



**To make progress  
on affordable  
housing, let's  
think and act  
differently!**

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# Why housing matters



- **Strong Economy and Economic Mobility**

- A strong economy requires workers; workers need homes they can afford.

- **Health and Education**

- Lower-income households who live in unaffordable housing often lack funds for nutritious food and health expenses.
- Homelessness greatly complicates access to health care. Poor-quality housing can contribute to asthma and injuries.
- Stable affordable housing can improve child development & education outcomes and is a platform for ensuring high quality of life for older adults.

- **Quality of Life and Environment**

- Lack of affordable housing near jobs → traffic congestion, high transportation costs and greenhouse gas emissions.

# Getting to bottom of problem . . .



- Why is housing unaffordable?
  - We're not producing enough
- Why aren't we producing enough?
  - High costs of development
  - Inconsistent / insufficient demand
- Why is development so expensive?
  - Regulatory (zoning/permitting) barriers
  - High land, material and labor costs



# Getting to bottom of problem . . .



- Why do we have regulatory barriers?
  - Combination of exclusionary tendencies and lack of foresight/capacity
- Why are land costs so high?
  - See regulatory barriers
- Why are material / labor costs so high?
  - Lack of economies of scale & competition
- Why is demand inconsistent/insufficient?
  - Low wages; market cycles



# Increasing production only part of the answer



We also need:

- Subsidies to ensure that low-income families can afford the costs of housing
- Adequate funding for services for older adults, people with disabilities, workforce and asset-building, etc.
- Alignment of housing, transportation and energy policy to ensure housing built sustainably
- Investments in community development
- Affordable mortgages
- Fair housing enforcement



## How do we break the cycle?



- New coalitions to build and channel political will
- New approaches by local and state government
- New ideas anchored in public-private partnerships

## New Coalitions to Build Political Will



- Housing policy / advocacy community very fragmented.
  - Fragmentation reduces effectiveness
  - We need a big-tent approach
- We need stronger alliances with stakeholders who care about health, education, environment
- We need facilitators and coalition-builders

## New Approaches by Local/State Gov't



- Local government response to housing is fragmented; local agencies often lack capacity.
  - We need comprehensive and balanced local housing strategies (see [LocalHousingSolutions.org](http://LocalHousingSolutions.org))
- Growing momentum around housing issues at state level. Much of it is focused on reducing barriers to development.
  - Need to capitalize on this to advance more holistic approach



## New Ideas for Public/Private Partnerships



- **Using offsite construction to generate economies of scale** – Public investments and bulk-purchase agreements for large volumes of modular housing to secure discounts and pass on to consumers
- **Community land trusts and other shared equity models** – Affordable homeownership programs that preserve value of public subsidy over time

## New Ideas for Public/Private Partnerships



- **Appraisal gap financing** – investments that allow for purchase and rehab of homes where costs exceed appraised values
- **Building on publicly owned land** (and land owned by churches and other institutions)
- **New models for service-enriched and intergenerational housing**, funded based on evidence of broader cost savings

# Opportunities for LSA Members



- Convener
- Educator
- Developer
- Development Partner
- Funder
- Owner
- Service Provider