Title: Preserving affordability and access in livable communities: Subsidized housing opportunities near transit and the 50+ population

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Recommended Methods:

One of the things this report attempts to do is to identify the policies and program interventions that can ensure
that no affordable housing is lost, as well as influence the trajectory of community development and transportation planning and investments to better serve our country's changing demographics and changing needs. In order to identify the interventions, the researchers engaged in three key activities:

(1) evaluating demographic data and social and economic trends in the areas of housing, transportation, and other community development issues as they relate to the future needs of communities, particularly among people age 50 or older;
(2) quantifying and mapping the number of federally subsidized affordable housing properties serving older persons within 20 different metropolitan areas across the country, both near and far from quality
transit; and
(3) conducting interviews with older residents of federally subsidized affordable housing developments in five of the 20 cities.

Recommended Policies/Strategies and Reported Successes from Case Examples:

National and state strategies to preserve affordable housing:

- **Increase federal, state, and local funding for affordable housing, including funding for the project-based Section 8 and Section 202 housing programs.**
    - Despite significant demand for affordable senior housing and an aging population, advocates must fight each year to maintain the level of Section 202 appropriations. According to a January 2006 study done by AARP, there are 10 eligible applicants for every Section 202 apartment available.52 Funding has been insufficient to meet the demand for this housing. Older Section 202 properties are in desperate need of repair, rehabilitation, or modernization. As residents age, funds are also needed to improve services, including adding assisted living services. Reform of the Section 202 program is needed to make it possible for organizations to recapitalize and preserve existing properties; to bring older properties up to current accessibility, energy efficiency, and local building codes; and

increase the funding available for supportive services for frail and aging residents.

- **Allocate tax credit funding to preserve affordable housing in transit-rich areas;**
    - Some states link their tax credit allocation plans with their smart growth strategies. For example, New Jersey offers strong incentives for developments located within "transit villages," part of the state's smart growth initiative designed to bring housing closer to public transit. Other states target access to transit to particular types of developments; Florida requires all single-room occupancy developments funded with LIHTCs to be within one-half mile of public transportation.
- **Develop affordable housing acquisition funds, especially for properties near transit; and**
    - Some cities are creating acquisition funds and following a successful model of public–private–nonprofit collaboration. In Denver, the John D. and Catherine T. MacArthur Foundation is helping establish a $15 million TOD fund. It will assist affordable housing providers in acquiring at-risk affordable housing within one-half mile of existing and new rail service and a quarter mile of frequent bus routes. The TOD fund is a partnership among the City and County of Denver, Enterprise Community Partners, and the Urban Land Conservancy.
    - The City of Los Angeles and Enterprise Community Partners recently announced a new $100 million affordable housing fund called the New Generation Fund. The fund was created through a partnership of the City of Los Angeles and a consortium of banks, financial institutions, foundations, and community development financial institutions. The city has indicated that its top priorities for the fund are TOD and preserving subsidized properties with expiring contracts.
    - Existing resources, such as housing trust funds, can also be directed toward this purpose or expanded to meet this need. As example, Charlotte, North Carolina, devotes a portion of its housing trust fund to acquiring existing units within market-rate developments and writing down the cost of the unit to preserve affordability for moderate-income households.
- **Develop "early warning systems" for properties with expiring federal subsidies.**
    - The Cook County (Chicago, Illinois) Preservation Compact consists of real estate, finance, philanthropic, nonprofit, and governmental leaders who have joined forces to stem the loss of affordable rental housing. Included in the effort is a data clearinghouse that will analyze and regularly disseminate information with government agencies, communities, interest groups, and nonprofit and for-profit developers of affordable rental housing. The Preservation Compact will use the data to provide early warning of properties at risk of leaving the affordable rental stock. Property and neighborhood data that can and should be included in such

clearinghouses are the nature of the housing subsidy, the terms of the government contract, ownership status (i.e., for-profit vs. nonprofit), the property's contract rents in relation to the area's market rents, the population served, and neighborhood economic characteristics (i.e., poverty rate, job growth, etc.).

Integrate transit and land use planning in funding criteria for affordable housing and transportation investments:

- **Encourage planning bodies to make land use and housing decisions that optimize transit investments and support TOD;**
    - Future investments in affordable housing, including Section 202 housing, should be made strategically, with a preference for sites that maximize benefits for residents.
- **Adopt local and regional zoning practices that encourage compact, mixed-income, mixed-use development;**
    - Cities can create or update planning processes such as general plans, specific plans for TOD zones, housing element plans, and overlay zones to create a supportive policy environment for TOD, laying out a vision and identifying priority areas for equitable development near transit. Other key policies include zoning, parking requirements, and inclusionary housing ordinances that serve as critical determinants in the success and feasibility of providing affordable housing near transit.
- **Employ targeted financial tools to preserve and create affordable housing near transit;**
    - Through policies such as condominium conversion controls, which restrict the number of rental properties that can be transferred to for-sale properties, and first-right-of-refusal laws for tenants and nonprofits, which give renters or nonprofit housing providers the ability to purchase key rental properties before they go on the market, cities can play a more proactive role in preventing displacement and the loss of affordable rental housing near transit. Cities also have the ability to target resources, such as those generated through tax increment financing, to support the preservation or development of affordable housing near transit. They can also waive or reduce impact fees associated with development that can help reduce the overall cost of producing affordable housing.
- **Design "complete streets" that accommodate not only drivers but also pedestrians, bicyclists, and public transit users of all ages and abilities.**
    - As it currently stands, 80 percent of federal transportation dollars are allocated toward highways and 20 percent to alternative transportation modes. A shift of priorities and resource allocation would allow the creation of a transportation system that meets the demands of the 21st century by providing cleaner and healthier transportation options, including safe streets for walking and biking that also foster economic growth and more sustainable communities. Thirty-three states do not

allow the use of gas tax funds for transit, which increases the pressure on other funding sources.
    - Cities can redirect current funding priorities or implement dedicated revenue enhancements, including sales taxes, property taxes, impact fees, tax increment financing, and other methods, to increase funding for transit networks. In fact, many cities—including Houston, Denver, Salt Lake City, Minneapolis/St. Paul, and Charlotte, which are examined in this report—have recently taken the initiative to raise money to expand their networks much faster than the typical one line at a time approach employed in many regions. This has also doubled as a strategy for channeling regional growth as well as addressing issues of transportation choice. The more comprehensive and dense the transit network, the more opportunities there are for greater regional and local connection of existing neighborhoods, particularly affordable senior and family housing.

- **Measures must be taken to ensure that senior housing is built near transit.**
    - This study found that many senior housing buildings in the study area are located far from reliable transit options, at the periphery of the region, far away from destination-rich city centers and major corridors. According to AARP, of non-drivers age 65 and older with limited access to public transportation, 61 percent stay home on a given day because they lack transportation options.

- **Measures must be taken to increase elderly's knowledge of and access to transit and to make it safe and accessible to the elderly**
    - Recognizing the importance of bus service as a critical transit mode for many people, some cities have their frequent bus service networks mapped out and branded like rail service (e.g., Denver, Minneapolis, and Portland)

Areas near transit could be made more pedestrian-friendly and more walkable with attention to the design detail necessary for older users (e.g., avoidance of brick sidewalks that settle and form dips and bumps that are difficult for aging eyes to identify).