What is Affordable Housing? Cities and Anchors: Building Inclusive Prosperity Together

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What is Affordable Housing?

EMERGING IDEAS IN ARCHITECTURE & DESIGN
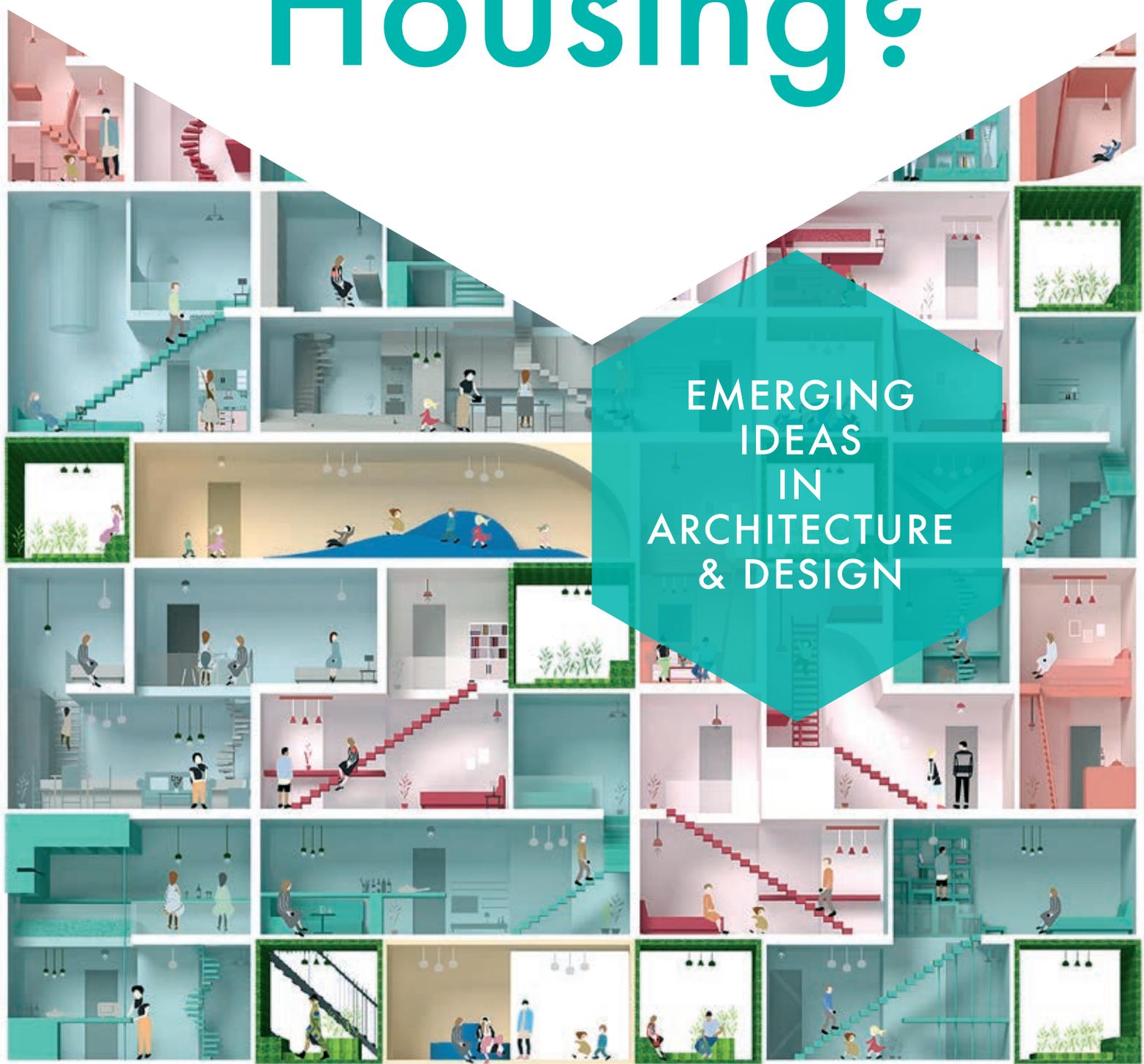
About ARCHHIVE

ARCHHIVE is an annual print publication expanding on the ideas presented in Bee Breeders' online architectural design competitions. Bee Breeders is a generator of new ideas, conceived by a worldwide think tank, for tackling challenging design issues. It often works with civic, industry, or government partners to initiate its competitions, some of which are conceptual while others are intended to be built.

Each issue of ARCHHIVE will bring together architects with startups, entrepreneurs, developers, and problem-solving organizations which tackle these same global issues, often in ways other than building. ARCHHIVE merges the wealth of Bee Breeders' novel architectural design proposals, with complementary ideas in entrepreneurship, policy, and technology.

Introduction –
The Global Housing Crisis

Cities offer access to so much of what people want: jobs, transportation, healthcare, safety, education, variety, mobility.

But cities also have limited spatial and geographical dimensions. And so, the land on which the physical infrastructure of cities is constructed – the space for buildings, parks, streets, utilities – can come with a steep price tag.

WHO? has the right to this valuable space, and **HOW?** its value should be regulated, are core questions to the complicated topic of affordable housing. It is a subject central to the studies and pursuits of urbanists, architects, engineers, and designers, as well as sociologists, economists, and politicians.

As history has shown, affordable housing relies only in part on design. Its success or failure is dependent on a number of complex factors including trends in the housing market, local and regional incomes, transportation, zoning, and land use policies. The construction or re-purposing of existing infrastructure for affordable housing requires the support of politicians, city planners, and residents.
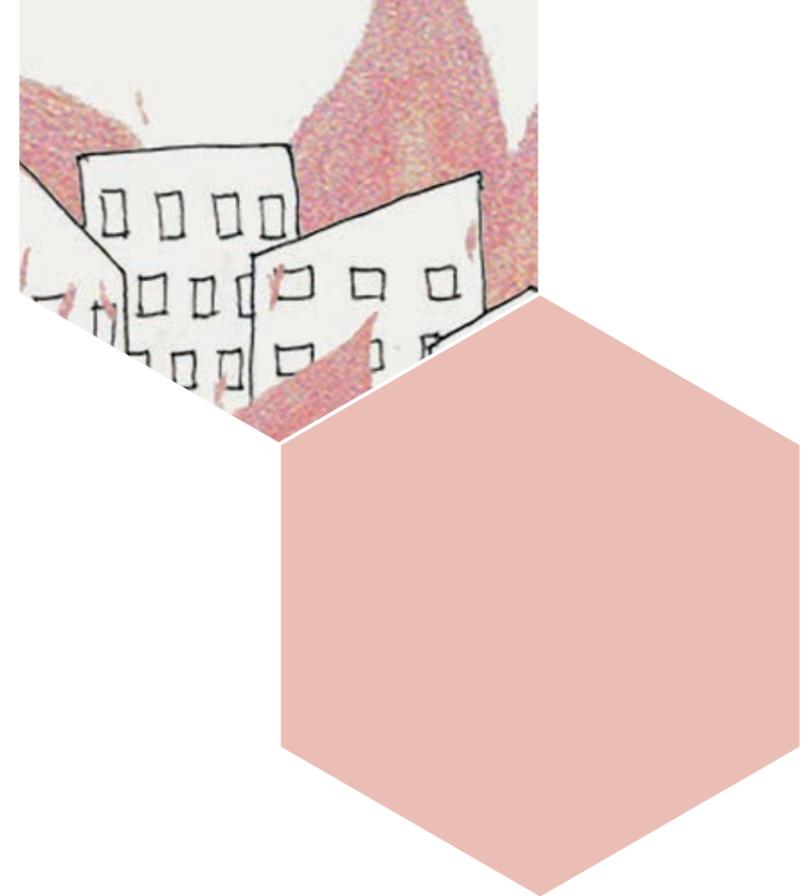
Issue No 1:
What is Affordable Housing?

Community co-living facilities. 3D-printed homes. Crowd-funded home rehabilitation investment platforms. Group home-ownership contracts. Government-subsidized apartments. Prefabricated homes. Tax credits. Transit-oriented development. Mortgage-funding programs for key workers. Stackable modular homes. Inclusionary zoning ordinances. Intergenerational house-share programs. Softwares for tracking affordable properties. Online marketplaces for cheap student homes.

There is no one solution to making housing affordable. Today, a host of new ideas and platforms are enabling people to own or purchase homes. ARCHHIVE Issue No 1: *What is Affordable Housing?* connects architects, startups, investors, entrepreneurs, and both for- and non-profit organizations that are engaging in the global affordable housing crisis by inventing new means for driving down housing prices.

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Steven Pedigo + Abigail Sindzinski

In past years, economic development and affordable housing have been separate, even oppositional notions. Equity – which encompasses affordable housing – is often positioned on one end of a wide spectrum, far afield from the concerns of a city's business or commercial activity. As major cities including New York and Los Angeles become increasingly wealthy, and smaller cities seek to attract the residents and businesses that look to move or expand, housing costs have become increasingly inhospitable to people who earn even a median income. Too often, even in thriving economic hubs, there is nowhere to live for all but the very wealthy. This model is untenable, and we argue for a new notion: inclusive prosperity.

Inclusive prosperity suggests that equity and affordability concerns are central to a city's development, and points to models of success in business and government. In the last two year, we wrote two papers on inclusive prosperity that underscore the need for equity-focused policies from government and private enterprise. Chief among these are policies to create: affordable housing; sustainable, family-supporting service jobs; inclusive strategies for innovation; and inclusive public spaces.

A few areas hold particular promise in remaking the picture of affordable housing today: First, public-private partnerships. Second, government-focused initiatives via a tax or support for enhanced transit networks that enable workers to live outside a city center. Finally, the use of anchor institutions, which can be a nexus for innovative development solutions.

While New York City has made inroads with Mayor Bill de Blasio's goal to build and preserve 200,000 housing units over ten years, outside of the city in New Rochelle an interesting case of public-private partnership has arisen. The city has a walkable downtown core, strong government, and easy access to New York City, which bolsters its housing market.

In 2015, the city held an RFP to select a "master developer" for a $4 billion revitalization plan for downtown. That plan entailed redeveloping over 10 million square feet of space. The city selected RXR Realty and Renaissance Downtowns to implement the plan and made a commitment to approve projects within 90 days in an effort to streamline codes so building would happen, and so it would happen fast.

Streamlining has helped the city get projects up and running, like the redevelopment of 587 Main Street, which will offer 280 rental apartments, a tenth being affordable housing units. Additionally, the city is focused on providing affordable live-work space for artists downtown. Already, developers must contribute to a "Fair Share Mitigation Fund" that goes toward school and road improvement.

Cities including New Rochelle are also important because they are positioned outside the urban core. These hubs are often inherently less expensive than major cities, and building affordable housing models into their development plans can help weave that idea into a community's fabric. Seth Pinsky, an executive VP at RXR Realty, recently wrote opinion piece for the New York Daily News suggesting that, to support the few million residents projected to arrive in New York in the next 20 years, smaller transit-friendly cities such as New Rochelle need to become the new nexus.

In this way, infrastructure and development could upend the framing of affordable housing altogether by promoting development in and around cities. Recently, a few cities have seen interesting tax proposals. In response to its rising population and relative lack of affordable units, Alexandria, VA is in the process of implementing a restaurant tax of one percent, the proceeds of which go to affordable housing initiatives. That tax puts Alexandria on par with the tax rates in cities such as Richmond and Charlottesville, and leverages Alexandria's position as a touristic city. Tourism can help build more inclusive cities — in Nashville, Austin, and New York City, tourists have helped prompt an openness, sometimes encouraging these cities to make areas accessible to minorities, students, and low-income groups. In larger cities such as Philadelphia, a proposed construction tax would raise millions for down payments and other housing costs.

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Anchor institutions — economically successful hubs that often employ large numbers of people such as universities, hospitals, and businesses — also have considerable potential. Companies including Google and Facebook, Zappos, Amazon, and redevelopment sites such as Industry City in Brooklyn, bring with them entire workforces that remake neighborhoods and cities. As companies such as Amazon build out into Northern Virginia, they must provide affordable housing for local residents following the model of NYU, the University of Pennsylvania, Drexel University, and Johns Hopkins University.

In another interesting model, The East Baltimore Development Initiative partnered with Johns Hopkins to build housing for lower income residents, senior citizens, and graduate students in Eager Park. Anchors have the power to partner with government and real estate entities as in the case of Jersey City's SciTech Scity — a development project that will include provide housing alongside education and business.

While a work in progress, steps toward government-focused and public-private partnership solutions for affordable housing are crucial. As equity — through areas including jobs, salaries, building, education, and access — becomes a larger part of our national and international conversations on cities today, inclusive prosperity reframes the ideas behind affordable housing policy itself. A rising tide can lift all boats, but only if we ensure it. ⬡

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