# Affordable Housing as a Driver of Economic Mobility: Tools for Counties and Cities

November 9, 2021







# Today's Agenda







- Tim Shaw
   Associate Director of Policy
   Aspen Institute Financial Security Program
- Christie Mahany
   Executive Director
   Erie County Land Bank
   Erie County, Pa.
- Amy Turim
   Real Estate Development Services Manager
   City of Milwaukee
- Open Q&A





# **Reminders and Tips**

- This webinar is being recorded and will be made available online to view later or review at www.naco.org/webinars.
- If you have a question for any of our speakers today, type your question into the Q&A box at any time during the presentation, and the moderator will read the question on your behalf during the Q&A session.
- If you are having technical difficulties, please send us a message via the chat function. Our organizer will reply to you privately and help resolve the issue.





# Affordable Housing as a Driver of Economic Mobility

Tim Shaw, Associate Director of Policy Aspen Institute Financial Security Program



#### Affordable Housing as a Driver of Economic Mobility

### **Agenda**

- > Connecting housing security, financial security, and economic mobility
- > Introducing the Housing Solutions Matchmaker Tool, a collaboration between Aspen FSP, NACo, and Brookings Metro
- > Counties in Action: Erie, PA
- > Cities in Action: Milwaukee, WI
- > Q&A

### **Solving for Housing Security Improves Lives**

"How would your life change if your housing challenges were solved?"



WHAT PEOPLE SAID:

"I would have less fear and anxiety of getting evicted." "Since we are currently behind on rent, I would feel less stressed if that were paid off and I would be caught up on rent. Once that financial obligation is out of the way, I could work on lowering other debt."

"I would be able to really put a dent in my college loan debt. I feel like we'd be able to purchase a home if I can get my balance down significantly." "It will improve drastically! I will no longer be scared to leave an abusing job and look for better because I wouldn't have to worry about rent. I would be able to save for emergencies, I would be able to eat properly and not count every penny. It will not fix my financial life, but it would help so much."

Source: In October 2020, Aspen Institute Financial Security Program asked 499 SaverLife members how their lives would change if their housing challenges were solved. View full survey findings here: https://www.aspeninstitute.org/blog-posts/we-choose-between-housing-and-thriving/

STRONG FOUNDATIONS:
HOUSING SECURITY SOLUTIONS FRAMEWORK



### Affordable, Stable Housing is a Foundation for Economic **Mobility**

#### **EDUCATION**

- Improve academic performance
- Improve attendance
- Reduce need for school-based social services



GOVERNMENT

Serve the public interest

Reduce reliance on food

and utilities assistance

Stronger tax base



#### **FAMILIES**

- Able to pay other bills on time and weather financial shocks
- Able to save and invest for the future
- Children can thrive



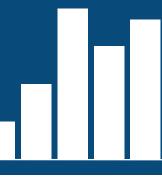


#### **HEALTHCARE**

- Fewer chronic illnesses in community
- Reduce need for unfunded acute care
- Meet Affordable Care Act community health and charity care requirements

#### **BUSINESS**

- Able to recruit and retain talent
- Improve employee financial wellness
- Stronger consumer spending environment





programs

#### THE FOUR CORNERS OF THE HOUSING CRISIS

There isn't enough new housing to meet growing demand.



Many families can't afford the housing options available to them.



Current policy disadvantages renters.



# Five Design Principles for Effective, Equitable, and Sustainable Solutions

1

Address housing discrimination and promote integration.

2

Make it easier to build all types of housing. 3

Preserve private and subsidized lower-cost housing. 4

Support households directly to close the gap between their resources and the cost of housing. 5

Support renters'
well-being
and access to
resources.











STRONG FOUNDATIONS:

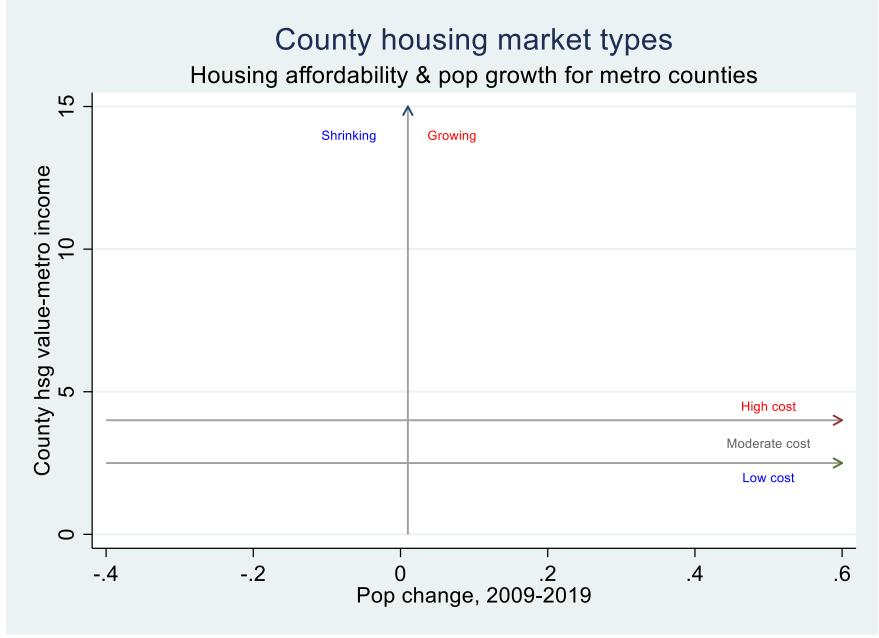
HOUSING SECURITY SOLUTIONS FRAMEWORK



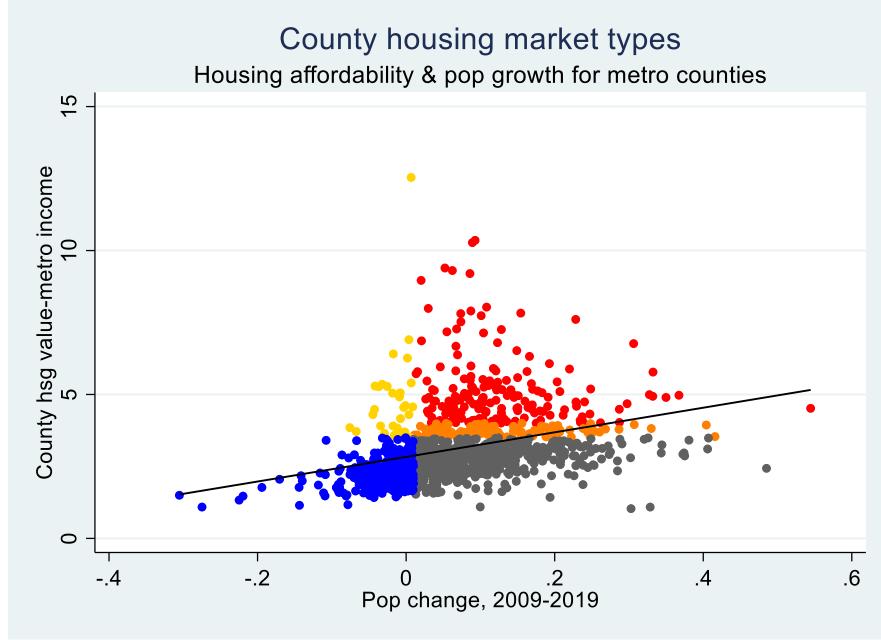
# Goals of housing solutions matchmaker

- Developed in partnership between Brookings Metro, Aspen Institute Financial Security Program, and NACo
- Tool to help local policymakers identify critical issues and suggest relevant policy tools
  - Provides concise, accessible snapshot of county housing markets
  - Place each county in context relative to its state or metro area
  - Suggest broad outline for policy solutions & provide references for more detailed information

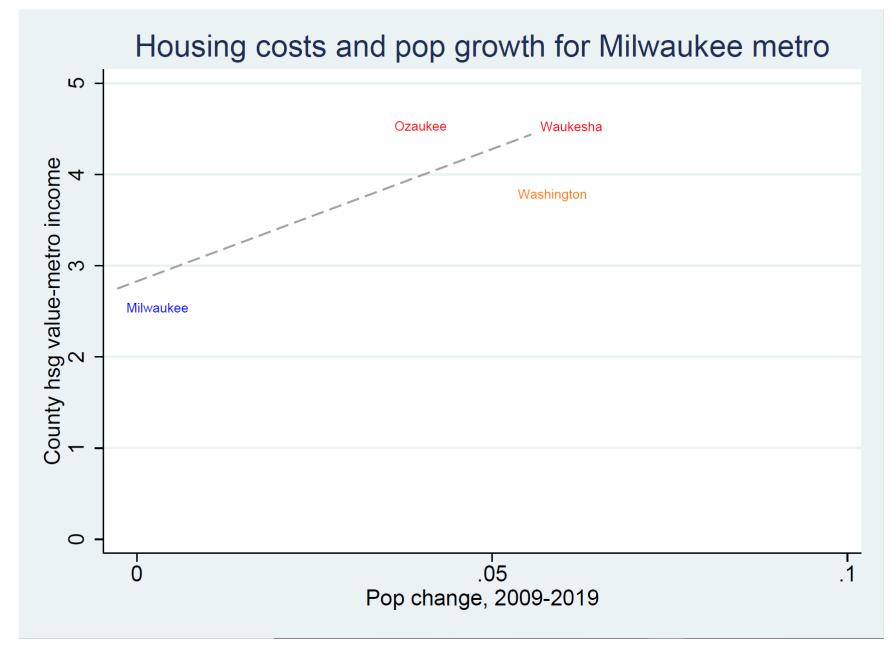








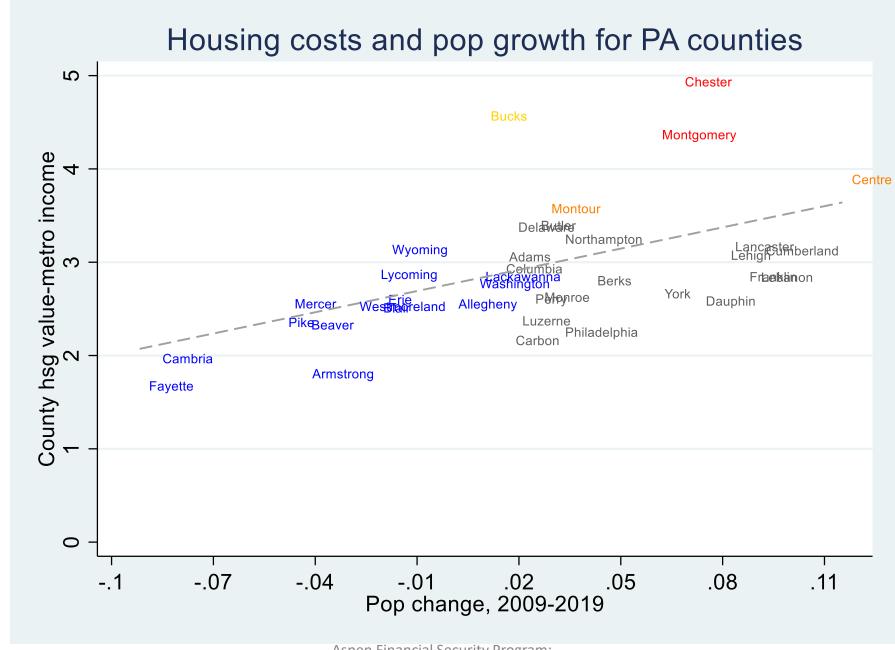






	Milwaukee	All U.S. Counties
Population Size & Growth		
Population Change, 2009-2019	-0.003	0.09
Population (2019)	951,226	1,345,466
Housing Affordability		
Median Home Value/Metro Median Income	2.54	4.14
Median Income	\$50,606	\$68,376
Median Home Value	\$158,300	\$293,457
Income Needed to Pay Median Rent	\$35,200	\$46,218
Severely Cost Burdened Renters	26.3%	23.1%
Housing Quality		
Vacancy Rate	8.6%	9.9%
Seasonal Vacancy	0.4%	2.5%
Homes Built Pre-1940	31.2%	11.8%
Home Built Post-1990	11.9%	33.5%







	Erie	All PA Counties
Population Size & Growth		
Population Change, 2009-2019	-0.02	0.03
Population (2019)	273,835	646,808
Housing Affordability		
Median Home Value/Metro Median Income	2.60	3.03
Median Income	\$51,529	\$65,203
Median Home Value	\$134,100	\$200,127
Income Needed to Pay Median Rent	\$30,120	\$39,503
Severely Cost Burdened Renters	24.3%	19.0%
Housing Quality		
Vacancy Rate	9.1%	9.4%
Seasonal Vacancy	1.3%	1.5%
Homes Built Pre-1940	27.1%	25.3%
Home Built Post-1990	18.8%	21.1%



# Policy recommendations for affordable communities with shrinking populations

#### Diagnosis:

 Housing market conditions (older homes, low values, borderline-high vacancy) are reflection of larger economic issues (population & job loss).
 Housing policies alone cannot fix those issues.

#### • Solutions:

- Provide subsidies for improving housing quality
- Adopt strategies to reduce vacant housing
- Local governments will need state and federal financial assistance
- Expand vouchers or income supports for low-income renters



# Policy recommendations for high-cost, growing counties

- Diagnosis policymakers :
  - Housing is expensive because supply has not kept up with demand.
- Solutions:
  - Increase housing supply
  - Make it easier to build small, moderately-price homes
  - Make development process simpler & shorter
  - Expand vouchers for low-income renters
  - Need for seasonal workforce housing?
  - Housing conditions can vary across submarkets within large counties.



# Policy recommendations for moderate-cost, growing counties

- Diagnosis:
  - The county's overall housing market is healthy
- Solutions:
  - Monitor conditions for early warning signs
  - Expand vouchers or income supports for low-income renters
  - Housing conditions can vary across submarkets within large counties



### Thank you!

tim.shaw@aspeninstitute.org



**y** @tshawDC





# **Presenting Now**



# **Christie Mahany**

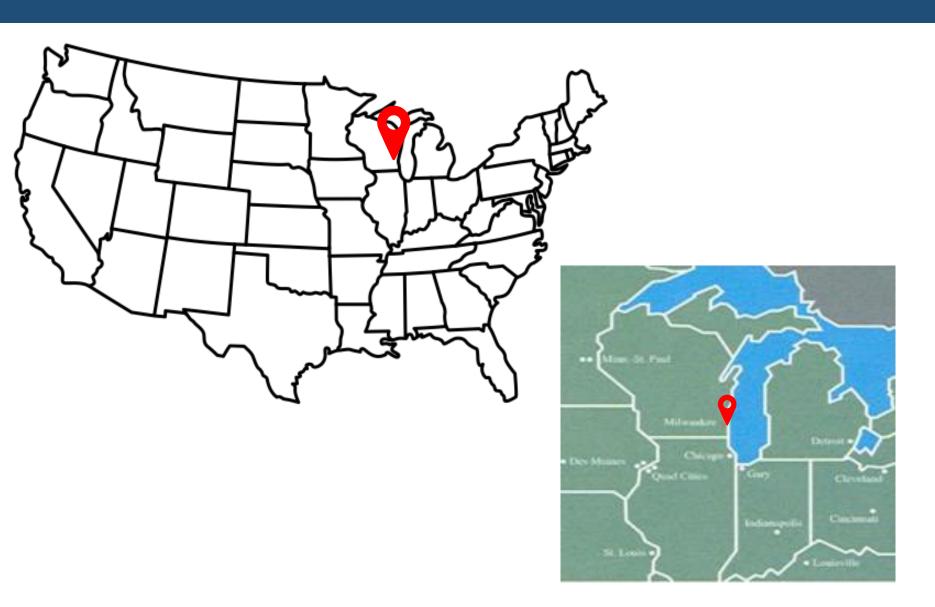
Executive Director
Erie County Land Bank
Erie County, Pa.





## Milwaukee Overview





#### **Data**

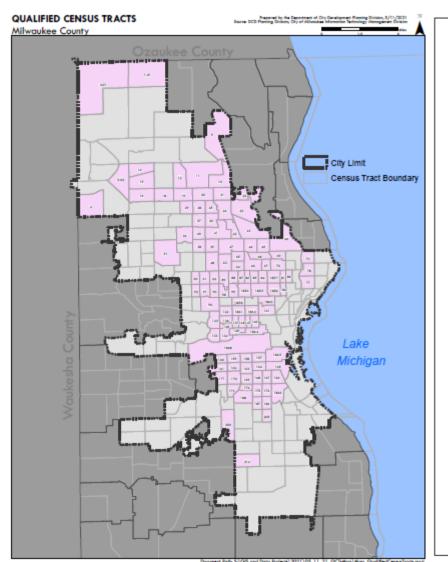
- Pop. 577,222
- County AMI \$58,700
- 41% Owner
   Occupied Housing

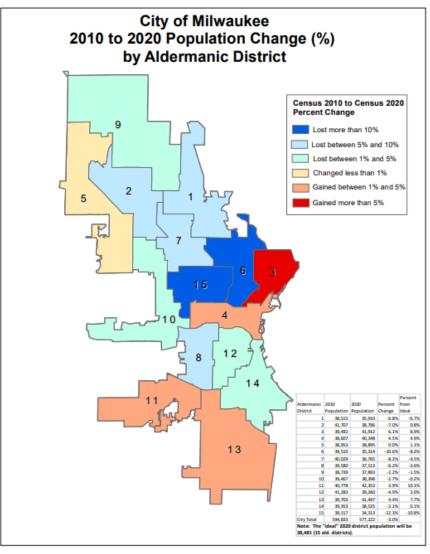
### Milwaukee Plans



#### **Major Concerns**

- Homeownership
- Housing Affordability
- Housing Safety
- Wages







# Community Development Alliance Plan



### **Organizing the Experts**

- Owner Offense
  - Increase Black & Latinx Homeownership
- Rental Offense
  - Create new units

- Owner Defense
  - Preserve Black & Latinx Homeownership
- Rental Defense
  - Preserve existing units

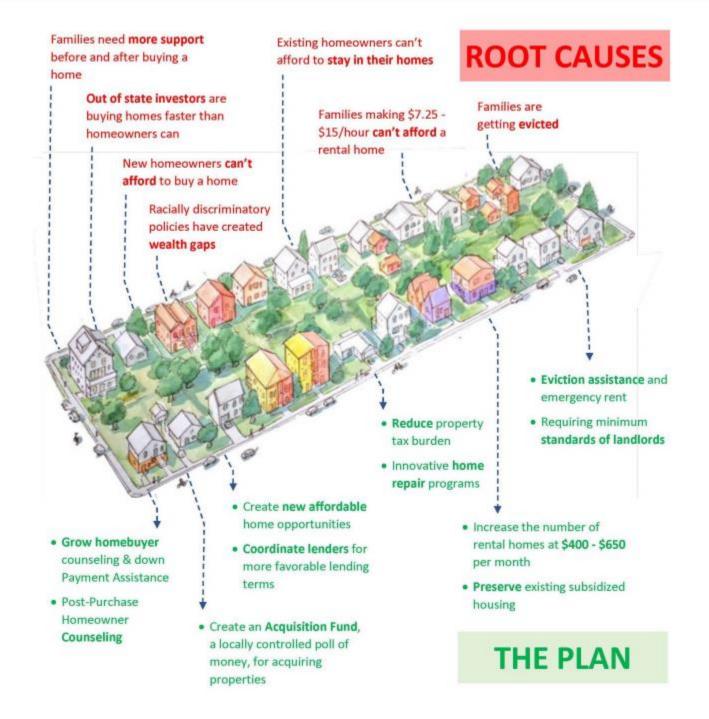
\$32/hour \$67,050 Market Strategies (out of scope)

Milwaukee Affordable Housing Plan

\$7.25/Hour \$16,763

Continuum of Care Planning & Strategies

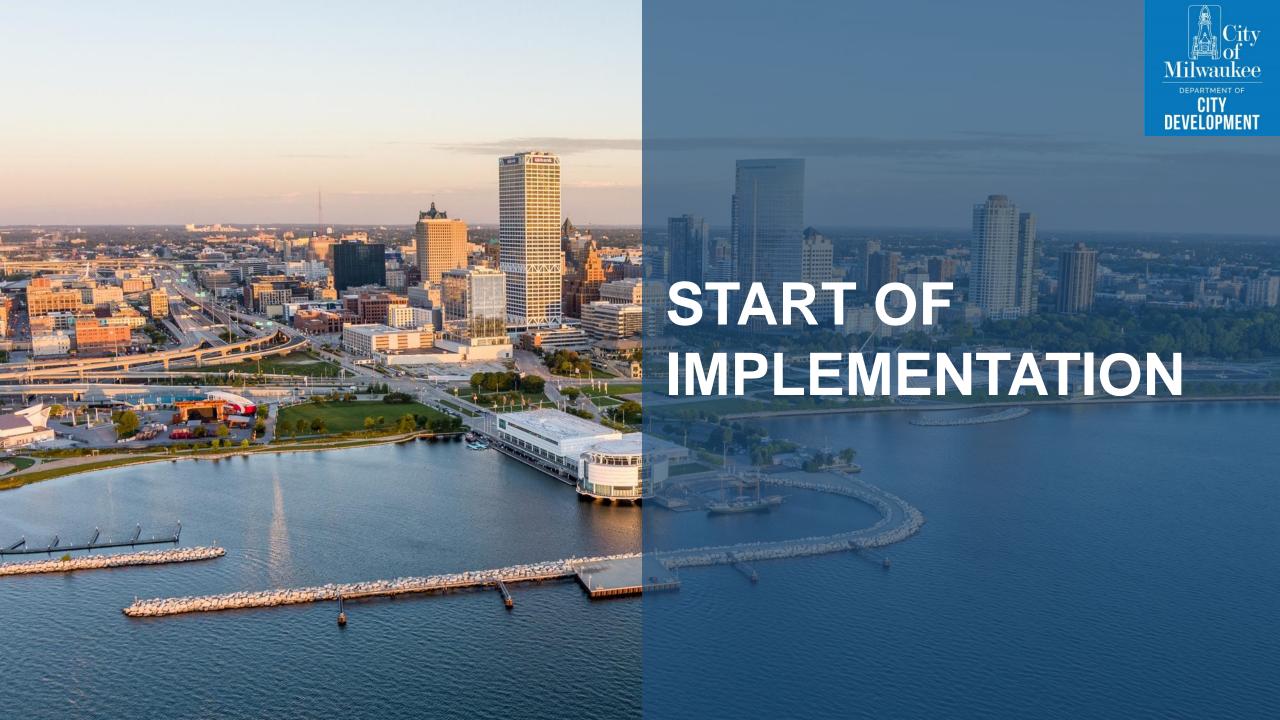
(out of scope)



#### The Plan



- Homebuyer Counseling
- Down Payment Assistance
- Acquisition Fund
- Coordinate Lenders
- Affordable Housing
- Reduce Property Tax Burden
- Home Repair Programs
- Increase Rentals \$400 \$650/Mo
- Preserve Subsidized Housing
- Eviction Assistance
- Emergency Rent Assistance
- Landlord Standards







#### **Housing Focused Initiatives**

- In Rem (Tax Foreclosure) Initiative Homeowner & Renter Offense
- Support & Expand Existing Housing Programs Homeowner & Renter Offense & Defense
- Targeted Demolition Homeowner & Renter Defense
- Compliance Loans Homeowner Defense
- Environmentally Friendly Housing Homeowner Offense
- Lead Abatement Homeowner & Renter Defense
- Right to Counsel Renter Defense

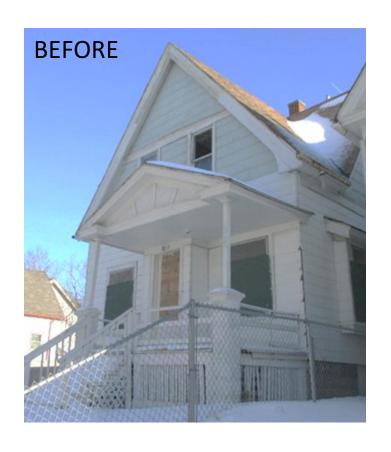
#### **Companion Initiatives**

- Job Training
- Early Childhood
- Reckless Driving and Other Safety Programs

# **Example: In Rem Initiative**



#### ARPA Funded - 150 Homes at \$100,000 Each





SAMPLE INTERIOR



# **ACRE: Supporting Developers of Color**









"ACRE provided a perfect blend of real estate theory and practice. It also provided access to people, places, and information that could otherwise take years to get access to outside of the program."

— Felix Castro, 2017 Graduate

## **Preliminary Discussion Areas**

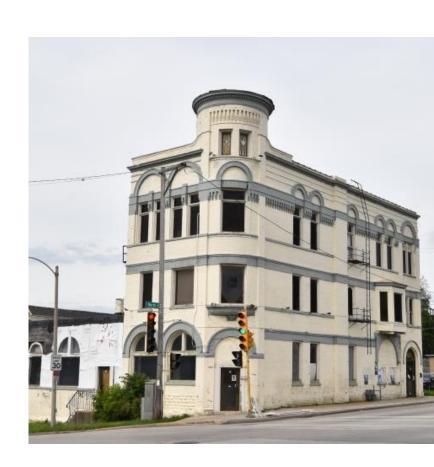


#### **Using ARPA Funds for Existing City Programs**

- Program Coverage Area QCTs vs. City-wide
- Implementation Contractors & Materials
- Renovation Standards
- Reporting Requirements

#### **Unfunded ARPA Projects**

- Gap Funds for Existing Affordable Housing Projects
- Brownfield Remediation
- Commercial Property Renovation Fund
- Rental Housing Resource Center



# **Thank You!**

Connect with us





@MilwaukeeDCD



@MilwaukeeDCD



@MilwaukeeDCD

Amy E. Turim
<a href="mailto:aturim@Milwaukee.gov">aturim@Milwaukee.gov</a>
414-286-5732





# Q&A

# Please type your questions into the Q&A box now.





# THANK YOU!

#### **NACo's Economic Mobility Leadership Network:**

https://www.naco.org/resources/signature-projects/economic-mobility-leadership-network

#### **NACo Contact:**

Katie Sullivan - ksullivan@naco.org

#### **NLC's Equitable Economic Mobility Initiative:**

https://www.nlc.org/initiative/equitable-economic-mobility-initiative/

#### **NLC's Economic Mobility Peer Network:**

Sign up: <a href="https://www.emailmeform.com/builder/form/b4c53f78h8QjGv046fqd">https://www.emailmeform.com/builder/form/b4c53f78h8QjGv046fqd</a>

#### **NLC Contact:**

Courtney Coffin – coffin@nlc.org

