Public Benefit from Publicly Owned Parcels: Effective Practices in Affordable Housing Development

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Session Agenda

• Research context
• The importance of publicly owned parcels
• Complexities and challenges
• Recommendations and examples
• Action and implementation
• Discussion
Research context

• Funded with the generous support of the JPMorgan Chase Foundation

• Part of Enterprise’s Expanding Supply of Affordable Homes program

• Review of leading practices

• Development of typologies and recommendations

• Technical assistance and research support

• Seattle Case Study and events

• [Website Link]
Defining “publicly owned parcels”:

- Any site owned by a governmental entity
- Can include:
  - vacant/underutilized parcels
  - existing use with redevelopment potential
  - acquisition opportunities
The importance of publicly owned parcels

- Historic levels of cost-burden among renter households

- Necessity for efficient use of all assets, given constrained financial resources for affordable housing and other community needs
The importance of publicly owned parcels

• Catalyst for equitable development in varying market contexts
  • Improve site access for mission-driven developers in highly-competitive markets
  • Catalyze development and revitalization in markets in need of investment
Overcoming challenges and complexities

• Pipeline management
  • “Triangulating” available parcels, community needs, agency capacity

• Coordination
  • Working effectively across agencies and sectors

• Development process
  • Navigating development scenarios with more complex than in private market
Overcoming challenges and complexities

• Goals and expectations
  • Managing competing pressures, such as revenue targets, facility and community needs, and community engagement

• Design
  • Avoiding overly-prescriptive development programs
Overcoming challenges and complexities

- Resources for affordable housing
  - Aligning financial resources and other incentives to provide more affordable units or deeper levels of affordability
- Regulatory framework
  - Overcoming legal or bureaucratic barriers to effective use
<table>
<thead>
<tr>
<th>Typology Characteristics</th>
<th>Small Site</th>
<th>Suburban</th>
<th>Infill</th>
<th>Large/Master-Planned Site</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Surrounding uses</strong></td>
<td>Active</td>
<td>Active, often single use</td>
<td>Active, often mixed-use</td>
<td>Variable, previous uses may be obsolete</td>
</tr>
<tr>
<td><strong>Existing density</strong></td>
<td>Low-to-mid</td>
<td>Low</td>
<td>Mid-to-high</td>
<td>Variable</td>
</tr>
<tr>
<td><strong>Potential neighborhood impact</strong></td>
<td>Contributes</td>
<td>Catalytic, potentially transformative</td>
<td>Catalytic</td>
<td>Dominant, transformative impact</td>
</tr>
<tr>
<td><strong>Supportive infrastructure</strong></td>
<td>Existing</td>
<td>Upgrades or redevelopment likely</td>
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<td>Upgrades or redevelopment likely</td>
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<td><strong>Common concerns</strong></td>
<td>Scale</td>
<td>Parking, land use, connectivity, transitions, engagement</td>
<td>Parking, preservation, engagement</td>
<td>Infrastructure, land use, remediation, engagement</td>
</tr>
</tbody>
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Recommendations

• Effective agency policies
  • Pipeline/process management
  • Providing community benefits
• Site-specific recommendations
  • Cross-cutting
  • Typology specific
Effective agency policies

• Pipeline and process management
  • Cataloguing and prioritizing
  • Cross-agency regulatory and resource coordination
  • Standards for developer participation
Leading practice:
Boston Department of Neighborhood Development

- Online mapping platform
- Catalogues city-owned land and buildings available for development
Effective agency policies

• Providing community benefits
  • Community engagement to identify needs/benefits
  • Coordinate with housing agencies/programs
  • Establish goals and supportive mechanisms
  • Provide direct and indirect resources
Leading Practice: Setting affordability goals/targets

- Atlanta – MARTA
  - 20 percent portfolio affordability goal
- Los Angeles – Metro
  - 30 percent affordability requirement
  - Permits discounting of site control cost
- Seattle – Sound Transit
  - ST3 ballot initiative
  - 80 percent of suitable properties must be made available for affordable housing
  - Complemented by regional financing vehicles, including REDI Fund
Site-specific recommendations: Cross-cutting

- Set reasonable goals and priorities
  - Particularly related to infrastructure & parking
- Create a clear chain of command
- Consider site subdivision
- Proactively address affordability impact on surrounding neighborhoods
Illustrating Tradeoffs: Boston Winthrop Square Parking Garage Redevelopment

• “Affordable housing, cool architecture or something else? Boston has to choose” (Boston Globe)

• Demonstrates the importance of structuring solicitation so that trade-offs are transparent

• Developer selected partnered to develop off-site affordable housing, tied site-control payment to development potential.
Site-specific recommendations: Small Sites

- Streamline solicitation process and development standards
- Use sites to expand/diversify the developer network
- Demonstration projects to provide alternative housing types
Leading Practice:
Cleveland Land Bank’s regulatory streamlining

- Effort to streamline development of land bank property
- Low acquisition costs
- Partnership with city departments, local nonprofit and developer to:
  - Get pre-approval for a menu of home designs
  - Obtain permits, waivers and approvals before sale
- 20 percent affordability standard at 80 percent AMI
Site-specific recommendations: Suburban Sites

- Focus on holistic community development, including services that are often absent in suburban framework
- Integrate new resident populations into existing and new civic institutions
- Ensure that infrastructure is integrated to surrounding neighborhoods
Leading Practice: Efficient infrastructure development

- Reducing parking through transportation demand management
- MARTA – Atlantic Station
  - Combination of street parking, shared parking structures, shuttles to rail transit, carpool/vanpool brokerage, car/bike share, among others
- RTD (Denver region) – Boulder Transit Village Garage
  - Reduced parking through shared spaces, unbundled parking fees, managed spaces, and payments/fees
Site-specific recommendations: Infill Sites

- Focus on gaps in community needs
- Maximize site potential
Leading Practice: Facility Co-Location in Northern Virginia

- Arlington Mill
  - Community center adjacent to 122 units of affordable housing
  - Shared parking garage
- Alexandria firehouse development
  - New fire station
  - 64 units of affordable housing, retail space, and ground-level public space
Site-specific recommendations: Large/Master-Planned Sites

• Focus on equity considerations from the outset

• Provide flexible mechanisms for meeting affordability requirements

• Ensure integration of site to surrounding community

• Consider subdividing site
Leading Practices:
Utilizing a range of affordability tools (Austin)

- Austin (TX) Mueller neighborhood
  - Redevelopment of airfield
  - ¼ of 5000 planned units to be affordable
  - Mueller Affordable Homes Program
    - Rental and ownership
    - Both dispersed units and 100 percent affordable buildings
  - Capital from Austin Housing Finance Corporation for deeper rental affordability
  - Shared-equity homeownership model
Our work in Seattle: Home and Hope

Facilitate development of affordable housing and early learning centers on under-utilized tax-exempt sites owned by public agencies and non-profits in King County.

- Inventory potentially developable properties
- Perform early site due diligence
- Facilitate partnerships
  - Agencies & Developers
  - Non-profit & For-profit
  - Housers & Educators
- Align resources
  - Section 4 grants
  - REDI fund acquisition loans
Discussion

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Sign up for updates at:
www.PublicParcelsForHomes.org

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