Leveraging P3 for: Housing Affordability, Equity, Resilience

New Partners for Smart Growth
January 31, 2015
Baltimore, MD
Workshop Presenters

• Ben Brown, Principal, PlaceMakers, LLC, Franklin, NC
• Bruce Tolar, Architect, Ocean Springs, MS
• Sarah Landry, Executive Director, Mercy Housing & Development, Gulfport, MS
• Stacey Epperson, President & CEO, Next Step, Louisville, KY
• R. John Anderson, Principal, Anderson|Kim Architecture & Design, Albuquerque, NM
The Context

Demographics
U.S. Population

1900
76 million

2000
281 million

Source: U.S. Census
(More than 30,000 Population)

<table>
<thead>
<tr>
<th>Year</th>
<th>Density</th>
</tr>
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<tbody>
<tr>
<td>1950</td>
<td>6,500 persons per square mile</td>
</tr>
<tr>
<td>2000</td>
<td>3,700 persons per square mile</td>
</tr>
</tbody>
</table>

Source: Arthur C. Nelson, Reshaping Metropolitan America
Between 1950 and 2000:

- The share of Americans living in suburban areas rose from 27% to 52%.
- The suburban population grew by 100 million, from 41 million to 141 million.
- And suburbia accounted for three-quarters of the nation’s population change.

Source: Arthur C. Nelson
## Population Projections, 2015-2040

<table>
<thead>
<tr>
<th>Years</th>
<th>18-64</th>
<th>65+</th>
<th>85+</th>
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</thead>
<tbody>
<tr>
<td>2015</td>
<td>62.2%</td>
<td>14.8%</td>
<td>1.96%</td>
</tr>
<tr>
<td>2020</td>
<td>60.97</td>
<td>16.87</td>
<td>2.01</td>
</tr>
<tr>
<td>2025</td>
<td>59.42</td>
<td>18.98</td>
<td>2.15</td>
</tr>
<tr>
<td>2030</td>
<td>58.16</td>
<td>20.62</td>
<td>2.54</td>
</tr>
<tr>
<td>2035</td>
<td>57.69</td>
<td>21.39</td>
<td>3.22</td>
</tr>
<tr>
<td>2040</td>
<td>57.78</td>
<td>21.66</td>
<td>3.85</td>
</tr>
</tbody>
</table>

*Source: U.S. Census*
Projected Household Change by type -- 2000 and 2025

<table>
<thead>
<tr>
<th>Category</th>
<th>2000</th>
<th>2025</th>
<th>Change</th>
<th>Share of change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total HHs (millions)</td>
<td>108</td>
<td>140</td>
<td>32</td>
<td>100%</td>
</tr>
<tr>
<td>HHs w/children</td>
<td>35</td>
<td>39</td>
<td>4</td>
<td>12%</td>
</tr>
<tr>
<td>HHs w/o children</td>
<td>73</td>
<td>101</td>
<td>28</td>
<td>88%</td>
</tr>
<tr>
<td>Single-person HHs</td>
<td>28</td>
<td>39</td>
<td>11</td>
<td>34%</td>
</tr>
</tbody>
</table>

Source: Arthur C. Nelson
The Context
Economics
Cumulative change in real annual wages, by wage group, 1979–2012

Source: EPI analysis of Kopczuk, Saez, and Song (2010) and Social Security Administration wage statistics Reproduced from: Figure F in Bivens et al. (2014)
Figure 3
Median Asking Sales Price for Vacant for Sale Units, 1995-2013
(Actual Dollars)

Dollars ($)
225,000
200,000
175,000
150,000
125,000
100,000
75,000
50,000

1995 1997 1999 2001 2003 2005 2007 2009 2011 2013

Recession
Figure 2
Median Asking Rent for Vacant for Rent Units, 1995-2013
(Actual Dollars)

Dollars ($)  
750  
700  
650  
600  
550  
500  
450  
400  

1995 1997 1999 2001 2003 2005 2007 2009 2011 2013

Recession
The Smart Growth Solutions
• Create more options
• At the right scales
• In the right places
Leveraging P3 for Housing Affordability, Equity and Resilience: Models to Build On

New Partners for Smart Growth Conference
Baltimore, MD
January 31, 2015
Cottage Square
Mississippi Cottages;
Cottage Square
ECO-Cottage Neighborhoods

Cottages at Oak Park
Ocean Springs, MS

Cottages at Second Street
Pass Christian, MS
Mississippi Alternative Housing Pilot Program; Eco Cottage
Location of CAOP (50ft Scale)
Location of CAOP (500ft Scale)
<table>
<thead>
<tr>
<th>Label</th>
<th>Description</th>
<th>Address</th>
<th>Distance (mi)</th>
</tr>
</thead>
<tbody>
<tr>
<td>B1</td>
<td>Bancorp South Bank</td>
<td>1003 Washington Ave</td>
<td>0.98</td>
</tr>
<tr>
<td>B2</td>
<td>Community Bank</td>
<td>2699 Bienville Blvd</td>
<td>0.33</td>
</tr>
<tr>
<td>B3</td>
<td>First Bank &amp; Trust</td>
<td>1517 Bienville Blvd</td>
<td>0.4</td>
</tr>
<tr>
<td>B4</td>
<td>Hancock Bank</td>
<td>901 Washington Ave</td>
<td>0.96</td>
</tr>
<tr>
<td>B5</td>
<td>KFCU</td>
<td>2420 Bienville Blvd</td>
<td>0.67</td>
</tr>
<tr>
<td>B6</td>
<td>Peoples Bank</td>
<td>2013 Bienville Blvd</td>
<td>0.31</td>
</tr>
<tr>
<td>B7</td>
<td>Wachovia Bank</td>
<td>1701 Bienville Blvd</td>
<td>0.22</td>
</tr>
<tr>
<td>CLS</td>
<td>Cellular South</td>
<td>2424 Bienville Blvd</td>
<td>0.72</td>
</tr>
<tr>
<td>AT&amp;T</td>
<td>AT&amp;T</td>
<td>1204 Bienville Blvd # 7</td>
<td>0.64</td>
</tr>
<tr>
<td>CC1</td>
<td>Boys &amp; Girls Club</td>
<td>2221 Government St</td>
<td>0.03</td>
</tr>
<tr>
<td>CC2</td>
<td>Learning Depot Child Development</td>
<td>2394 Government St</td>
<td>0.71</td>
</tr>
<tr>
<td>CC3</td>
<td>Super Vision Child Care</td>
<td>2436 W Commerce St</td>
<td>0.63</td>
</tr>
<tr>
<td>CC4</td>
<td>YMCA Preschool Childcare</td>
<td>1904 Government St</td>
<td>0.31</td>
</tr>
<tr>
<td>C1</td>
<td>Church of Christ</td>
<td>1116 Washington Ave</td>
<td>0.94</td>
</tr>
<tr>
<td>C2</td>
<td>Emmanuel Baptist Church</td>
<td>401 Holcomb Blvd</td>
<td>0.18</td>
</tr>
<tr>
<td>C3</td>
<td>Faith Christian Center</td>
<td>1710 Government St</td>
<td>0.44</td>
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<tr>
<td>C4</td>
<td>First Baptist Church-Ocean</td>
<td>6021 Washington Ave</td>
<td>0.93</td>
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<tr>
<td>C5</td>
<td>Macedonia Baptist Church</td>
<td>1702 Wee St</td>
<td>0.42</td>
</tr>
<tr>
<td>CH</td>
<td>City Hall</td>
<td>1018 Porter Ave</td>
<td>0.9</td>
</tr>
<tr>
<td>FD</td>
<td>Library</td>
<td>1226 Bienville Blvd</td>
<td>0.64</td>
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<tr>
<td>L</td>
<td>Fire Department</td>
<td>523 Dewey Ave</td>
<td>0.9</td>
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<tr>
<td>PD</td>
<td>Post Office</td>
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<tr>
<td>VOTE</td>
<td>Voting</td>
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<tr>
<td>BM</td>
<td>Brass Cleaners</td>
<td>2234 Bienville Blvd</td>
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<tr>
<td>LM</td>
<td>Laundry Mat</td>
<td>1337 Bienville Blvd</td>
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<td>D51</td>
<td>Village Cleaner</td>
<td>1337 Bienville Blvd</td>
<td>0.37</td>
</tr>
<tr>
<td>D1</td>
<td>Dance Revolution</td>
<td>1311 Government St</td>
<td>0.36</td>
</tr>
<tr>
<td>D2</td>
<td>Donna's Visual &amp; Performing Arts Center</td>
<td>2428 W Commerce St</td>
<td>0.71</td>
</tr>
<tr>
<td>D2</td>
<td>Better Hearing</td>
<td>2112 Bienville Blvd # E</td>
<td>0.33</td>
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<tr>
<td>D2</td>
<td>Dental Health Center</td>
<td>1203 Government St</td>
<td>0.83</td>
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<tr>
<td>D2</td>
<td>Dermatology - Eric Torp</td>
<td>2112 Bienville Blvd # F1</td>
<td>0.33</td>
</tr>
<tr>
<td>D2</td>
<td>Donald K Butcher MD</td>
<td>2113 Government St # K2</td>
<td>0.13</td>
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<tr>
<td>D2</td>
<td>Family Cosmetic Dentistry - Lauren Timmons</td>
<td>2112 Bienville Blvd # N1</td>
<td>0.33</td>
</tr>
<tr>
<td>D6</td>
<td>Glen Cook Dentist</td>
<td>1000 N Halstead Rd # A</td>
<td>0.74</td>
</tr>
<tr>
<td>D51</td>
<td>Gulf Coast Chiropractics</td>
<td>2112 Bienville Blvd # C1</td>
<td>0.33</td>
</tr>
<tr>
<td>D9</td>
<td>MD on Duty</td>
<td>1009 Byrd Dr</td>
<td>0.16</td>
</tr>
<tr>
<td>D10</td>
<td>Midway Health</td>
<td>1009 Byrd Dr</td>
<td>0.19</td>
</tr>
<tr>
<td>D1</td>
<td>Physical Therapy of Ocean Springs</td>
<td>900 Holcomb Blvd # A</td>
<td>0.17</td>
</tr>
<tr>
<td>D12</td>
<td>Quint Eye Clinic</td>
<td>2510 Bienville Blvd</td>
<td>0.73</td>
</tr>
<tr>
<td>D12</td>
<td>The Islands for Women</td>
<td>1001 N Halstead Rd</td>
<td>0.75</td>
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<td>D14</td>
<td>Wasmann Orthodontics</td>
<td>2317 Government St</td>
<td>0.19</td>
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<tr>
<td>CD1</td>
<td>Dugger Children's Clinic</td>
<td>1800 Government St</td>
<td>0.39</td>
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<tr>
<td>CD2</td>
<td>Gulf Coast Children's Clinic</td>
<td>999 N Halstead Rd</td>
<td>0.74</td>
</tr>
<tr>
<td>DG1</td>
<td>Ocean Springs Discount Pharmacy</td>
<td>2120 Bienville Blvd</td>
<td>0.38</td>
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<tr>
<td>DG2</td>
<td>Loversedge</td>
<td>801 Washington Ave</td>
<td>0.95</td>
</tr>
<tr>
<td>PC</td>
<td>Public Library</td>
<td></td>
<td></td>
</tr>
<tr>
<td>GROC</td>
<td>Grocery</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Conceptual Land Plan

Cottages at Oak Park
Ocean Springs, Mississippi
Oak Park
Oak Park
Second Street

CONCEPTUAL LAND PLAN

COTTAGES AT SECOND STREET
PASS CHRISTIAN, MISSISSIPPI
Cottages at 2nd Street
Cottages at 2nd Street
Cottages at 2nd Street
Cottages at 2nd Street
Cottages at 2nd Street
Key Factors for Success

• **Project Team;** Individuals or Organizations with necessary capabilities. All team members involved in various project phases.
  * Housing Non-Profits
  * For-Profit Developers
  * Professional Planners, Architects, & Engineers
Key Factors for Success

• **Site Selection;** Avoid floodplains, habitats, wetlands, public parkland, and unique soils. Preferred locations are Edge, Infill and Previously Developed.
  * Appropriate Zoning
  * Manageable Land Costs
  * Compact Development with Moderate Density (13 units per acre)

• **Infrastructure and Community Resources;** Existing Infrastructure and Public Transit. Access to Open Space.
Key Factors for Success

- Identify Potential Incentives; Grants, Loans, Permitting, Project Management, etc.
  - Mississippi Development Authority (MDA)
  - Community Development Block Grant (CBDG)
  - Energy Grants (FEMA Eco-Cottage through MEMA)
  - Landscaping (Enterprise Community Partners)
  - Foundations (Enterprise Community Partners)
  - Project Management (Mercy Housing & Human Development)
  - Low Interest Loans (Gulf Coast Renaissance Corporation)
Key Factors for Success

• Local Political and Business Leadership and Support

• A Commitment to Quality Design and Construction
Cottage Neighborhoods
Cottage Neighborhoods
Cottage Neighborhoods
Cottage Neighborhoods
Cottage Neighborhoods
Cottage Neighborhoods
Cottage Neighborhoods
What is partnership?
Why? collaboration
alone
duplication
strength
advocacy
visibility
If we don’t hang together, we will surely hang separately.

Benjamin Franklin
Great discoveries and improvements invariably involve the cooperation of many minds.

Alexander Graham Bell
When people are not worried about who gets credit, amazing things happen!
Next Step is a social enterprise with the mission to put sustainable homeownership within reach of everyone, while transforming the manufactured housing industry one home at a time.
For 50+ years, the industry has failed to provide higher quality, energy efficient homes installed correctly and coupled with good financing.

Next Step is the only place where the elements for manufactured housing “done right” come together.

- Homebuyer Rights
- Fair Loans
- Pricing Transparency
- Homebuyer Education
Next Step is creating a new distribution channel for quality ENERGY STAR homes through an existing value chain with our nonprofit network, while leveraging the factory-built housing industry’s retailer distribution channel.
Partnering with Industry

In addition to building a nonprofit network, we are poised to engage with the industry to instill these principles in a wider market, thereby increasing our mission impact while we ramp up our sales volume.
What are the Advantages?

Advantages of the Next Step System

- **Speed**: Quicker cycle time = shorter carrying costs
- **Efficiency**: Predictable construction process less susceptible to weather delays, faster and requires less construction management by staff
- **Affordability**: Wholesale preferential pricing because of volume orders
- **Flexibility**: Manufactured and modular versions of most homes available
- **Eco-Friendly**: Next Step manufactured homes are 10 to 15% more energy efficient than many ENERGY STAR homes
- **Accessibility**: Next Step Homes meet many Universal Design Standards
- **Sustainability**: Homeowners gain access to education and fair financing
- **Scalability**: Product delivery tailored to markets nationwide
Affordable Housing Alliance Solar at Pine Tree Community
Community Frameworks
Elder Cottage
Community Frameworks
Tiny Homes for the Homeless
Primavera Foundation Infill in South Tucson
Thank you for your interest and participation!

For further information, contact:
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