

# Partners in Innovation

NATIONAL SYMPOSIUM AND POLICY FORUM

STRATEGIES FOR YOUR COMMUNITY...

- Equitable Transit Oriented Development
- Rental Housing Preservation
- Affordable and Workforce Housing

DENVER, CO | SEPTEMBER 27-28, 2010



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# National Housing Conference

## United in Passion, Vision and a Commitment to Affordable Housing

Since 1931, the National Housing Conference (NHC) has been dedicated to helping ensure safe, decent and affordable housing for all in America.

NHC has earned its reputation as the *United Voice for Housing* by actively engaging and convening its membership in nonpartisan advocacy for effective housing policy solutions at the local, state and national levels.

Our members include organizations and individuals representing all sectors of the affordable housing field, including nonprofits, for-profits, financial institutions, housing agencies and associations, builders, developers, real estate and law firms, and social service organizations.

Together, we share a passion and vision for affordable housing, and a commitment to low- and moderate-income Americans who have the right to a safe, decent and affordable place to call home.

## Our Priorities

- ▶ **Prevent** Foreclosures and Stabilize Impacted Neighborhoods
- ▶ **Help** Working Families Meet Their Housing Challenges
- ▶ **Strengthen** the Nation's Housing Finance System
- ▶ **Improve** the Coordination of Housing, Transportation and Energy Policy
- ▶ **Support and Strengthen** Federal Low-Income Housing Programs

## Join Us Today!

To learn more about NHC and becoming a member, please visit [www.nhc.org](http://www.nhc.org) today!



## Developing Solutions Through Research

In partnership with NHC and its members, the Center works to broaden understanding of the nation's housing challenges and to examine the impact of policies and programs developed to address these needs. Combining research and practical, real-world expertise, the Center helps to develop effective policy solutions at the national, state and local levels that increase the availability of affordable homes.

## Our Goals

**Expand** awareness of the nation's housing needs through attractive, readable publications that provide practitioners, policymakers and advocates with the facts they need.

**Identify** proven and promising solutions to the nation's housing challenges, which the Center presents through innovative Web resources such as HousingPolicy.org and Foreclosure-Response.org, as well as special-interest publications.

**Work** to identify the important connections between stable, affordable housing and other social objectives including:

- ▶ Improved health
- ▶ Stronger educational outcomes
- ▶ Economic development
- ▶ Environmental sustainability

**Build** the foundation for the next generation of housing and related policies through forward-looking research on housing trends and the strategic analysis of policy options.



# Thank You

## Thank You Enterprise Community Partners

The National Housing Conference and Enterprise share a long-term commitment to empowering low-income individuals, families and communities with green, affordable and transit accessible housing. NHC gratefully acknowledges Enterprise's support of the 2010 *Partners in Innovation* forums and national symposium. Enterprise participated in the regional preservation forums in Boston and Portland, OR, served on the national and local planning committees for the Denver events, and provided financial support for the national symposium and this proceedings report.



# Acknowledgments

## Planning Committee

The National Housing Conference and Center for Housing Policy wish to thank the following organizations for their support as members of the symposium and policy forum planning committees.

City of Denver  
Colorado Housing Finance Authority  
Denver Housing Authority  
Denver Office of Economic Development  
Denver Office of Strategic Partnerships  
Denver Regional Council of Governments  
Enterprise Community Partners, Inc.  
FRESC: Good Jobs, Strong Communities  
Ford Foundation  
John D. and Catherine T. MacArthur Foundation  
National Housing Trust  
Reconnecting America  
Regional Transportation District  
Smart Growth America  
Surdna Foundation  
TOD Associates  
Transportation for America  
Urban Land Conservancy

## Professional Services

The National Housing Conference and the Center for Housing Policy gratefully acknowledge the following individuals and organizations for their support in executing *Partners in Innovation*.

### Communications

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*Communi-k, Inc.*  
Laura Kregle Nickle  
*Communi-k, Inc.*

### Graphic Design

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# Conference Proceedings

## OVERVIEW

In opening remarks at the *Partners in Innovation* National Symposium, Shelley Poticha, Director of the Office of Sustainable Housing and Communities at the U.S. Department of Housing and Urban Development (HUD), relayed the recurring message that HUD received during listening sessions for the Sustainable Communities program: “sustainability equals inclusion.”

Sustainability and inclusion were also the overarching themes of the *Partners in Innovation* National Symposium and Policy Forum, hosted by the National Housing Conference and Center for Housing Policy on September 27 and 28, 2010 in Denver, Colorado. The events brought together more than 200 leading practitioners and policymakers from across the country to discuss strategies for developing and preserving transit-accessible housing that includes homes affordable to low- and moderate income individuals and families. Throughout both days’ sessions, participants returned to these themes while describing policy innovations, sharing case studies, and exchanging stories and strategies.

### The growing demand for transit-oriented development

As noted throughout *Partners in Innovation*, many communities have experienced a shift in the geography of opportunity, as once-neglected areas now attract higher-income residents drawn to the convenience and vibrancy of urban centers and transit hubs. This promise, however, comes with a challenge: How do we build vibrant, diverse, and *inclusive* communities that offer a home to households at all income levels? As Geoff Anderson, President and CEO of Smart Growth America, argued, “It is not good enough to limit affordable housing to areas where transportation costs are high; nor is it sufficient to create exclusive transit-oriented communities.”



Maureen Friar, National Housing Conference, with Shelley Poticha, U.S. Department of Housing and Urban Development and Jeffrey Lubell, Center for Housing Policy

According to a recent report from Reconnecting America, by 2030 more than half of the potential demand for transit-accessible homes will come from households with below-median incomes, many of whom rely on public transit to get to work and run errands. Some of these families may have previously adopted a “drive ‘til you qualify” mentality and, failing to factor in the added cost of getting around in low-density car-dependent outlying areas, found their savings on housing consumed by the increased cost of transportation. As the country’s population ages, a growing number of older adults will need a range of affordable housing and transportation options in order to continue living independently.

Still other families have long lived near existing or proposed transit stations, and may be vulnerable to displacement as these neighborhoods grow in popularity and infrastructure investments begin. Transit-oriented development is often viewed as an opportunity for new construction and development, but in many communities the preservation of existing affordable rental properties is an essential complement, enabling long-time residents to benefit from new opportunities and amenities.

This report synthesizes the proceedings from the *Partners in Innovation* National Symposium and Policy Forum and highlights key findings and takeaways, including components of a successful strategy to create and preserve inclusive transit-oriented development; strategies for promoting development while avoiding the displacement of existing residents; and the connections between location efficiency and energy-efficient homes.

## MAKING IT WORK

**D**rawing inspiration from opening sessions that highlighted the Administration’s vision for sustainable communities and success stories from Portland, Oregon and California’s Bay Area, breakout sessions at *Partners in Innovation* focused on the “nuts and bolts” of achieving and sustaining affordable transit-oriented development (TOD).

Topics covered during the breakout sessions include:

- ▶ Developing and maintaining partnerships across sectors and levels
- ▶ Choosing “opportunity” sites for preservation and development of new affordable homes
- ▶ Paying for it — special strategies for financing transit-accessible development
- ▶ Applying housing policy tools strategically to promote sustainable transit-oriented development



*Transportation for America’s Director, James Corless, outlines the importance of preserving affordable housing near transit within the context of the current housing and economic crisis.*

## Developing and maintaining partnerships

Nearly all speakers emphasized partnerships — both across sectors and among local, state, and federal stakeholders — as essential to the creation and preservation of affordable housing near transit. Meaningful partnerships enable greater cooperation in the development and administration of policies and programs, and allow members to leverage each others' strengths and resources for the community's benefit. Over both days, the federal Interagency Partnership for Sustainable Communities, which was established in 2009 between HUD, the U.S. Department of Transportation (DOT) and the Environmental Protection Agency (EPA), was held up as an example of promising cross-sector coordination. Many speakers mentioned that federal policy has already started to align across silos because of the success of this cooperative effort, and advocated for replicating the Partnership at the state and local levels (discussed below).



*Seema Iyer, City of Baltimore Department of Planning, presents during the breakout session on "Interagency Coordination at the State and Local Level".*

Speakers cautioned that it is important to keep in mind partners' limitations as well as their strengths. As an illustration of these limitations, James Corless, Director of Transportation for America, pointed out that transit agencies may not be well-equipped to lead advocacy efforts on behalf of affordable housing or other land use decisions. Transit agencies can have a role, however, in helping to make development easier — by supplying surplus land formerly used as a construction staging area, for example, or financing related improvements and infrastructure that enable new transit-oriented development (TOD), such as sidewalks or bike paths. The shared values and contributions among partners create and strengthen successful partnerships.

## Replicating the federal partnership at the state and local levels

In their panel on regional partnerships in the Rocky Mountain states, HUD Regional Administrator Rick Garcia, EPA Sustainability Coordinator Cynthia Cody, and DOT Regional Administrator Terry Rosapep spoke about the importance of regional partnerships that mirror the federal partnership for sustainable communities. All panelists agreed that the federal partnership must be replicated among states and localities, which bear primary responsibility for implementing federal policy and making land use decisions.

Participants cautioned that this process will not be easy, and that in many instances local and state housing and community development departments do not have a history of working with each other, or working with their colleagues in other sectors — a barrier that must be overcome for these partnerships to be effective. Seema Iyer, Chief of Research and Strategic Planning with the City of Baltimore Planning Department, highlighted a 2007 summit that brought together representatives from the State of Maryland and the City of Baltimore to provide a venue for state and local officials to work together and develop coordinated TOD strategies. Representatives from the Denver Housing Authority and the Colorado Housing Finance Agency also described efforts to improve



*Michael Bodaken, National Housing Trust, and Robin Snyderman, Metropolitan Planning Council, catch up before the morning plenary sessions.*

coordination between their organizations, which have been critical for funding affordable transit-oriented development in the Denver area.

Speakers also made it clear that a common language needs to be developed in order for effective communication across industries. Catherine Cox-Blair, Program Director at Reconnecting America and the Center for Transit-Oriented Development, explained that housing authorities, community development corporations, non-profits and developers have to understand metropolitan planning organizations and transit agencies' programs and policies in order for these partnerships to be effective. Similarly, housing practitioners should familiarize partners with their initiatives.

Recognizing the benefits of working across agencies, Denver's Mayor Hickenlooper institutionalized the partnerships that enable affordable transit-oriented development through creation of the Denver Office of Strategic Partnerships, which was established in 2004. Dace West, Co-Director of the Office, and Jeff Romine, Director of Business and Housing Services at the Denver Office of Economic Development, both discussed how important structural partnerships have been for the preservation of affordable housing near transit. As one speaker noted, formally-recognized collaborative efforts help to break down silos and move staff from saying "It's not my job," to "No one can do it alone."

The following sections focus on finding sites and financing affordable TOD. Partnerships across industry sectors and levels of government remain central to both of these activities.



*Rob Richardson,  
National Housing Trust*

## Choosing “opportunity” sites

Identifying and securing appropriate sites may be the most critical and the most challenging part of developing and preserving affordable TOD. Typical factors that characterize “opportunity sites” include access to jobs, services and fresh food, and high-quality schools; neighborhood safety; and diversity. Notably, as some speakers pointed out, “opportunity” sites and “transit-accessible” sites do not always align: Not all transit stops are suitable for housing, and many otherwise-desirable “opportunity” sites are far from existing or proposed transit stations.



*Art Rodgers,  
District of Columbia Office  
of Planning*

Tom Weyandt, Director of Comprehensive Planning for the Atlanta Regional Commission (ARC) noted that proximity to transit need not be the only factor influencing sustainable development. He described ARC’s Livable Centers Initiative Program, which encourages local governments to link transportation and housing planning, particularly within areas described as activity or town centers, and along transit corridors. Developments supported through this program have created more than 84,000 residential units along with significant hotel, commercial, and office space. However, the program did not start as a transit-oriented program, and continues to focus on infill development, making communities more walkable, and providing alternatives to personal vehicles for residents of neighborhoods that may not ever have transit access. Similar strategies may apply in rural areas that do not have the population density to support public transit, and speakers emphasized the importance of creative solutions, such as vanpools and ridesharing programs.

## *Importance of acting early*

All speakers agreed on the importance of acting early when developing affordable TOD, particularly when choosing the site, in order to get ahead of escalating land values. The current economic downturn and slowdown in development provides an opportunity for more long-term planning and, in some cases, for securing and holding desirable land well in advance of proposed transit investment. Nadine Fogarty, a Principal at Strategic Economics, reported on research indicating that transit-accessible neighborhoods have fared better in the downturn than other areas in the same region. Since areas around new and proposed transit lines will likely hold their value in future downturns, it is critical for non-profit organizations and government agencies with limited budgets to act quickly.

## *Difficulty of assembling parcels*

The difficulty of assembling parcels can be an obstacle to development of affordable, transit-accessible homes, because of high land costs and the challenge of working with multiple owners. However, Robin Kniech, Program Director and Staff Attorney with FRESC, described opportunities for joint development that

ease the process of assembling parcels for affordable TOD. Through joint development, transit agencies make available land that they already own for development of affordable housing. Kniech noted that housing practitioners can benefit from engaging with transit agencies to identify these opportunity sites: While transit agencies do not function primarily to provide affordable housing, affordable housing often supports the agency's mission and goals by promoting increased ridership and market sustainability.

### Paying for it

Assembling financing for the development of affordable housing is difficult on its own; putting together a financing package for affordable TOD adds another layer of complexity. Enterprise Community Partners Vice President of Public Policy and Government Relations Adrienne Quinn laid out the main steps for funding affordable TOD, including planning, partnering, targeting, and layering of sources, acknowledging that each step presents its own challenges. Every project comes with different financing requirements and timelines, and the need to layer multiple sources means different restrictions and requirements at different times and positions. The following are some ways to help make financing these developments easier.



*Mike Pacheco, Colorado Housing Finance Agency, presents at the "Resources and Challenges for Green Preservation" breakout session.*



*Maxine Fitzpatrick, Portland Community Reinvestment Initiatives, Inc., asks Poticha a question during the morning plenary session.*



*Panelists from the breakout session on “Philanthropy’s Role in Affordable Transit-Oriented Preservation” (left to right): Allison Clark, John D. and Catherine T. MacArthur Foundation; Lee Sheehy, McKnight Foundation; Don Chen, Ford Foundation; and Anne Garcia, Rose Community Foundation.*

### ***Leverage all available resources across industries, levels of government, and silos***

It is critical to break down silos not only to make it easier to work with different organizations and agencies but to identify different funding opportunities available to those organizations and agencies. Debra Bustos, Director of Real Estate at the Urban Land Conservancy, talked about the Dahlia Apartments in Denver, which were the first apartments purchased through the Denver TOD Fund, a \$15 million fund created to support the acquisition of properties targeted for affordable housing and community development. The property had been foreclosed, so partners working with the TOD Fund were able to leverage Neighborhood Stabilization Program funding in connection with other state and local funding sources to acquire and rehab the building.

Denver Housing Authority (DHA) Director of Development Chris Parr added that the TOD Fund has enabled the Denver community to chase funds that they never would have thought of going after, including federal and local funding sources ranging from Capital Fund Financing, LIHTC, New Market Tax Credits, and TIGER II and Community Challenge Grants available through the Department of Transportation.

Event attendee Jim Brooks, Program Director at the National League of Cities, noted that similar efforts to combine various funding sources are the key to managing the development process, but cautioned that many small localities



*Melinda Pollack,  
Enterprise Community  
Partners, Inc.*

have inadequate capacity to put together such complex deals. This process has been made easier for municipalities and nonprofit developers in Minnesota by the creation of the Interagency Stabilization Group, a collaborative effort among state agencies. As described by Commissioner Dan Bartholomay of the Minnesota Housing Finance Agency (MinnesotaHousing), the group has worked together to create a one-stop shop for housing funding by offering a super-RFP process, through which developers submit a single proposal for funding through multiple programs. Since it was launched in 1993, the group has awarded \$90 million to help preserve more than 5,000 units of affordable housing.

### ***Role of regional funding collaboratives***

Regional funding collaboratives provide an opportunity for foundations and other philanthropic entities to play an active role in supporting affordable housing development. These collaboratives are extremely valuable in terms of their unique position to use resources strategically, meeting shared goals for a region and increasing the impact of local efforts. Don Chen, Program Officer at the Ford Foundation's Metropolitan Opportunity Initiative discussed a couple of successful examples of these regional funding collaboratives. The "One Region" collaborative is a partnership of private funders from Connecticut, New York, and New Jersey that fosters learning and working together to advance and support transportation planning and reform in the Tri-State region. Another example is the Great Communities Collaborative in the Bay Area, where funders partner to plan for TOD through policy reforms, sharing best practices, leveraging private capital, and building power for equity and justice. Several participants pointed to the need to coordinate these regional collaboratives at the national level to share lessons learned.

### ***Special challenges to using Low-Income Housing Tax Credits for preservation and new construction in TODs***

While preservation of affordable units is a challenge in its own right, preserving subsidized or otherwise affordable rentals in transit-oriented districts with rapidly-rising property values carries additional challenges. Preservation can be more economical than new affordable housing development, depending on the condition of the housing and market conditions, but requires additional layering of scarce subsidies to reach the lowest-income families. The recent downturn in the Low-Income Housing Tax Credit market has made preservation even more difficult.

Additionally, transit-oriented development often means working within a system oriented towards mixed-use development and new construction. Director of Citi Community Capital Brian Dale described how the inclusion of commercial space could be particularly challenging for projects that rely on proceeds from tax credit syndication. If commercial space accounts for more than 20 percent of the development, it can be a concern for equity investors.



*Tom Weyandt, Atlanta Regional Commission, presents during the breakout session, "Public Agencies, Partnerships and Preserving Affordability".*



Scott Bernstein, Center for Neighborhood Technology, speaking during the morning plenary session.

The TOD basis boost in Colorado’s Qualified Allocation Plan (QAP) — which lays out priorities for how the state’s tax credits will be allocated — provides one example of how states can make it easier to preserve transit-accessible affordable rental properties. Incentives in Colorado’s QAP include 15 points for preservation projects, five points for projects located at or near public transit, and requirements that applicants comply with green standards. These additional points have proven so important to a project’s competitiveness that virtually all 2010 Colorado LIHTC applicants have proposed projects within 1,500 feet of transit or bus stations.

### Applying housing policy tools

The multiple stakeholders and considerations involved in transit-oriented development present added challenges and complexity for nonprofit and mission-driven developers of affordable homes; however, with early and careful planning, neighborhoods surrounding transit stations also provide an ideal environment for applying many of the market-based strategies that communities have long been using to create and preserve affordable homes.

- ▶ **Inclusionary zoning ordinances**, for example, require or provide incentives for developers of market-rate homes to set aside a share of the units for low- or moderate-income families. Inclusionary zoning works best in growing neighborhoods, including those undergoing redevelopment as a result of an expanding or revitalized transit system, as affordable units are only created as new homes are built. Art Rodgers, Senior Housing Planner with the District of Columbia Office of Planning, described how Washington, DC’s inclusionary zoning policy helped to support the development and preservation of hundreds of affordable units in the Columbia Heights neighborhood, which experienced rapid growth and home price appreciation after the opening of a Metro station in 1999. Rodgers noted that the District’s inclusionary zoning



Chris Parr, Denver Housing Authority, presents during the breakout session, “The Developers Perspective: Green Affordable Housing”.

policy initially focused on areas near transit stations, but now covers the entire city, a comprehensive approach recommended by other speakers as well.

- ▶ **Tax increment financing districts** allow localities to capture the added tax increment payable as investment leads to increased property values in previously-neglected neighborhoods, and reinvest those funds in public improvements, including affordable housing. Although a strong market and rising property values can make development and preservation of affordable homes challenging, tax increment financing (TIF) uses the momentum of the marketplace to help achieve these goals. Along Atlanta’s BeltLine, a proposed 22 miles of transit around the city, tax assessment districts (the city’s version of TIF) have been created to help fund the development of affordable housing: 15 percent of tax assessment district proceeds supports affordable housing, with a goal of creating 5,600 new homes for working families and individuals.

While inclusionary zoning programs and tax increment financing districts must be established early in order to be most effective, both of these tools generate new resources or affordable units only when the market begins to heat up. In contrast, land banking and other preservation tools, discussed below; rely on getting ahead of the market to secure housing units or developable land for low- and moderate income families.

- ▶ **Land banking** involves the creation of a public or non-profit authority that functions to assemble and hold primarily vacant, abandoned, and tax-delinquent properties until they may be returned to productive use. Communities that have experienced a high rate of foreclosures have created land banks in order to promote neighborhood stabilization; however, this tool may also be used as a means to acquire and assemble strategic parcels for housing near proposed transit stations or areas slated for redevelopment, which are likely to dramatically appreciate in value once development begins. Only 25 percent of Denver’s TOD Fund may be used for the banking of vacant land; in general the Fund places a greater priority on preserving existing properties, including those with federal subsidies, unsubsidized housing that is affordable due to its location and/or condition, and vacant or commercial properties that have potential for conversion to affordable housing units.
- ▶ **Preservation catalogs** and other data-driven efforts enable practitioners to easily identify affordable homes at risk of loss as a result of expiring affordability contracts, foreclosure, or deterioration, and act quickly to keep them in the inventory. Minnesota’s “Preservation Plus Initiative,” supported by funding from the MacArthur Foundation, was created to help the state’s housing finance authority identify gaps in preservation funding and processes, improve early detection of at-risk buildings, increase developer capacity, and strategize to preserve unsubsidized units. MinnesotaHousing also hired a Geographic Information Systems analyst to create a watch list of projects at highest risk of leaving the subsidized stock.



*Noni Ramos,  
Enterprise Community  
Loan Fund*

In her opening remarks, Shelley Poticha challenged attendees to think about what neighborhoods would look like if we could apply, on an as-of-right basis, all of the land use and policy tools that help to create great communities. Many of the speakers throughout the *Partners in Innovation* events noted that the current economic downturn provides an opportune moment to undertake long-term planning and adopt housing policy tools, including those discussed above, to ease the way for inclusive development in the future. Further, building in to each of these policies a requirement for long-term affordability can help to mitigate future site control issues and protect against the high cost of replacing low- and moderate- income units that would otherwise be lost.



Kelly Boyer,  
U.S. Department of Housing  
and Urban Development

## ACHIEVING DEVELOPMENT WITHOUT DISPLACEMENT

Speaking from the perspective of his former role as a transportation planner in the Bay Area, James Corless indicated that efficiently moving commuters to and from the workplace can be considered a transportation success and, simultaneously, a planning failure. Corless noted that transportation targets have traditionally been on mobility and speed, rather than accessibility; however “importing and exporting workers” is not necessarily in our collective best interest. Rather, speakers agreed that communities should strive to create opportunities for workers at all income levels to live in affordable housing that provides access to transit and job centers.

PolicyLink Senior Associate Sarah Treuhaft pointed out the tension in improving distressed neighborhoods, noting that as a community’s desirability increases, the risk of displacing long-time residents also grows. The tools discussed below help to ensure that existing residents have their needs represented and addressed as development proceeds. In concert with some of the housing policy discussed above, these approaches can help to minimize the risk of displacement and enable residents who have weathered hard times in their neighborhood to enjoy the good times, as well.

- ▶ **Charrettes** are collaborative, community workshops that bring together stakeholders to provide feedback and contribute to design and planning processes for proposed developments. Twin Cities LISC Program Officer Gretchen Nicholls described efforts in the Minneapolis and St. Paul, where the “Getting it Done” workshop series on transit-oriented development and walkable communities brought together representatives from a broad range of stakeholder groups, including local government, the development community, and advocacy groups and community-based organizations. The workshops were used to generate a mutual definition of transit-oriented development and identify findings and policy recommendations to be shared with city councils, planning commissions, legislative committees, and other key partners.

Efforts related to the Corridor Development Initiative used a “proactive planning” approach that helped to build relationships and connect residents’ vision with financial realities. Community members were given the chance to

play with building blocks that represent housing and other structures, and then plug their plans for the community into a financial model to see if they would pencil out. With the help of a neutral facilitator, participants left with a deeper understanding of the economic constraints on development and design opportunities; developers gained a better understanding of the community residents' values and goals.

- ▶ **Community benefits agreements** are contracts between developers and neighborhood residents, created to ensure that proposed projects are responsive to local stakeholders' needs. Kate Little, Chairman of the BeltLine Affordable Housing Advisory Board, described the efforts of Georgia STAND-UP, an alliance of community, labor, and faith groups that conducts research, survey work, and community outreach to ensure that low-income households are involved in the planning and implementation of future development,

## Preservation, transit-oriented development, and green affordable housing

Several speakers at *Partners in Innovation* focused on the connections between energy-efficiency, preservation of affordable rental housing, and transit-oriented development. Improving the energy-efficiency of existing rental properties requires building owners and developers to work around existing residents without displacing them and, depending on the condition of the building and the extent of tenant engagement, may not yield the same level of energy performance and savings as new construction. Despite these challenges, practitioners are engaged in innovative work in communities across the country. Some of the agencies and organizations profiled include:

- ▶ Mike Pacheco, Tax Credit Officer at the **Colorado Housing Finance Agency (CHFA)**, talked about the Agency's increasing efforts to support green preservation, particularly near transit. CHFA has incorporated the Enterprise *Green Communities* standards into its tax credit QAP, and most proposals go well beyond the basic energy-efficiency requirements.
- ▶ Heather Lafferty, Executive Director of **Habitat for Humanity of Metro Denver**, talked about the Newland Square project in Lakewood, Colorado. Habitat rehabbed this former Lakewood Housing Authority property

to improve energy efficiency. Located three blocks from light rail, the property is available to homeowners earning between 20 and 50 percent of area median income.

- ▶ **Mercy Housing** President Jennifer Erixon, discussed Mercy's efforts to integrate green practices into all phases of the development process and all on-site programming, including financial literacy classes and resident services.
- ▶ Chris Parr discussed how over the last 10 years, the **Denver Housing Authority (DHA)** has moved from a focus on developing beautiful buildings, to creating energy-efficient beautiful buildings and communities. By incorporating solar and geothermal programs, DHA has been able to reduce operating costs by 50 percent.

Speakers also discussed the value of green preservation from the viewpoint of their tenants. They stated that residents were interested in how this would make their lives better and appreciated the focus on their health. Organizations were also interested in making sure residents were engaged in the process so that they would help in monitoring and reducing their own energy use.



Geoff Anderson,  
Smart Growth America

including around the BeltLine in Atlanta. The group has been able to secure a requirement that all related development pay the prevailing wage and target residents of BeltLine neighborhoods first for job opportunities. In addition, residents will have access to workforce training and apprenticeship programs.

In Denver, Blake Pendergrass, an Organizer at FRESC, discussed how community groups have been able to secure a promise of one-for-one replacement of affordable units, phased redevelopment to reduce the risk of displacement, and the provision of supportive services for community members.

Despite these successes, attendee Kate Allen, Housing Policy Manager of Portland, Oregon's Housing Bureau, noted that we have a long way to go in terms of creating inclusive processes and listening to historically-underrepresented communities. Ensuring that all stakeholders have the opportunity to provide input requires a comprehensive and thoughtful community engagement plan with clear goals and objectives, a process that can take time and effort.

## WRAP-UP: HOW DO WE ACHIEVE THIS VISION?

Throughout *Partners in Innovation*, speakers and participants returned to three key themes to guide future action:

- ▶ Ensure that local actions add up to national movement
- ▶ Focus on changing the process and changing mindsets
- ▶ Make the movement relevant despite politics

Each of these steps is discussed on the following pages in greater detail.



Allison Brooks, *Reconnecting America*, moderated the second plenary session featuring examples of the Bay Area and Portland, OR regions. Panelist included Ken Kirkey, Association of Bay Area Governments, and Jillian Detweiler, TriMet.

### Ensure that local actions add up to national movement

In her opening remarks, Shelley Poticha spoke about the federal government's responsibility not only to design programs that respond to the needs of local communities, but also to provide oversight and ensure that on-the-ground activities across the country "add up to real positive national movement." The federal government also has a role in identifying and supporting innovative practices coming out of states and localities, and empowering and enabling that innovation in a nationwide basis.

Poticha noted that while designing the Sustainable Communities Initiative, HUD — in a move that Poticha described as "earth-shattering" — asked for feedback from practitioners. She added that this feedback proved to be incredibly useful in informing program development. From the federal level down, soliciting and acting on feedback from stakeholders who are affected by policy and development decisions — whether state and local practitioners or neighborhood residents — helps to generate buy-in from stakeholders "on the ground" and ensures that program design is responsive to practitioners' needs and priorities. HUD is taking further steps to achieve this vision through the appointment of 65 "sustainability officers" in ten regions, representing every program office within the Department. These officers will work to formalize HUD's commitment to interagency partnerships beyond the Beltway.

### Focus on changing the process and changing mindsets

Illinois' passage of the *Housing and Transportation Act* earlier this year represents an important first step in changing the way that we think about the cost of place. The Act codifies the Center for Neighborhood Technology's H+T Affordability Index, which factors in the combined cost burden of housing and transportation, as a planning tool for state agencies including the Illinois Housing Development Authority, Department of Transportation, and Department of Commerce and Economic Opportunity. If passed, a national version of the Act would broaden the reach of the H+T Affordability Index and link it to the Multiple Listing Service, enabling prospective homebuyers to better understand the potential cost of a new home. This legislative movement represents a major step in changing the processes by which we conceptualize and design programs.

While transit-oriented development has re-emerged as a desirable lifestyle choice for many households, some panelists also pointed to a sustained need to change preferences and mindsets among individuals and families, some of whom may still be getting comfortable with higher-density development. As demonstrated by higher rates of foreclosure in outlying areas, the "drive 'til you qualify" phenomenon created financial pressures that many families were unable to resolve. In addition, sprawling development contributes to traffic congestion and air pollution. Better planning around transit stations and concentrated development in transit-accessible areas would help to lower transportation costs and reduce reliance on personal vehicles.



*Phil Washington, Regional Transportation District, welcomes attendees to Denver during the morning plenary session.*



*Mijo Vodopic, John D. and Catherine T. MacArthur Foundation, networks with attendees over coffee.*

## **Make the movement relevant despite politics**

Poticha noted that when HUD put out a notice of funds available for the Sustainable Communities Regional Planning Grant, applications came in from all 50 states and from communities large and small; suggesting that the desire to create sustainable places is not localized, but is national in scope. At the same time, development of affordable housing and the role of the federal government in land use decisions remain controversial issues in many communities. Positioning these ideas to transcend administrations and political parties will take work, including wide-reaching communications and marketing campaigns. Emphasis on the public health and wellness benefits of transit-oriented development could help to create a broader coalition in support of these efforts. Speakers at a symposium breakout session addressed these connections, noting that some 70 percent of the factors that affect healthcare come from the environment and peoples' lifestyles.

The 2010 gubernatorial races resulted in new leadership in 26 of the 37 states that had a race, presenting both an opportunity and a threat to continued interest in promoting sustainable, inclusive communities. As transition teams look for new ideas for incoming administrations, some participants noted that focusing on the job-creation potential of transit-oriented development could help to generate support.

# Data Sources and Other Resources

To continue the conversations started at *Partners in Innovation*, event attendees were encouraged to visit the **HousingPolicy.org Forum**, an interactive online discussion forum maintained by the Center for Housing Policy that provides a venue for practitioners, policymakers, researchers, and advocates to ask questions, share examples, and learn from one another's experience. The Transit-Oriented Development discussion group (<http://forum.housingpolicy.org/group/tod>) focuses specifically on issues associated with developing and preserving affordable transit-oriented homes. HousingPolicy.org will be enhanced in 2011 to include additional content on developing and sustaining inclusive TOD.

Participants at *Partners in Innovation* also mentioned several other tools that provide additional resources for practitioners and advocates interested in learning more about transit-oriented development and the connections between housing, transportation, and the environment. These include:

## **Equitable Development Toolkit: Transit-Oriented Development**

Available through PolicyLink's homepage at <http://www.policylink.org>

PolicyLink's Equitable Development Toolkit is an online resource providing comprehensive information about 28 strategies to promote integration and investment, prevent displacement, and promote equitable community development. The section on transit-oriented development includes case studies, factors likely to contribute to a successful TOD project, typical challenges to TOD, and policy tools.

## **The Housing+Transportation Affordability Index** <http://www.htaindex.org>

Created and maintained by the Center for Neighborhood Technology, this free data tool helps Americans evaluate the true "cost of place." Among other features, visitors may zoom in on a region to see side-by-side comparisons of the share of income consumed by housing costs alone, as well as housing plus transportation costs, to gain a better understanding of each component affects the household budget.

## **Mixed-Income Transit-Oriented Development Action Guide (MITOD)**

<http://www.mitod.org>

Developed by Reconnecting America and the Center for Transit-Oriented Development, MITOD walks users through a community assessment planning process, and then offers tools to help achieve sustainable transit-oriented development. The site also includes a news section, with links to related releases.

## **Preserving Affordable Housing Near Transit**

<http://www.greencommunitiesonline.org/TOD>

This report, prepared by Enterprise, the National Housing Trust, and Reconnecting America, offers case study examples of projects in Atlanta, Denver, Seattle, and Washington, DC, to help readers better understand the challenges and opportunities presented by efforts to preserve affordable transit-accessible rental housing.

## **Rails to Real Estate: Development Patterns along Three New Transit Lines**

[http://www.reconnectingamerica.org/public/show/r2r\\_final\\_20100915](http://www.reconnectingamerica.org/public/show/r2r_final_20100915)

This report, issued in September 2010 by the Center for Transit Oriented Development, profiles transit-oriented development projects in three markets: the Hiawatha Line in the Twin Cities region of Minnesota, the Southeast Corridor in the Denver region of Colorado, and the Blue Line in the Charlotte region of North Carolina. In particular, the report examines and evaluates development that occurred within a half-mile of transit stations.

## **Regulatory Barriers Clearinghouse Database: Sustainable Communities**

Available through the Database homepage: <http://www.huduser.org/portal/rbcsearch>

Made available through HUD USER, a website supported by HUD's Office of Policy Development and Research, the Regulatory Barriers Database now includes a section on sustainable communities. The new section includes links to sample ordinances, research reports, and legislative updates, all focused on development of sustainable and affordable housing.

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