

Making an Impact on Affordable Housing

Cabrini University

Over the past three years faculty, staff and students from Cabrini University have worked with members of local non-profits to develop a scalable, community-based solution to the affordable housing crisis. In this workshop you will hear the story of how a web of campus-community partnership and class projects has lead to the development of a non-profit apartment building in Norristown, PA.

During this workshop you will:

- See how a campus service-learning center can act as a 'connector' between both non-profits and faculty, and explore how your campus can better leverage existing relationships.
- Hear the story of how a faculty member combined a personal interest in housing with his role as a business professor to develop a new model of affordable housing finance, and consider how your institutions can better support personal leadings.
- Learn from a community activist how universities and community organizations can work together to identify unique solutions to local needs.
- Explore the local, regional and national affordable housing 'ecosystem', expanding your knowledge of available resources.



Session Map

- Problem Overview
- Our Project Story
- Cabrini's 'Web' of University Resources (Internal Web)
- Engaging the Affordable Housing 'Ecosystem' (External Web)
- Your Journeys
- Lessons Learned
- Creating a Resource Guide

About Us

- Dr. Eric Malm, Professor of Economics and Business, Cabrini University
- Dr. Ray Ward, Director of the Wolfington Center, Cabrini University
- Ms N'ann Harp, Housing Activist and Cabrini Community Fellow
- Dr. Gene Frank, Adjunct Faculty and Community Member



I'm Ray
(and I'm in
Guatemala right
now)



Section 1: Problem Overview

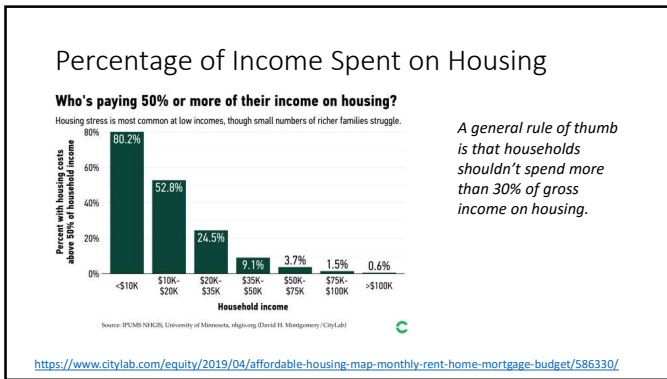
Who are
you?



Pew Study



A study by the Pew Foundation found that "the share of renter households that were "severely rent burdened- spending 50% or more of monthly income on rent- increased by 42 percent between 2001 and 2015, to 17 percent.



Is *THIS* Affordable?

	Median Rent	Median Income	Rent/Income %
Norristown	\$1,011	\$41,856	28.9% (61.3 % rent)
Montgomery County	\$1,158	\$80,675	17.2% (27.4% rent)

And it's not just housing that's a challenge. According to the Census Department 21% of people under 65 do not have health insurance, compared with 5% for the county as a whole.

Harvard Study

According to a recent study by the Harvard University Joint Center for Housing Research median rents have increased by 11% between 2001-2016, while incomes fell by 2%

So what to do?...

- ### Local Problem: There is a Lack of Affordable Housing in Norristown
- While the lack of affordable housing is an issue nationwide, it is an especially serious problem in Norristown.
 - According to the Census Department, 61.3% of people rent their home in Norristown, (compared to 27.4% for the county.)
 - Average Rent takes up about 29% of average income (compared with 17% of income for the county as a whole).
 - Despite having median incomes of about half of the entire county, median rent is just \$147 less in Norristown.

Gentrify!

Economists, and many business students, know that when something is scarce, prices go up...
... and many real estate speculators buy homes in 'marginal' communities hoping to flip them when values increase.

<http://www.theloquitor.com/gentrification-the-most-controversial-topic-you-might-have-never-heard-about/>

Section 8 to the Rescue?



- According to Frontline, Section 8 serves about 25% of eligible people.

Government Funding is Not Sufficient

- Government programs
 - As stated earlier, programs like Section 8 serve only about 25% of those who are eligible. Quadrupling spending on these programs is unlikely!
- Community Reinvestment Act
 - Passed in response to charges of 'redlining' in the mortgage industry, the Community Reinvestment Act (CRA) was passed by congress to encourage commercial banks to better serve low- and moderate-income neighborhoods.
- Other state and local programs
 - Various state and local agencies have allocated money from real estate transfer taxes and other sources to meet various needs.

County Program: 'Housing First' Approach



Program: Your Way Home's Rapid Re-housing program is housing-focused case management and financial assistance to literally homeless households, to quickly find and move in to permanent housing, and then to obtain the supports needed to maintain that housing long-term. [1]

This intervention is offered, regardless of housing barriers. Your Way

The Montgomery County program (called *Your Way Home*) provides \$800 housing subsidies for up to 6 months, to 'rapidly rehouse' families. This program creates further upward pressure on rents.

Foundation Support

A screenshot of the MacArthur Foundation website. A blue callout box on the right side of the page states: "Many foundations support affordable housing initiatives through grants". Below the main content, a yellow box highlights a message: "We are no longer accepting proposals for this work." A blue arrow points from the callout box towards this highlighted message.

How About Habitat?



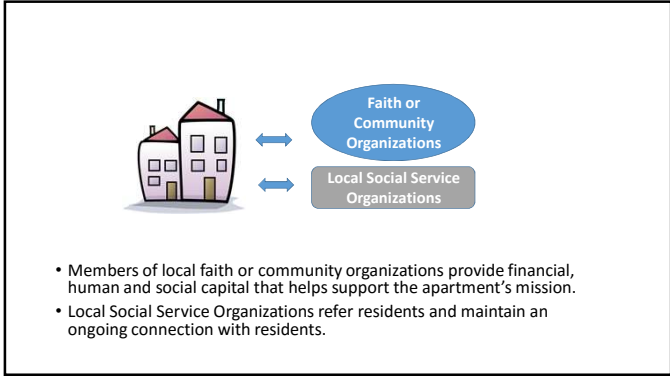
- Yes, groups like Habitat do an admirable job of building affordable homes.
- But they have a waiting list of over 60 approved families, but only build about 6 houses per year in the County... so there is a serious need, especially in Norristown.
- **So right now they have about a 10 year backlog!**



EDUCATION
What Can States Do to Better Support College Students Experiencing Homelessness?

The Urban Institute reports that 14-18% of university and community college students have experienced homelessness or unstable housing.

Section 2: Project Story



Searching for Alternatives

- Over two years ago I began exploring alternative options that could be implemented in the Norristown PA community (where I go to church).
- I created a service-learning course, Housing Access and Affordability, with a local housing activist.
- Together we explored a variety of options, including Co-Ops, but settled on an apartment-based model, which we tentatively called 'Equity Apartments'.

The Dividend Housing Model

The screenshot shows the website for 'RENTING PARTNERSHIPS EQUITY FOR EVERYONE'. It features a navigation bar with 'HOME', 'ABOUT', 'CONTACT', and 'RESIDENT ORIENTATION'. Below the navigation is a photo of a group of people working together outdoors. Underneath the photo is the text: 'WE KEEP HOUSING AFFORDABLE WHILE RESIDENTS BUILD WEALTH THROUGH PARTICIPATION IN MANAGEMENT'.

Dividend Housing is

- a non-profit apartment model
- allows residents to accumulate savings (in the form of Equity Credits)
- Residents play an active role in property maintenance and management

Connecting with Domestic Violence Clients

- Laurel House is the Domestic Violence agency that serves Montgomery County.
- Laurel House has worked closely with Cabrini for over a decade.
- Laurel House is a neighbor of Norristown Friends Meeting.
- We learned that they own a building in the neighborhood that will be available for sale.

Current Status

The brochure for 'Cotwals Gardens Dividend Apartments' includes the following text:

Our mission
is to help individuals and families cooperatively build financial security and work together to build vibrant communities and reflect a vibrant community.

Guided by Cooperative Management Principles & Traditions.
Residents are encouraged to learn, teach and write in shared responsibilities and all of our life experiences. This makes the housing equitable, respectful, collaborative and friendly.

Neighborhood Features
Residents in four blocks from the Norristown Transportation Center and in the Mt. Airy ADP's Zone.

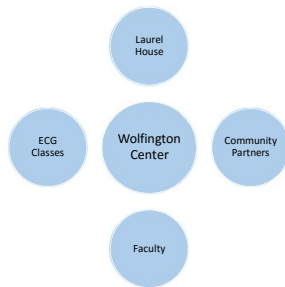
Directly across the street is a daycare center and Cotwals Elementary School. A grocery store and the Norristown regional library (located on the corner next to the library building) are also nearby.

Revitalizing a Sustainable Tradition Beyond Affordable (Project Housing)

We are currently:

- Submitting paperwork to for a 501c3 nonprofit
- Creating a formal Board
- Finalizing financial and operating plans
- Raising money ... with a December 2020 targeted move-in date.

Section 3: Cabrini's Partnership Web (internal)



Section 5: Your Journey (successes and challenges)

Academic Timeline

- Spring 2017- Student received Pierce Foundation development grant
- Fall 2017- Taught 'Housing Access and Affordability' ECG Class, with N'ann Harp as 'Community Fellow'
- Spring 2018- Met with Laurel House, connection through Wolfington Center
- Summer 2018- Gene Frank's Entrepreneurial Leadership; 'found' Dividend Housing Model
- Fall 2019- Connected Laurel House, Friends Meeting, and Dividend Housing, assisted by Independent Study student.
- Spring 2020- 'Lunch and Learn' with Wolfington Center

Section 6: Lessons Learned

Section 4: Engaging the Affordable Housing Ecosystem (external web)



Section 7: Creating a Resource Guide

- Would your group be willing to contribute to a Housing Resource Guide?... an 'annotated bibliography' of sorts?
- Please send a list of the local or regional organizations, foundations, philanthropic, grant and funding resources you have found most helpful in your work.
 - Organization name
 - Brief Description
 - Contact Information
- And we'll compile the results and share with the PHENND network.
- Please send to eric.malm@cabrini.edu

Thank you!

Eric, Gene, N'ann, Ray
Cabrini University

