

Innovative Strategy to Encourage Production for Innovative Housing

Solutions

Kentucky Housing Corporation

Rental Housing: Encouraging New Production

HFA Staff Contact Nathan Hall nhall@kyhousing.org

Innovative Strategy to Encourage Production for Innovative Housing Solutions

Click here to watch the synopsis video for the entry.

This entry features an overarching strategy by Kentucky Housing Corporation (KHC) that encouraged not only rental housing production, but replicable innovations that provide affordable housing and support services through new partnerships to help underserved and growing populations.

The widening affordability gap has changed the face of those in most need of affordable housing across the United States and, specifically, in Kentucky. The report from Harvard University's Joint Center for Housing Studies, *The State of the Nation's Housing 2018*, found that while the housing market has improved in many areas, there is an increasing number of low- and moderate-income families who lack access to affordable housing and homeownership is becoming less affordable. In higher-cost housing markets, typically in urban areas, it makes living close to work more difficult for our workforce.

We serve many of the same clients. We share the same mission to serve those who need our programs and services. Because of these needs, our work has purpose. We had to develop a big strategy to bring together new partners to collaborate and maximize our limited resources.

The big, overarching strategy to increase new production:

- 1. Revamped and streamlined the 2019-2020 <u>Qualified Allocation Plan</u> (QAP) to improve the allocation of Low Income Housing Tax Credits and create innovative housing solutions.
- 2. Create a blog and podcast platform to share innovative ideas and solutions that reaches beyond the state borders and broaden the conversation, <u>www.StrategicHousing.com</u> (created in-house).
- 3. Scheduled a series of five geographically dispersed meetings—Housing CCI Summits: Connect, Collaborate, Innovate—with thought leaders and partners all around the state to have the largest brainstorming session in KHC's history about needs and solutions (created and facilitated in-house).
- 4. Created a portable pictorial/art exhibit—<u>Simply Home—Affordable housing creates good</u> <u>neighbors</u>—with calls to action of support for affordable housing that would connect with our partners, university students, and the general public. This exhibit is offered for showings in communities as a service to the Commonwealth, free of charge (curated and designed in-house).

How did we do this and why should this win?

The QAP - To incentivize innovation and increase affordable housing production, first, we garnered feedback to help us revamp our QAP from a massive document to 22 pages of digestible, meaningful content, reducing red tape to better help our developer partners. Out of this process, a brand-new Innovation Pool was created to fund projects that meet unique needs. Awards were announced in January 2019.

Strategic Housing - A new blog and podcast platform, <u>www.StrategicHousing.com</u>, was created and launched prior to a series of scheduled summits in 2017, to bring in thought leaders and housing partners to talk about innovative and replicable housing models, along with other holistic approaches that help break the cycle of poverty and help our fellow neighbors achieve self-sufficiency and success.

Housing CCI Summits: Connect, Collaborate, and Innovate - Big housing ideas are generated out of networking, collaboration, and understanding what resources are available and how to access them. Through a series of emails marketing the 2017 Housing CCI Summits, Edwin King and the summit facilitators laid the foundation for new thinking. These summits held in Berea, Covington, Elizabethtown, Hopkinsville, and Frankfort were thoughtfully designed and purposeful to mix up and connect thought

Kentucky Housing Corporation Innovative Strategy to Encourage Production for Innovative Housing Solutions Rental Housing: Encouraging New Production

leaders from varied housing and service backgrounds and from across Kentucky and other surrounding states. People joined us from Illinois, Tennessee, Missouri, Ohio, and Washington, D.C. to share information about barriers, examine resources, and talk about stable, affordable housing that serves our clients holistically. Through "forced networking"—tables included participants from diverse backgrounds, work experience, and nonprofit, public and private sectors—participants were led through three rotations generating multidisciplinary ideas and responding to timed questions and discussions to brainstorm barriers and needs with reports provided from each table.

For communities to be successful, affordable housing is not just about putting a roof over someone's head; rather, it is about providing holistic approaches that are inclusive to education, health, jobs, and transportation opportunities. Having a home can truly be transformative in breaking the cycle of poverty.

Simply Home Exhibit - To broaden awareness for the need of affordable housing, KHC's leadership challenged our three-person communications and marketing team to design a portable, photo/art exhibit—<u>Simply Home—Affordable housing creates good neighbors</u>. This remarkable 24x36-foot exhibit, launched at the 2018 Kentucky Affordable Housing Conference, includes photos taken by staff and housing partners, art created by KHC staff, and was designed to do the following with calls for support:

- 1. Connect viewers with real people like themselves, families, or friends who have benefitted and are living successfully in affordable housing through colorful photos by staff and partners: families, workforce, seniors, and communities.
- 2. Help housing partners advocate for the development and preservation of affordable homes.
- 3. Re-frame how public and policy-makers view affordable housing in their community.

Outcomes and Results:

KHC's Housing CCI Summits met each of our five goals, with 60-90 participants at each venue. In terms of reportable outcomes, first, our plan was to host three Summits, but because of tremendous demand, we hosted two additional Summits. Second, the data that was collected gives us more insight to:

- 1. Viable/replicable housing models that integrate education, healthcare, and services.
- 2. A qualitative analysis of housing barriers and solutions.
- 3. A detailed listing of partners, services, contact information for subject matter experts across inter-disciplinary disciplines.

The syndicated blog and podcast, Strategic Housing, has included internal and guest blog posts about replicable housing models and podcasts with special guests such as, author of *Rise: How a House Built a Family*, Cara Brookins; DV8 Kitchen founder, Rob Perez, about his vision of creating second chances for those recovering from addiction through employment opportunities and accountability; combatting hunger through Homegrown By Heroes through the Kentucky Department of Agriculture; certification opportunities to help displaced coal workers learn new trades in energy efficiency; the QAP and Innovation Pool awards; and so much more.

The Simply Home Exhibit has traveled to partner events, two universities in Kentucky, the Housing Management Conference in April, and is scheduled for Eastern Kentucky University in May.

Through the culmination of efforts of this strategy over the last year and a half, developers embraced the vision and KHC received 30 applications requesting more than \$21 million in Housing Credits and was able to fund 19 projects with \$13,747,583 of 2019 Housing Credits in conjunction with \$2,140,000 of HOME Investment Partnerships Program (HOME) and \$1,500,000 of Affordable Housing Trust Fund (AHTF). KHC included a new strategy in the 2019-2020 QAP that incentivized innovative housing concepts. Four projects achieved this objective:

Kentucky Housing Corporation Innovative Strategy to Encourage Production for Innovative Housing Solutions Rental Housing: Encouraging New Production

Innovations Pool Project Awards

Westminster Apartments - Louisville, Kentucky

This innovative project will create 51 units by renovating the top four floors of a vacant apartment building on Presbyterian Homes and Services of Kentucky's Louisville campus. It was constructed in 1966 and has been vacant since 2014. The Louisville campus also includes a 50-unit personal care facility and a separate 112-bed nursing facility that is connected to the apartment building to be rehabilitated. **The University of Louisville Institute for Sustainable Health and Optimal Aging has agreed to be the supportive services provider for this project with an integrated team of social workers, nurses, pharmacists, and geriatricians.** Supportive services are necessary for older adults to maintain their long-term independence. The ability to offer both a safe attractive home to seniors with continuing care, will truly set a new standard in Kentucky for innovative senior care.

Maddox Manor - Glasgow, Kentucky

This innovative development will include 40-units of new construction, including 20 one-bedroom units and 20 two-bedroom units designed to serve the elderly in Glasgow, Kentucky. In an effort to allow elderly to age in place, there will be a community service facility on site that will utilize the **Medicare Waiver program** to provide a wide range of services to both the residents of Maddox Manor and the Glasgow community. In addition, there will be a "Passive House" duplex that will serve as a pilot testing the benefits of the energy efficiency model.

Kit Carson Commons - Richmond, Kentucky

This innovative project located at the edge of Eastern Kentucky University's campus, the Workforce Pathway at Kit Carson Commons, will provide 30 two and three-bedroom units of **affordable housing and a workforce training facility**. This development will target single parent families with a preference for single parent veterans. The community service facility will have two large classrooms, one large classroom that can be divided into two classrooms, reception area, administrative area, conference room and four offices all managed by Kentucky River Foothills Development Council. This facility will provide workforce training and will be open to the public. Training will be provided in partnership with Kentucky River Foothills Development Council, Eastern Kentucky University Center for Career and Workforce Development, Kentucky Career Center, Richmond Industrial Development Corporation, Richmond Chamber of Commerce, and Kentucky Skills U Essential Skills Certificate program.

Ransdell Living and Learning Center - Bowling Green, Kentucky

This innovative development includes **affordable housing units to house those with autism**. This property, previously known as Adams Station in Bowling Green, Kentucky, will renovate a total of 16 units with a total of three buildings. Eight units will be held for adults with autism spectrum disorder, while the remaining eight family units will receive a preference on the waiting list for individuals and/or families with autism spectrum disorder. Western Kentucky University is a crucial partner of this project because of their **Kelly Autism program, which assists those with autism in daily living skills, employment skills, and assists with these individuals attending the University to obtain a degree**.

All of these key activities were strategized with purpose—to approach housing, coupled with support services in new ways, to increase affordable, replicable housing solutions for underserved and growing populations. The lasting impacts on families benefitting from these homes will be immeasurable.

These projects will blaze a trail for holistic housing delivery and will get the attention of other state housing finance agencies as models that work.

Kentucky Housing Corporation Innovative Strategy to Encourage Production for Innovative Housing Solutions Rental Housing: Encouraging New Production

Supporting Documents and Visuals:

2018 Qualified Allocation Plan

http://www.kyhousing.org/Development/Multifamily/Documents/2019-2020%20Qualified%20Allocation%20Plan.pdf

Housing CCI Summits: Connect, Collaborate, Innovate Big Housing Ideas, Big Purpose (Housing CCI Summits) – <u>Blog Post</u> Summit Photos eGrams for Summits Summit Agenda

Simply Home (Exhibit) Simply Home Exhibit

QAP Funding Awards / Innovation Pool

Press Release: 2019 QAP Innovation Projects Funding Announcement http://www.kyhousing.org/News-Events/Pages/Press-Releases/pr-KHC-20190207.aspx

KHC's New QAP Innovation Pool and Innovative Project Awards

https://www.strategichousing.com/blog/2019/2/28/podcast-interview-khcs-new-qap-innovation-pooland-innovative-project-awards