

Solving for Workforce Housing

Define it, then fix it.

Mike Kosdrosky, Principal
Workforce Housing Solutions, LLC
www.workforcehousingsolutions.com



WORKFORCE HOUSING SOLUTIONS
— BUILDING COMMUNITY —

ULI's definition of Workforce Housing:

“Workforce housing is defined as housing affordable to households earning between 60 and 120 percent of area median income (AMI).”

- Urban Land Institute

NAR's definition of Workforce Housing:

“...housing that is affordable to workers and close to their jobs. It is homeownership, as well as rental housing, that can be reasonably afforded by a moderate to middle income, critical workforce and located in acceptable proximity to workforce centers...it can be thought of as housing that is affordable to the moderate and middle-income residents of a community.”

- National Association of Realtors

The difficulty of defining (and confusion surrounding) Workforce Housing

- No Uniform Definition
- Not Public Housing
- Not Affordable Housing but affordable relative to the market
- Historically Market Rate
- Often Deed Restricted
- Sometimes Employer-Provided

https://en.wikipedia.org/wiki/Data_science



A Framework for Defining & Solving Workforce Housing

Workforce Housing should be...

- market rate housing (generally above 80% AMI up to ???)
- considered economic development
- housing that serves primary and secondary workers
- located reasonably close to where people work
- affordable relative to housing market
- High(er) density, particularly in UGBs
- housing that serves a range of middle-class income levels (locally determined)
- incentivized by govt through land use, zoning, entitlement reforms, political will, and infrastructure
- public-private partnerships, when necessary
- profitable for investors to supply demand

Workforce Housing should not be...

- public housing (an entitlement)
- affordable housing as understood (generally below 80% AMI)
- a top-down, one-size-fits-all definition administered by states and/or feds
- meant to cure or correct social inequities or injustices
- directly subsidized (might require indirect subsidies/incentives to bridge funding gaps)
- solved by government alone
- built or managed by government – better left to the private sector
- too expensive, time-consuming, and uncertain for private investors – i.e., too risky relative to ROI

Rethinking the Workforce Housing Solution

- Business and industry must lead the way. Gov't cannot solve this alone.
- Work regionally, not in silos. Encourage local participation.
- Seek common sense and innovative land use, zoning, and entitlement reforms.
- Seek out private capital first, not taxpayer \$\$\$.
- Diversify solutions and housing types (no silver bullet)
 - Larger projects and developers – economies of scale, incl. mixed use/mixed-incomes spurring socio-economic diversity/vitality
 - Smaller projects and developers – ADUs, duplexes, triplexes, quadplexes, etc.

Thank You!



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