

[AFFORDABLE HOUSING]



THE NEW FACE OF AFFORDABLE HOUSING

By Susan Bady, Senior Editor

As the dearth of affordable market-rate housing grabs headlines, nonprofit and for-profit developers are focusing on making affordable housing the best it can be. They're reclaiming and transforming underutilized sites for new housing that connects residents to the surrounding community, welcomes visitors, and also improves the neighborhood. Diverse populations, including seniors, homeless veterans, and families, are served by these projects.

Rather than isolate low-income renters in high-rise buildings, new affordable-housing projects offer numerous ways for them to stay connected, such as dog runs, community gardens, computer rooms, and barbecue areas. Projects don't scream "affordable." Instead, they blend into their surroundings and invite pedestrians to sip coffee in the courtyard or shop at one of the ground-level retail shops.

"The goal is to build new housing that will enhance property values," says Jim Schmid, CEO of Chelsea Investment, a developer in Carlsbad, Calif., that focuses on affordable housing.

Affordable-housing developers, and their partners, know projects are most successful when they meet these parameters:

- Designed to look like market-rate housing and respectful of neighborhood architecture.
- Built with energy efficiency and sustainability in mind.
- Include recreation and common areas for socializing.
- Engage the surrounding community with new retail businesses and public gathering spaces.

THE FIGHT FOR FINANCING

The biggest hurdle is money. "If the sites aren't in a well-funded county, it's hard to assemble enough resources to construct attractive projects," says developer Victor Rodriguez, president at A.M. Rodriguez Associates, in Pittsburgh.

The federal Low-Income Housing Tax Credit (LIHTC) is still a viable funding source, but how the Republican party's proposed tax reform plan will affect the LIHTC is anybody's guess. Developers are tapping other sources such as conventional loans from private lenders and subsidies from city, county, and