US Public Housing Transformation: From Public Ownership to Private

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Changing Affordable Rental Housing Policy Goals in the U.S.

Housing for Low-Income People
- Poverty Dispersal Programs
- Income Mixing
- Social Services

Devolution:
- Larger Role of State and Local Government
- Low-Income Housing Tax Credit & Private Non-profit Production

Hard Units: public and private ownership Vouchers
Poverty Reduction Self-Sufficiency
**Transformation**

PH operating and capital subsidies insufficient to maintain and invest

Yet prescriptive fed regulations for PH rent, allocation and investment, govern 4,000 PHAs.

New flexibility enables PHAs to utilize Voucher payments as revenue stream to underpin investment and renovate housing stock.

**Outcomes**

Transfer of public housing units to LLCs, public majority shareholder

Wider eligibility, higher max. rents, duration limited to HV contract…

Competes with vibrant LIHTC funded NPO sector.
Diffuse System of Institutions and Funding Streams for US Affordable Housing
San Diego
SDHC (1979) young low rise stock, now corporatised public body
2009 transferred HUD regulated PH ($1 per unit, 1,366 units) to Housing Voucher PRS model
Exchanged ongoing property based operating subsidy for ongoing HV
Used equity and revenue stream to access PF, issue bonds (A+ SP rating), inclusionary zoning
810 new AH
Tenants given choice to move from PH to HV or BMR and AHO
25% moved and PH reallocated from WL
Transformative leadership, various partners, customer orientated, sophisticated PR strategy
Competes with other AH NPOs

Portland
Portland PHA (1941) Homeforward
Older, some high rise stock 1,345 units
Range of PH, HPOE VI, HV, LIHTC
R&D hot house, trusted industry reformer, inspired national programs
- Detailed review of impact of HUD regulations on investment, rent and allocation conditions
- Piloted more flexible approach to transfer PH to section 8 program and harmonise requirements but protect tenancy conditions, attracting investment for tower rehabilitation
- Developed specific market rent standards for 9 districts
- Created 6 management companies to manage LIHTC and HV funded properties
- Removed silos, attracted capital investment
- Yet impeded by lack of inclusionary contributions