Introduction to Housing and Equity

Rail~Volution 2009: Building Livable Communities with Transit

November 1, 2009
Today’s Agenda

• Todd Nedwick, Assistant Dir. for Public Policy, National Housing Trust

• Bob Ruzzo, Deputy Director, MassHousing

• Aaron Miripol, President and CEO, Urban Land Conservancy

• Gail Latimore, Executive Director, Codman Square Neighborhood Development Corp

• Discussion and Q&A
National Housing Trust

- Committed to creating sustainable and equitable communities by safeguarding affordable housing.

- Engaged in housing preservation through real estate development, lending and public policy advocacy.

- The National Housing Trust:
  - **Partners** with investors to raise capital to buy and renovate affordable apartments. *Preserved 4,800 affordable apartments.*
  - **Lends** early money to developers to help them purchase and renovate affordable apartments. *Loans have helped preserve 5,000 apartments.*
  - **Educates** policymakers of the need to dedicate resources towards the revitalization of existing affordable apartments.
Research Conclusions…

• Subsidized housing near transit meets a crucial need for older adults.

• Currently, there is a **significant supply** of affordable housing near transit in 20 metropolitan regions (*Project-based Section 8 and Section 202*).

• However, existing affordable housing near transit is **increasingly at risk** in the face of upward pressure on housing prices and expiring government subsidies.

• Preserving affordable housing near transit is of critical importance for creating livable communities for older Americans.
Meet Rose: A Case Study

- Rose is an 83-year old woman who lives in Niccollet Towers, home to 300 older persons, persons with disabilities, and families.

- She uses public transit two to three times a week, both bus and light rail.

- She’s able to walk or take a short bus trip to restaurants, shopping, her church, and to the Orchestra Hall.

Losing affordable housing near transit can mean loss of independence for older adults.
Older Americans make up over half of affordable housing residents.

<table>
<thead>
<tr>
<th>Resident Age Distribution in Privately Owned Federally Subsidized Housing</th>
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<tbody>
<tr>
<td>Under age 45</td>
<td>33.60%</td>
</tr>
<tr>
<td>45–54</td>
<td>10.3</td>
</tr>
<tr>
<td>55 or older</td>
<td>56.1%</td>
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<tr>
<td>Median Age</td>
<td>60</td>
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Preserving Affordability and Access in Livable Communities
Metropolitan Areas Analyzed
Currently, there is a significant supply of affordable housing near transit.

More than 250,000 affordable apartments are in walking distance of quality transit.
However, existing affordable housing near transit is increasingly at risk.

Approx. 70% of apartments near transit are covered by housing contracts expiring in the next five years.
Why affordable housing near transit is at risk...

• Expiring government affordability requirements gives owners the option to exit the program and convert the property to a non affordable use.

• The most significant indication of whether an owner will opt of these housing programs is the determination that they can charge higher rents than the subsidy they receive from HUD.

• As demand for housing near transit increases, the rising cost of land threatens the continued availability of transit-connected homes affordable to working families.
Over the last 8 years we have lost affordable housing, including units near transit.

More than 70,000 project-based Section 8 homes have been lost since 2000.

Source: Joint Center for Housing Studies
Federal Policy Recommendations to Preserve Affordable Housing Near Transit…

- Pass comprehensive affordable housing preservation legislation sponsored by Rep. Barney Frank to reduce barriers to saving and improving subsidized affordable housing.

- Ensure that sufficient federal funding exists to renew all expiring contracts
  - HUD’s FY 2010 budget proposal and supplemental funding through ARRA will fully fund all expiring Section 8 contracts.

- Provide adequate funding for the Section 202 program and support the rehabilitation of aging properties
  - Owners should be able to recapitalize and preserve existing properties.
State and Local Policy Recommendations to Preserve Affordable Housing Near Transit...

- Allocate resources toward preserving affordable housing in transit-rich neighborhoods.
  - Tax credits are a crucial resource for affordable housing preservation. States should encourage the use of LIHTCs for affordable housing near transit.

- Facilitate preservation with acquisition funds.
  - Acquisition funds enable affordable housing providers to move quickly to acquire affordable housing near transit at risk of conversion.

- Develop early warning systems to track at-risk housing and prevent the loss of units.
Improving access to transit is important too...
Summary

• Transit-connected affordable housing provides access to community resources for seniors.

• Transit-connected affordable housing is increasingly at risk.

• Federal, state, and local governments should place emphasis on the preservation of affordable housing near transit.

Preserving Affordability and Access in Livable Communities

Download the Report at AARP’s Public Policy Institute Webpage: http://www.aarp.org/research/ippi/
For more information:

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