Lightning Round: Addressing Housing Inequalities

- **Tomiquia Moss**, CEO, Hamilton Homes (Moderator)
- **Molly McCabe**, Co-Founder, The Lotus Campaign
- **Noni Session**, Executive Director, East Bay Permanent Real Estate Cooperative
- **Sonja Trauss**, Executive Director, California Renters Legal Advocacy and Education Fund
- **Micaela Connery**, Founder, The Kelsey
- **Iliana Niculescu-Roman**, Founder, DENS
- **Karen Coppock**, Director, Home Match SF
A Market-Based Approach To Housing People Experiencing Homelessness
Opportunity for Innovation

• Capital is a tool
• Profit is not a bad word
• Incentivize Behavior
• Leverage Equity
How Does It Work?

• Incent
• Invest
• Advise
Lotus Continuum

- LANDLORD PARTICIPATION PROGRAM
- ACQUISITION/REHAB
- NEW CONSTRUCTION
- EDUCATE
“We have been a partner with the Lotus Campaign for almost a year now. At the beginning of the program, I had a lot of questions and hesitations based on my experiences working with various nonprofit organizations, including the financial risk involved and long inspection times.

Our partnership with Lotus has proven to be a valuable one, allowing Ginkgo to expand our reach in helping to house people experiencing homelessness within our communities by greatly reducing that risk, improving inspection times, and helped us develop stronger relationships with the various organizations.”

— Josie Nasife, Director of Property Manager, Gingko Residential
“Historically, supportive services agencies have only been able to reduce barriers to housing for individual renters — assisting with paying off old debts, or funding a security deposit… and while these are important, we were still left begging for housing providers to “take a chance” on renters with past evictions, debt, etc. Lotus focuses on attracting housing providers, incentivizing them financially, and removing barriers to accepting renters who would not normally qualify for their units… We are proud of the fact that our families generally graduate from the program qualified to renew their leases on their own — or with 2 years of a positive rental history behind them to apply elsewhere- or to begin the home buying process.”

— Elizabeth Kurtz, Chief Housing Officer, Charlotte Family Housing.
Noni Session
Executive Director
East Bay Permanent Real Estate Cooperative
Reinvesting Frontline Communities

EB PREC aligns the technical, financial, and organizational inputs necessary to support Black, Indigenous, People of Color and allied communities to cooperatively organize, finance, purchase, and steward properties in Oakland & the East Bay.

For More Info Contact:
Noni Session, Executive Director
noni@ebprec.org. www.ebprec.org
EB PREC Organizes for Long-term Change

**Staff Owner Collective**
- Democratically governed
- Stewards the EB PREC Mission
- Carries out administrative & Technical duties

**Increase Community Access**
- Community Development Funds
- Build Investor Relations
- Seek Philanthropic & Supportive Funding

**Position Projects for**
- Community Investment
- Impact Investor Lenders
- Banks & CDFI project lending

**Communications & Fundraising Support**
- Democratize Investment
- Recruit Investor Owners
- Facilitate Community Investment $1000 @ 1.5% over 10yr term

**We Host Community Events**
- Inform Supporters
- Educate Stakeholders
- Politically & Civically Activate Community Owners

**We Build Productive Capacity**
- Skills & Tools Transfer
- Create Addtl Revenue Streams
- Support Small Business

**We Organize Support, Educate & Prepare Resident Owners for Ownership**

**We Facilitate**
- Community Control
- Democratic Governance
- Non Violent Communication
- Collective Leadership

**Projects & Properties**
- EB PREC Organizes for Long-term Change

- Resident Lease Shares pay for Property Maintenance, Staff & Cost of Capital
Sonja Trauss
Executive Director
California Renters Legal Advocacy and Education Fund
Legalize Affordable Housing Everywhere

a policy proposal for San Francisco
No one is building enough affordable housing
In CA affordable housing is apartment housing.

Expensive land? High Density Housing!
Affordable Housing Banned (88% of SF)

Affordable Housing Legal (12% of SF)

Current Zoning Laws
Policy proposal:

For non-profit development projects meeting 100% affordable housing criteria...

Zoning rules will be set to maximize the housing units that can be built in the space available.

This is called an affordable housing overlay, and adopts a new set of zoning requirements for projects meeting the affordable housing criteria.

David Chiu AB 1763:

New Density bonus for 100% Affordable housing within ½ mile of high quality transit, which is most of San Francisco!
The specifics...

- 7 stories
- 0” setbacks
- No limit on frontage width
- 90% lot coverage
- Rooftop open space
- Density decontrol (form based zoning)
- Lot mergers permitted

Maximize height and lot coverage to reduce cost / square foot
The specifics...

- ✔ 7 stories
- ✔ 0” setbacks
- ✔ No limit on frontage width
- ✔ 90% lot coverage
- ✔ Rooftop open space
- ✔ Density decontrol (form based zoning)
- ✔ Lot mergers permitted

Meet greenspace requirements by allowing for roof decks in place of side yards.
The specifics...

✓ 7 stories
✓ 0” setbacks
✓ No limit on frontage width
✓ 90% lot coverage
✓ Rooftop open space
✓ Density decontrol (form based zoning)
✓ Lot mergers permitted

Maximizes legal number of limits within constraints of building footprint and minimum unit size.
The specifics...

✓ 7 stories
✓ 0” setbacks
✓ No limit on frontage width
✓ 90% lot coverage
✓ Rooftop open space
✓ Density decontrol (form based zoning)
✓ Lot mergers permitted

Today, adjacent lots cannot be combined, even if the lots are available and meet non-displacement controls. Permitting lot mergers frees up hundreds of new sites for affordable development.
Why is this a good idea?

✓ Non-profit developers will have access to MORE land, that is CHEAPER - that means more housing per public dollar!

✓ Residents of affordable housing (low income people) currently don’t have access to all neighborhoods. This is segregation, segregation is bad.

✓ San Franciscans believe in economic integration, but our laws do not currently reflect that ethic.
Large lots that exist TODAY
Micaela Connery
Founder
The Kelsey
A person relying on SSI would have to pay 120-271% of their entire income on rent to afford housing in the Bay Area.

Less than 14% of adults with IDD rent or own their own home.

70% of adults with disabilities live at home with a parent or guardian, who are often over the age of 60.

Sources: Technical Assistance Collaborative, National Fair Housing Alliance, CA Department of Developmental Services, Easter Seals
Thriving, inclusive housing where individuals of all abilities, incomes, and backgrounds live, play, and serve communities together.

affordability  accessibility  inclusivity
Iliana Niculescu-Roman
Founder
DENS
Our network of problems needs a network of solutions

Housing costs  Displacement  Climate change  Mega Commutes  Gentrification
Construction costs  Housing shortage on all levels  Getting projects to pencil
Suburban sprawl  Hazard zones  Density near transit  Build what people need
Aging stock  More housing types  Tax policy  Soaring rents  Shrinking labor force
Lengthy approval process  Undependable timelines  Market fluctuations

*selection is non-exhaustive and in no particular order
We (also) need more housing types

**Missing middle**

*2-10 units: multi-unit or clusters (townhomes, duplexes, triplexes, quads etc)* in urban infill locations; inclusive, multi-generational.

➔ Sensible density keeps residential feel- compatible in scale with SFRs

➔ Activate vacant/underutilized plots in resi & commercial areas that are not attractive to developers

➔ Promote community and place making

➔ Lower construction costs (structure, scale), can focus on sustainability; can be factory built

➔ Address demand/ product market fit: millennials (and more) want to live in urban places.
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**Affordable?**
We (also) need an alternative development model

**Intentional/ client-driven development**

Instead of buying: **Owner-occupiers** join groups to acquire land and get professional services for a fee.

Development as a service.

**Homes at cost + fee.**
International examples in other soaring markets

Non-speculative client-driven models emerged in other hot markets to drive down development cost and increase access to home ownership:

➔ **Germany (~1990s): Baugruppen** - self financed building groups with local admin support; movement grew organically, banks gradually started to support it.

➔ **UK (2015-): Right to build** - Gov’t initiative to enable homebuilding for individuals and groups in England, part of set of measures to address housing crisis. **Self build Groups** get support (allocated land, network of institutions and professionals, financing process).

➔ **Australia (2014-): Nightingale model** - hybrid baugruppen-investor model initiated by mission driven professionals; participatory design, transparent financing and capped returns; deed restricted properties to preserve affordability.

➔ **New Zealand**: emerging **self-development models** in the past few years; organically grown, gained local admin support & advocacy at national level.

Key takeaways: **ownership from the onset unlocks affordability**, development as a service, owner input, similar challenges to overcome.
Challenges

Land and approvals

➔ Mostly SFR zoning
➔ Available land can be expensive
➔ Approval process - time & uncertainty

Financing

➔ Securing financing for owner occupied projects

Organizing platform

➔ matching market, framework for organizing and roadmap
Benefits

Home owners

➔ Total cost decreased
➔ Fixed price, no bidding
➔ Choose neighbors
➔ Get a say in the design

Industry/ Sponsors

➔ Shorter project cycles with fixed return
➔ De-risked model: approved & committed clients

Community

➔ Small infill plots not attractive to others get activated
➔ Local companies can deliver projects
Thank you

Support, comments, feedback:

team@joindens.com
“With Home Match, I feel like we both benefit — Stella drives me to the grocery store and I cook. We enjoy sharing a meal together!”
The Golden Girls
$15
Minimum wage

55 hours

= rent

Source: https://www.rentjungle.com/average-rent-in-san-francisco-rent-trends
$1461 Average Social Security benefit

= rent
30% live alone

36% speak no/limited English

36% have 1+ disabilities

House rich / Cash poor
33%
Home Match – Home Sharing is awesome because:

rent +
High-touch, personalized, **free** service

- Screen all candidates
- Match: Compatibility
- Living Together Agreement
- On-going support

Home Match is a program of a 50 year old non-profit
YOU CAN MAKE A DIFFERENCE

✔ APPLY
✔ OPEN YOUR HOME
✔ TELL YOUR FRIENDS

www.covia.org/services/home-match
FOR MORE INFORMATION

Must live, work, or go to school in the county being contacted:

925-451-9890 Contra Costa
415-456-9068 Marin
415-351-1000 SF

www.covia.org/services/home-match
www.homematchsf.org

Home Match SF is in partnership with Northern California Presbyterian Homes and Services and receives funding from the SF Mayor’s Office of Housing and Community Development
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