

Rethinking the Government's Role in Affordable Housing

Susan Steindler, Assoc. AIA

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Providing Affordable housing in Portland like most cities in the United States has become a more and more difficult task. Land costs, and the market have made what we used to do easily, much harder to accomplish. As we look at new ways to provide low income and very low-income people with viable housing options, we are forced to re-evaluate the whole notion of the single-family house and the government's role in subsidizing the process. In the sixties and seventies there was inexpensive housing stock available in Portland. A non-profit could easily purchase neglected or abandoned houses and rehabilitate them at a nominal cost. Land costs were low, as well as labor and materials. For not much money, a non-profit could provide a great service to its prospective first time buyers, with out much public assistance. In those year home ownership was the goal for low-income people. However, ownership does not necessarily suit our present predicament. Times have changed; the market has posed new hurdles for many of us.

I once worked for a local non-profit whose mission was to provide affordable rental housing, mostly single family, to low and very low-income residents. It became clear that we were not going to be able to continue to provide our tenants with single-family houses with out huge Government subsidies. My role as a Construction Manager was to oversee the rehabilitation of these houses so that they could be rented out to families, or even individuals who qualified under the guidelines of a stringent program. As I tackled the problem of rehabilitating these houses, in a booming economy, the financial situation began to change. In a very short time rising costs of construction materials, and labor, jumped. What was once a plausible task became a very costly venture. Land costs and real estate values increased greatly. Some of the most blighted areas of Northeast and North Portland saw escalating prices of even the most modest houses. ***Gentrification was an increasing source of stress on our*** residents and displacement seemed to be inevitable.

What had previously been an economically sound investment had become a costly effort resulting in only single unit of housing for one family. How much of a service were we providing the many people that need affordable housing? I began to feel this strategy was too small scale. Without government subsidy grants we were unable to compete with even the for profit, market rate rentals. There were more and more choices for renters, than several years previously.

A survey was conducted during 1999 of all our tenants of employment status. We were surprised to find out that ***75% of our residents were employed.*** The two largest employers were Legacy Emanuel Hospital nearby, and OHSU. Our tenants were underpaid staff whose salaries were below ten dollars an hour.

Since leaving the Construction Management position the mission at this local non-profit has been modified, to include home ownership as well as providing multi-family housing both rental and condo. Hooray for their Board and Executive Director for making that change at such a crucial time.

There are many things we can do to work toward a better solution.

- ***Encourage Local Government Agencies to rethink their role and address affordable housing for both renter and homeowners.***
- Support planning which includes
 - Mixed use development, which includes housing, retail, and other services
 - Transportation-oriented development
 - Mixed-income projects.
- Help Non-profits define their mission with the guidelines of 2040.
- Volunteer in local programs.
- Support Job Training Programs, for example Habitat for Humanity's program that reduces cost by using "sweat equity" to build housing, and thereby providing training for the skills in construction. This program is also a form of community building in that participants not only build their own housing but also use their skill to work on subsequent projects for Habitat.

Last spring while teaching a studio involving an urban planning project we read, "There are no Children Here" by Alex Kotlowitz. The story highlights the evolution of a housing project from the early years in the 1950's. Over time the Government's role collapsed, social programs withered away, and gangs were on the rise. ***As planners and architects we can create a good building to live in but there are many other elements that make a building function. People make the project work, and in this regard the Government's role is tantamount.***