

From Plan to Reality: Partnering with Affordable Housing Developers

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Sustainability's "Triple Bottom Line"

Environmental
Protection &
Resource
Conservation

What SB375 begins to
challenge us to also achieve



Economic
Prosperity &
Continuity

Economic Viability?? Now
that's just crazy talk...

Social
Well-Being &
Equity

What our Housing Elements were
originally intended to address



Definition of a Developer

... comfortable with ambiguity
and eternally optimistic.

Ten Things that Keep Me Up at Night

1. How am I going to compete for land?
2. Where am I going to park the cars?
3. The building code: I finally understand the ADA requirements. What's this exit balcony thing?
4. Where's the money going to come from?
5. How am I going to get the nerve to ask for this much money?



The Growing Local Subsidy

	Solara Poway, 2005 56 Units	Brighton Place Poway, 2010 77 Units	Mercado del Barrio San Diego, 2010 92 Units
Value of Land	\$2,700,000	\$5,655,000	\$4,100,000
Redevelopment Agency	697,820	5,381,000	9,104,000
Housing Authority	<u>900,413</u>	<u>0</u>	<u>7,000,000</u>
TOTAL	\$4,298,233	\$11,036,000	\$20,204,000
Total Local Subsidy per unit	\$76,754	\$143,325	\$219,609

Ten Things that Keep Me Up at Night

6. How long is this going to take?
7. What am I going to do about the neighbors?
8. Will my successors hate me?
9. Is it really making a difference?
- 10. How am I going to convince my board to take this risk???**



Creating the Partnership: Ten things we can do about it together

1. Determine the true inventory & be opportunistic land buyers.
2. Create policy changes to reflect the changed nature of building.
3. Be realistic about the cost. Create density bonus incentives that work for local economics.



Creating the Partnership: Ten things we can do about it together

4. Use local funds to create readiness & to leverage other funds.
5. Understand local subsidies required to make development work in today's environment.
Work together to change this!
6. Prepare for a long pre-development period, but be ready to go when the funding aligns.



Creating the Partnership: Ten things we can do about it together

7. Create the case for need and cultivate supporters. Personal testimony makes a difference.
8. Create a phased strategy and build critical mass over time.
9. Look to affordable housing to support other city objectives: clean up crime, act as catalyst for redevelopment, or a case study for new approaches.



Creating the Partnership: Ten things we can do about it together

- 10. Control the variables we can control.
Mitigate the risk.**



Dilbert on Real Estate Developers

