

The future of affordable housing in America

Strong public-private partnerships are a good place to start



The challenging problem of social inequality comes with more questions than answers: How do we ensure that everyone, regardless of status, has equal opportunities? Where do we begin?

Unfortunately, there's no easy answer, but there is a good starting point: at home.

Studies have shown how stable, sustainable housing is crucial in revitalizing neighborhoods and is central to the healthy development of children. Yet millions of low income families struggle for a quality home and it's only getting

harder to find safe, clean, affordable housing.

According to the Urban Institute, there were only "28 adequate and available rental homes for every 100 extremely low-income renters in 2013, down from 37 in 2000." Meanwhile, per the Joint Center for Housing Studies of Harvard University, the number of extremely

low-income renters jumped from 8.2 million to 11 million between 2000 and 2013. HUD's voucher program allows low income tenants to pay 30% of their income for rent. However, this program continues to come under increasing Congressional budgetary pressure while the program only meets a fraction of demand.

Something needs to change. To tackle social inequality in this country, housing and related services must be central to the solution. Here are three pivotal components for addressing the affordable housing needs of the future.



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STRONG PUBLIC-PRIVATE PARTNERSHIPS

There has always been a debate over whether affordable housing properties should be privately or publicly funded. But why?

Public-private partnerships have a history of success. Some of our most beautiful parks — the High Line in New York or Stonewall Resort State Park in West Virginia — grew from public-private partnerships. If two entities can work together successfully in this arena, why not in affordable housing?

Public-private affordable housing does exist:

the Low Income Housing Tax Credit (LIHTC), responsible for the development or preservation of 2.8 million affordable housing units, is a perfect example of the power of public-private partnerships. But LIHTC must become more available.

HOLISTIC SERVICES FOCUSED ON QUALITY OF LIFE

Affordable housing must be more than bricks and mortar; it should offer inclusive services that enrich the lives of residents. These services

have become more difficult to fund over the past few years in response to severe cutbacks in charitable giving, but are pivotal to improving residents' long-term quality of life.

Senior-focused affordable housing properties with “wraparound” services — including medical, food and recreation — can lower Medicaid costs by 16%. External services contribute to a better quality of life. For example, adding cleaner energy solutions offer energy savings for residents — can account for 22% of low income families' income.

Beyond physical benefits, amenities like community rooms facilitate discourse between residents and engender a sense of community throughout, invigorating a property and its neighborhood.

A CALL TO ARMS FOR A NEW GENERATION OF PHILANTHROPISTS

Dollars are crucial in creating more affordable housing, and we must also harness the potential of non-financial contributions, including time and knowledge. Not-for-profit organizations need to get creative in generating funds and finding new ways to tap emerging demographics like millennials.

Millennials are increasingly engaged in social causes, and with over \$200 billion in buying power are important resources. In 2014, up to 87% of Millennials donated to charity and 64% of Millennials engaged in “experienced-based” giving, like running a marathon for charity. Both are crucial, as “experienced-based” giving becomes a path to dedicated activism and financial contributions.

Not-for-profits also need to embrace emerging platforms, tapping into social capital to generate support. For example, charity:water didn't just use social media to urge supporters to donate, but created mycharity:water, allowing supporters to create their own platform for raising money creatively.

There's no quick fix for social inequality. But focusing on affordable housing can provide a baseline for millions of Americans, and new cornerstones for forgotten communities and neighborhoods to grow from. Unless we address these needs now, the future outlook of affordable housing in America is bleak. ■