



The I. Donald Turner Salute to
Innovation and Leadership in Affordable Housing
A One-Day Symposium and Prize Lunch

Wednesday, January 31, 2007
8:15am – 2:15pm
The Latham Hotel
3000 M Street NW, Washington, DC

Presented by:
Family and Friends of I. Donald Turner
The Center for Community Innovation, University of California –Berkeley
The College of Environmental Design, University of California –Berkeley
The Fisher Center for Real Estate and Urban Economics, University of California –Berkeley

NOTES FROM SYMPOSIUM

8:15-8:45am **Registration and Coffee**

8:45-9:15am **Welcome and Framing the Scene for the Day**
Introductions: Harrison Fraker, Dean College of Environment

1. Rep. Barney Frank, Congressman, Massachusetts

9:15-10:30 **Housing Policy at the Federal and State Levels**
Introductions: Doug Abbey, IHP Capital and Chair of the Turner Prize Advisory Council
Moderator: Barbara Thompson, National Council of State Housing Agencies
Panelists:

2. Nic Retsinas, Joint Center for Housing Studies, Harvard University

3. Bryce Maretzki, Pennsylvania Department of Housing and Community Development

See PowerPoint. Key Points:

- Principles (CAT)
 - i. Proactive v. Reactive
 - ii. Engagement v. Application
 - iii. Market Driven
 - iv. Fix-It-First
 - v. Impact (Scope and Scale)
 - vi. Think Regional - Act Local
 - vii. Link to Economic Revitalization
 - viii. Measurable

- Approach (CAT)
 - i. Modeled on business recruitment: Governor's Action Team (GAT)
 - ii. Single point of contact
 - iii. Silo integration
 - iv. Inter-agency coordination
 - v. Away from mail-in applications
 - vi. Based on local priorities
 - vii. Strong local capacity/leadership
 - viii. Strategic focus on revitalization

- Results
 - i. \$318 million invested
 - 1. \$457 million leveraged
 - ii. 49 CAT designated "core communities" projects across state
 - 1. Goal: 150 projects by 2010
 - iii. Changing community and economic development interface
 - 1. Focus on the revitalization of older towns, cities and boroughs
 - iv. Fighting outward investment of 50 years
- Challenges and Barriers
 - i. Over 2,500 units of local government + 501 school districts
 - ii. Pervasive fiscal distress in communities
 - iii. Legacy of sprawl and urban core "hollowing"
 - iv. Transitioning economy
 - v. Lagging job and population growth/diversity
 - vi. Integration of education in revitalization
- Opportunities
 - i. Four more years
 - 1. Visionary Governor who "gets it"
 - ii. Much more diverse economy
 - 1. New industries, growing global awareness
 - iii. Recognition of Ed's and Med's as asset
 - 1. Over 265 colleges and universities
 - iv. Alignment of issues and leadership
 - 1. Local/regional efforts, willingness to invest

4. Buzz Roberts, Local Initiatives Support Corporation

Open Discussion Notes:

With the cost of construction escalated the Section 42 Tax Credits are not longer working for us.

- Issue for home owners all over
- Get rid of penalties with substances
- Has to continue to serve low income
- Improve tax exempt bond programs
 - o 40% of financing is bond finance

Work Force Housing

What is LISC calling work force housing?

- Programmatic approaches
- First definition local (varies)
- Home ownership tax credit working similarly
- Bond financing
- 40-30% of medium income – is harder group to serve with housing credit
- Term
 - o Boston 80-120% medium
 - o Careful to use term to set people against each other
 - o Negative image of housing by mill site
 - o Homes for working families

- Some people don't / can't work – don't lose sight of them

Coordination of Industries

- Coordination of funding services
 - Time spent (how to make it better)
- Strategies
 - Work better together confirming /rationalizing rules
 - New resources – do not add bells and whistles that trip up others
 - Example- trust fund
 - Lets get resources in one pot

State level support

- Trying to improve funding
- HUD development regulation for Section 30
 - Forget to re-capitalize /re-furbish existing housing needs to be added into flow of funds

Concern about targeting lower income (special needs)

- Bond programs
- Challenge – support services
- How do you come up with funds to serve? – Careful when targeting

Comprehensive approach with environmental levels (sustainability) at policy levels

- Many state housing agencies are including
- How do you make it happen?
 - Energy credits don't produce penalties with housing credit
 - One utility licenses – reflect energy lost saving in building allowance calculations

Public Sentiment

- Don's Passion – to articulate public sentiment
 - Not doing so well / struggling
 - Difficult to get congress to see housing as an issue
 - Not doing as good of a job as we could be
 - Way to tell story is interview people doing the project
 - Have you ever seen a healthy homeless person? – The "Oh, I get it." Response
 - Look at what locals do (innovation)
 - Do operating census
 - How to improve program?
 - Serves a variety of needs

How do we fund services at sustainable long-term level?

- GSE Bill (look at 3rd)
- Taking a look back at older programs
 - Will be fixes – don't lose site of what we have learned in the last 10 years
 - All tax credits – should have waiver to vary at local level
 - Key Lesson – flexibility, targeting, policy

Speaking different languages – trying to communicate

- Co-housing
- Partnership with occupants

- Fixing NIMBY attitude
- Wealth building and capacity building

10:30-10:45 **Break**

10:45-12:45 **Innovations in Affordable Housing**

Introductions: Heather Hood, Center for Community Innovation

Moderator: Marty Jones, Corcoran Jennison, Inc.

Panelists:

1. Carol Galante, BRIDGE Housing -Mixed income and ownership innovations
2. David Rusk, Consultant -Inclusionary housing
3. Ray Gindroz, Urban Design Associates -Designing for affordability

See PowerPoint.

4. Ed Connelly, New Ecology - Going green and affordable?

See PowerPoint. Key Points:

- Green Affordable Housing:

- What does it mean to be green?

- Energy and water conserving
- Healthy, improved IAQ
- Durable
- Siting
- Materials

- Green? Why Should I Care?

1. Global Warming
2. Operations Costs
3. Risk Mitigation
 1. Major Risk Factors Addressed by Green Strategies
 1. Poor design and construction
 2. Cost overruns
 3. Higher Than Projected Operating Costs

- *Where are the leaders going?*

1. *Green with no cost Premium*
2. *Zero Energy Homes*
3. *Green Renovations*
4. *Alternative Funding*
5. *Green Management*

Open Discussion Notes:

Oakland – Inclusionary Zoning

- California laws that trigger with housing – pay to play
- Lot more effort needed to put yourself in builders shoes
- Win, win approach

Developers get funding but then get caught up at the city level

- Cities not for innovation

- In midst of culture change and it has to permeate society
- Documents for Louisiana – going to all levels of the state
- Get in there early and promote broader level of programs
- Better design, planning and presentations of what you are doing

30-40% Support Housing

What populations mix?

Experience with mixed income?

- Proportion – lowest/low less than 30% mix at high proportion issues of marketability
- 50% affordable – 50% median
 - o 15-20% low – no one knows the difference
- Location
 - o Economic/racial integration
 - o Seen as a regional difference in dynamic

Ways to reduce energy costs?

- Next agenda for affordable housing energy efficiency
- Two Tier Utility Allowance (California Program)
 - o Provides incentive to developers who build efficiency
 - o Look for ways to incorporate in tax credits

12:45-1:30 **Lunch**

1:30-2:00 **2007 Prize for Innovation and Leadership in Affordable Housing**

Moderator: Doug Abbey, AMB Properties

Inspiration for the prize: Doug Abbey

Acknowledgement of Sponsors: Doug Abbey

Jurors' Summaries: John King, Juror, San Francisco Chronicle

Finalist Awards Presentation: Turner Jury - Elinor Bacon, ER Bacon Development, LLC ;

David Baker, David Baker + Partners; Mike Pitchford, Community Preservation &

Development Corporation; and Geoff Wooding, Goody Clancy

Brief video presentation

Winners' Award Presentation: Doug Abbey

2:00-2:15pm **Update on ULI Workforce Housing Initiative**

1. Ron Terwilliger, Trammell Crow Residential