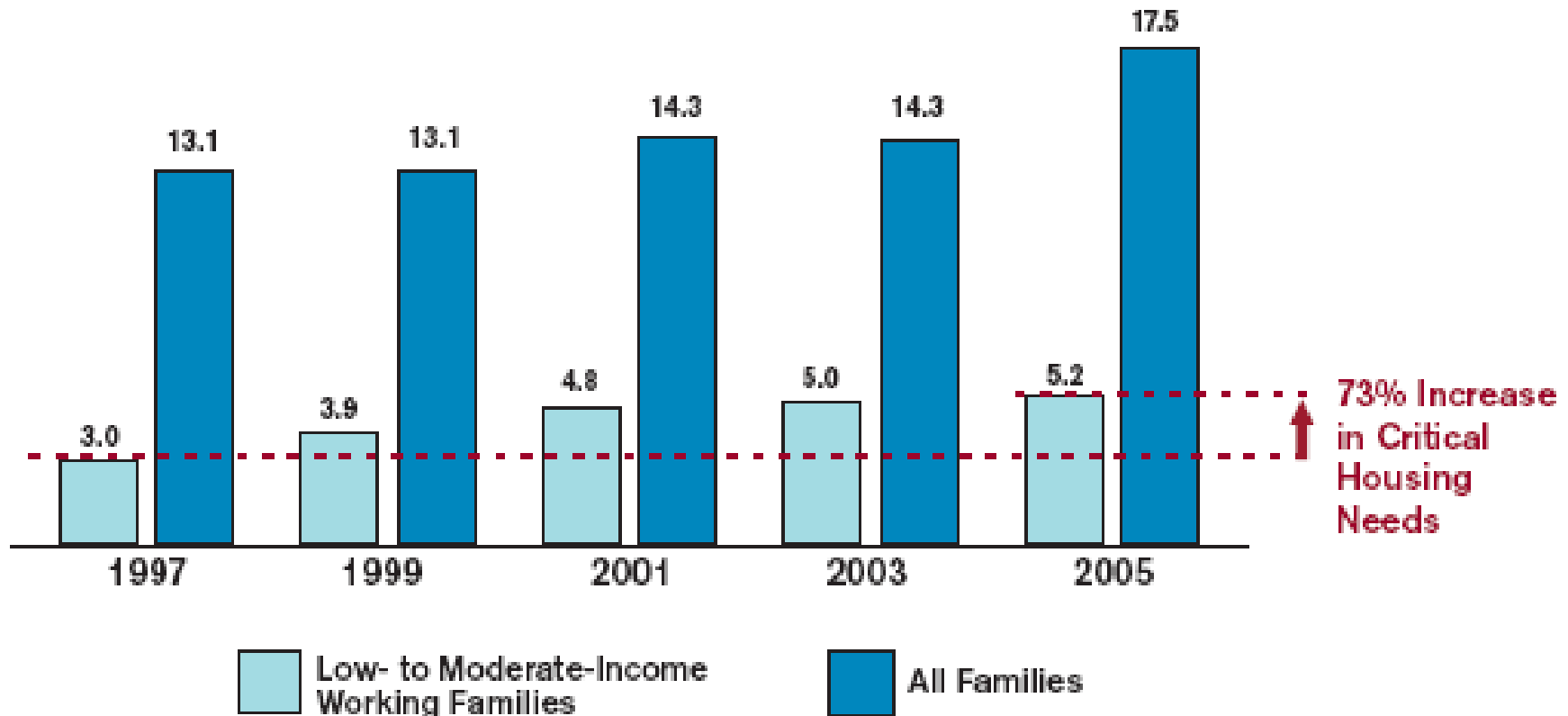
Paycheck to Paycheck. 2007. Washington D.C., Center for Housing Policy

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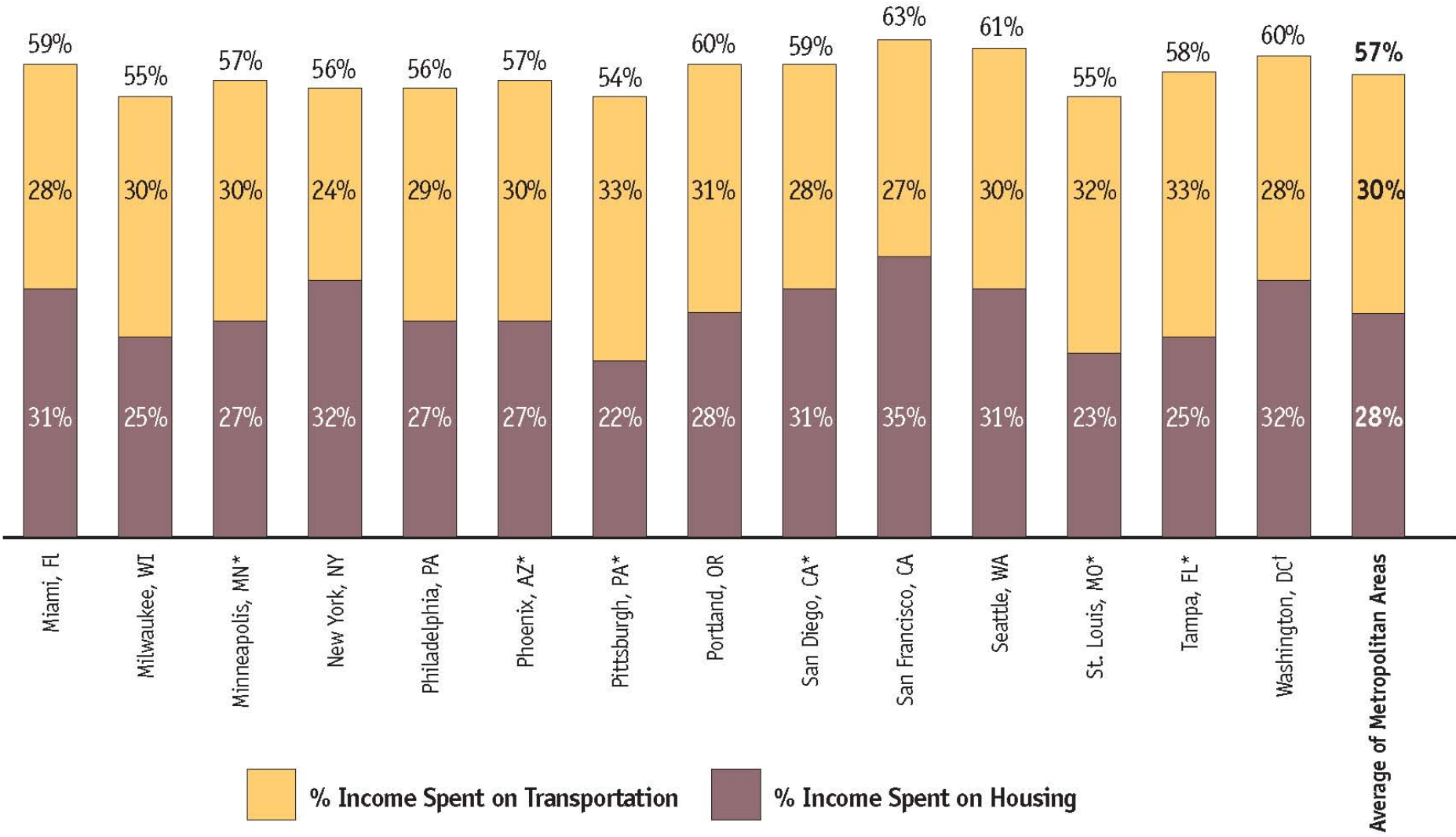


From 1997 to 2005, the Number of Working Families with Critical Housing Needs Increased 73 Percent

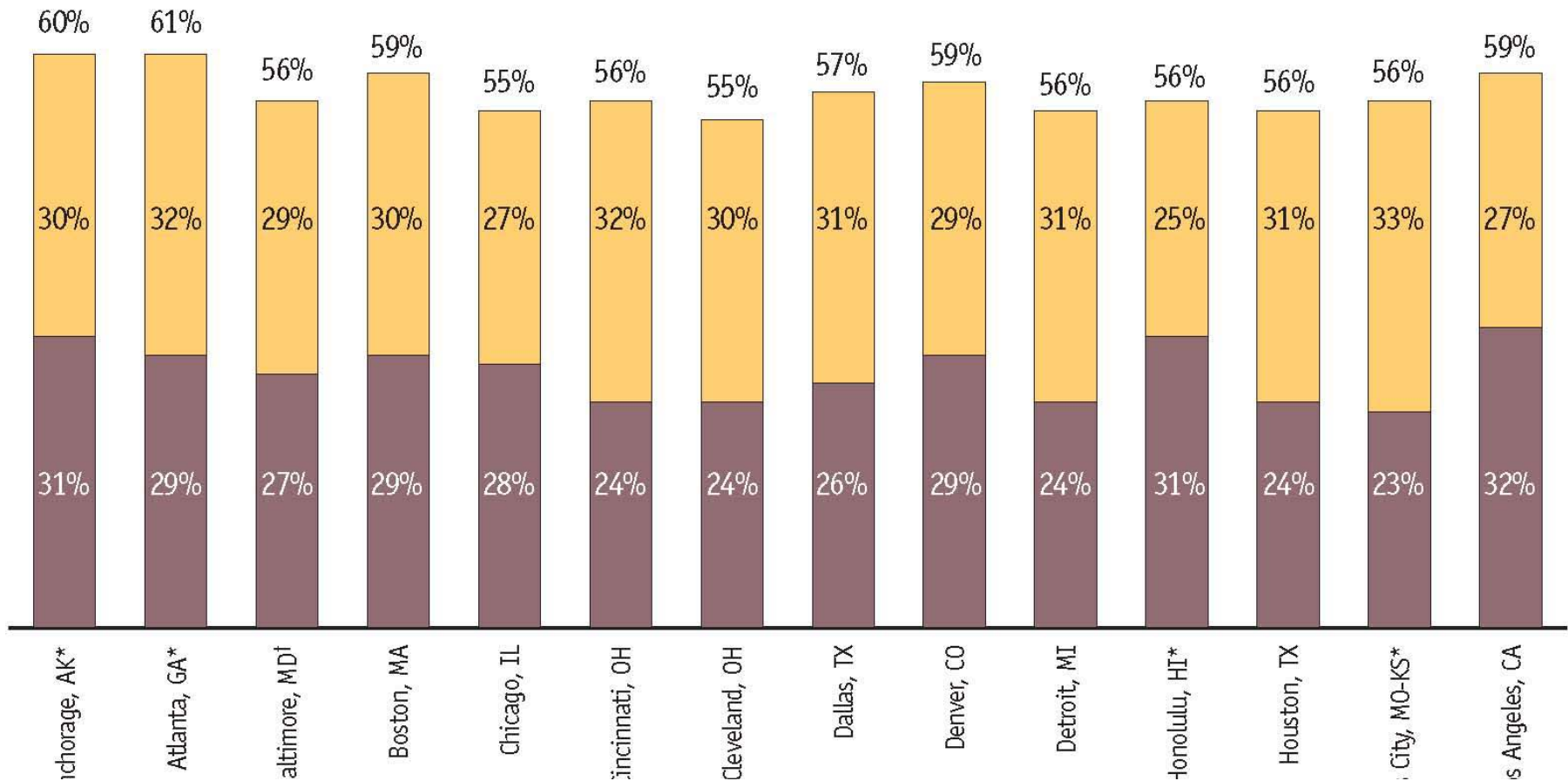
U.S. Households with Critical Housing Needs (Millions)



What Working Families Spend on Housing and Transportation

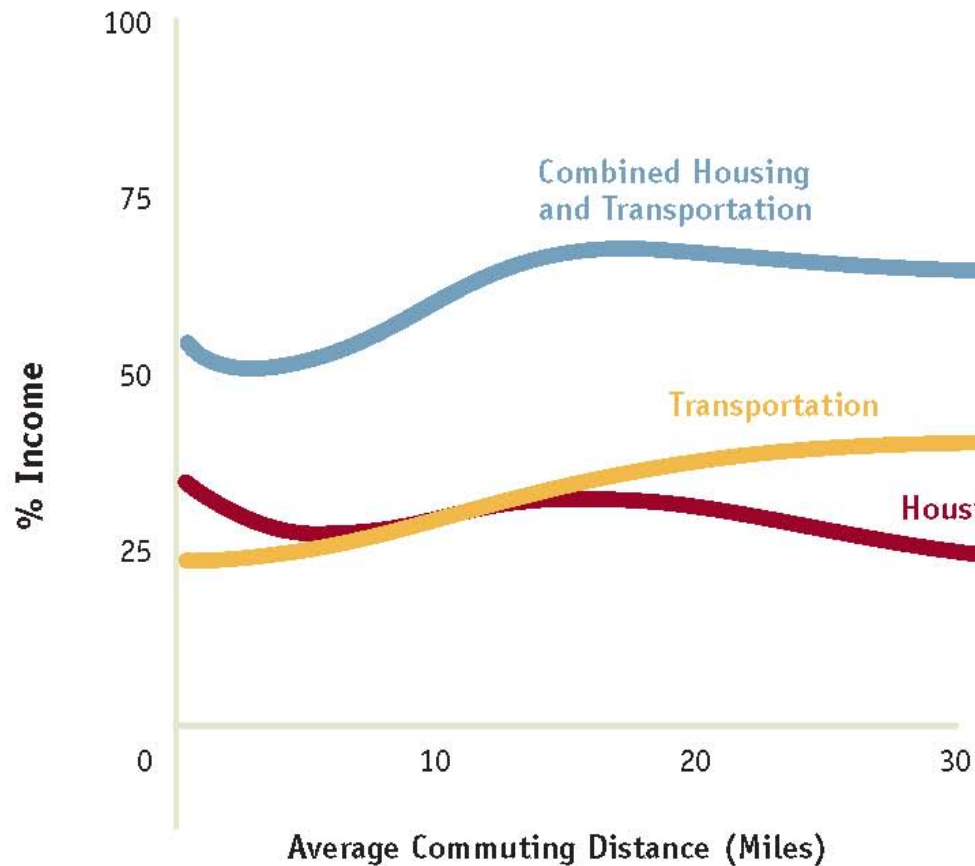


What Working Families Spend on Housing and Transportation



A Heavy Load: The Combined Housing and Transportation Burdens of America's Working Families. 2006. Washington, DC: Center for Housing Policy.

What Working Families Spend on Housing and Transportation



Source: Center for Neighborhood Technology calculations.

Vital Links: Housing's Contributions to the Nation's Health and Education Objectives



Research has shown that decent, affordable housing can...

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

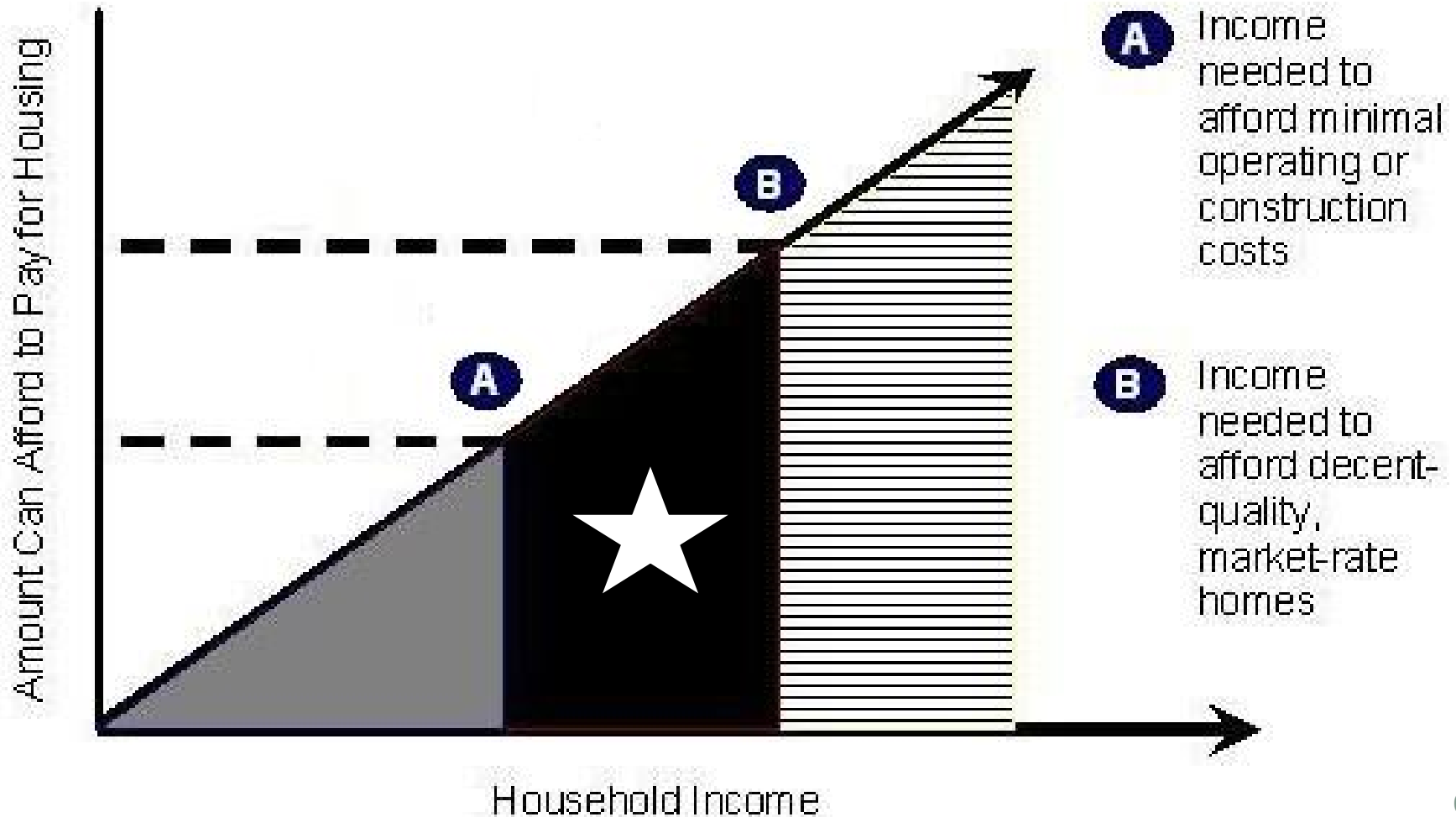
...**increase residential stability**, allowing families to avoid unwanted moves that lead children to change schools, which may impair their educational progress; and

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

Visit

[www.nhc.org/
housing/
intersections](http://www.nhc.org/housing/intersections)

Loose Definition of Target Population



Key policy objectives for state and local government

- A. Expand the availability of sites for development
- B. Reduce red tape and other regulatory barriers
- C. Harness the power of strong housing markets
- D. Generate additional capital
- E. Preserve and recycle resources for affordable homes
- F. Empower residents to purchase and retain private-market homes

A. Expand the availability of sites

1. Make publicly-owned land available for affordable homes
2. Facilitate the re-use of vacant, abandoned and tax-delinquent properties
3. Expand the supply of homes through re-zonings



Woodinville, WA

B. Reduce regulatory barriers

4. Ensure that zoning policies support a diversity of housing types
5. Adopt expedited permitting and review policies
6. Revise impact fee structure to reduce the burden on families occupying smaller, less-expensive homes
7. Adopt building codes that facilitate rehabilitation of existing homes



Cambridge, MA

C. Harness strong housing markets

8. Use tax increment financing to fund affordable homes
9. Stimulate construction and rehabilitation through tax abatements
10. Create or expand dedicated housing trust funds
11. Establish inclusionary zoning requirements or incentives
12. Use cross-subsidies to support mixed-income communities



Homesafe (San Jose)

D. Generate additional capital

13. Expand use of the 4% Low-Income Housing Tax Credit
14. Provide pre-development and acquisition financing
15. Support housing bond issues
16. Ensure that housing finance agency reserves are used for affordable homes
17. Leverage employers' commitment to affordable homes for workers



Milwaukee, WI

E. Preserve and recycle resources

18. Preserve affordable rental homes
19. Recycle downpayment assistance
20. Use *shared equity* mechanisms to create and preserve mixed-income communities



New York, NY

F. Empower residents to purchase and retain private-market homes

21. Expand homeownership education and counseling
22. Help moderate-income homeowners avoid foreclosure and equity loss



Chicago, IL

Develop and support a local housing strategy

- **Assess housing needs and resources**
- **Know your market(s)**
- Proactively plan for future growth
- **Be comprehensive**
- Foster interagency collaboration
- **Exercise leadership**
- **Set and track progress toward goals**
- Build public support for affordable homes
- **Create open lines of communication**
- Involve the business community
- **Insist on excellent design**
- **Promote a mix of incomes**
- Continually evaluate and refine your strategies
- **Think locally and regionally**

Learn more at: HousingPolicy.org



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HOME

GETTING STARTED

TOOLBOX

BUILDING A STRATEGY

GALLERY



Getting Started

Learn About Affordable Housing: What Is It, Who Needs It, and Why?



Toolbox

Explore Effective Housing Policies That Can Make a Difference



Building a Strategy

Create a Successful Housing Strategy for Your Community

Gallery of Affordable Homes



Welcome to HousingPolicy.org!



HousingPolicy.org is an online guide based on a handbook developed by the Center for Housing Policy and dedicated to constantly updating the best thinking in housing policy. This site is intended to be a source of new ideas, while at the same time providing practical and promising

Featured Podcast — Henry Cisneros



Executive Chairman of CityView and former Secretary of the U.S. Department of Housing and Urban Development Henry Cisneros discusses expanding the availability of homes affordable to low- and moderate-income



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MEMBERSHIP & SUPPORT

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NHC Research Affiliate

The Center for Housing Policy is the research affiliate of the National Housing Conference. The Center works to broaden understanding of America's affordable housing challenges and examines the impact of policies and programs developed to address these needs.

Enter the "Paycheck to Paycheck" Interactive Dashboard

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