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the CAMPAIGN for AFFORDABLE HOUSING NEWSLETTER

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PRESIDENT'S MESSAGE....HERE'S WHAT'S HAPPENING



Julie Bornstein
President, The Campaign for Affordable Housing

We want to see you in Houston! The Campaign's 2006 Annual Conference on September 27 and 28 is shaping up to be the best yet. Our regional co-hosts Southeast Texas Housing Finance Corporation, Housing Texas and the Houston Housing Authority have assisted us in putting together an outstanding program of workshops and speakers. Many thanks to our sponsors, who, at this writing, include Bank of America; Century Housing; Camden Living; National Multi-Housing Council; National Association of Realtors; Locke, Liddell & Sapp; Nixon Peabody; The Reznick Group; Houston LISC; Southeast Texas Housing Finance Corporation; Wells Fargo; Enterprise Community Partners, Inc.; Federal Home Loan Bank of Topeka; National Housing Conference; George K. Baum & Co.; CityView; Morgan Keegan; Community Development Trust, Inc and Coats|Rose|Yale|Ryman|Lee.

Many of the sessions of the conference focus on the communications challenges posed by the immediate and critical housing issues resulting from last year's hurricanes and the response of Harris County and the City of Houston, providing a significant learning opportunity for all housing and governmental agencies who might have to face a similar crisis in housing people in need. In addition, many of the workshops provide hands-on, case study and strategy training for crafting effective affordable housing messages. For anyone engaged in providing affordable housing opportunities, developing affordable housing, responding to community opposition or interested in creating a more hospitable regulatory environment for affordable housing policies and developments, the information to be learned at the Houston conference is invaluable. To register for the conference, please go to www.tcuh.org/hcc.

Elsewhere in this newsletter you will find information gathered by Director of Communication Strategies Bobbie Christensen on points of interest in the Houston area, including a description of an exciting affordable housing development—the Row Houses. Thanks to the on-the-ground field research of our able research assistant, Alaine Azcona, there are also reports on two unique affordable housing responses to both short-term and long-term housing needs. Several of the principles

we've found to be effective in building support for affordable housing underlie the positive response of local leaders and the community to these affordable housing solutions.

So—don't be left out! The Houston conference will be informative, stimulating and helpful to all who want to improve their effectiveness to advocate for affordable housing and overcome community opposition to important policies and individual developments. You will also have a chance to interact with practitioners from all over the country who are creating successful policies, effective practices and new units to meet the nation's need for housing affordable to the people who make our communities function. Register today to attend! ■

CONTRIBUTE TO THE NEWSLETTER

Do you have an affordable housing success story? Share it with the rest of the readers of the Campaign for Affordable Housing's bi-monthly newsletter. Articles, letters to the editor and all other submissions can be e-mailed to the Campaign at: tcuh@tcuh.org

The submission deadline for the next newsletter is:
November 6, 2006

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IT TAKES A VILLAGE TO PRESERVE NEW ORLEANS' WORLD-FAMOUS MUSIC CULTURE

by Alain Azcona

As many housing advocates have found, the term “workforce housing” can be helpful to persuading people that their community will benefit from affordable housing. Some of the most effective campaigns to build support for affordable housing have drawn attention to the fact that a healthy community must provide housing opportunities for essential workers like teachers, firefighters, and healthcare workers. Nowhere is the need for workforce housing more apparent than in New Orleans; there is simply no place for workers to live, and the widespread labor shortage has crippled efforts to rebuild the city.

Among those who have been affected by the housing crisis are New Orleans’ musicians, considered by many to be the city’s most essential workers of all. Not only are they the backbone of New Orleans’ once-thriving tourism industry, they are also the most important ingredient in the “cultural gumbo” that makes the city unique. Following Katrina’s devastation, world-renowned jazz musicians Harry Connick, Jr. and Branford Marsalis immediately recognized the danger that New Orleans might lose its musicians—and with them, its irreplaceable culture—as a result of decreased employment opportunities and rapidly rising rents. As honorary chairs for Habitat for Humanity’s hurricane recovery program, Operation Home Delivery, Connick and Marsalis conceived the idea for a “Musicians’ Village.”

By providing musicians with the opportunity to own a Habitat home, Connick and Marsalis reasoned, the Musicians’ Vil-

lage would enable many musicians to stay in the city, helping to preserve its culture and revive its economy. Both Connick and Marsalis gave high-profile benefit concerts to raise funds for the project, and they have inspired other well-known musicians to do the same. Their participation has also generated extensive media coverage for the Musicians’ Village. Connick, who was the single largest donor to New Orleans Habitat for Humanity for several years before Katrina, has served as an extremely persuasive spokesperson, as he has both knowledge about the strengths of the Habitat program and is passionate about the importance of musicians to New Orleans’ recovery. Along with Habitat’s name recognition and track record, the clearly articulated mission of the Musicians’ Village was particularly effective at a time when many Americans wondered where their donations could have the greatest impact. Many individuals made generous contributions in the immediate aftermath of Katrina, and thousands have volunteered to help build the Musicians’ Village in the months since.

As a result, the development of the Musicians’ Village has moved forward at a remarkable pace in comparison to other recovery efforts in the city. In January, Habitat, with the support of the Baptist Crossroads Project, purchased the 5.5 acre lot in the Upper Ninth Ward, left vacant after a middle school was demolished. With a virtual army of volunteers from around the country, Habitat has already constructed 30 shotgun homes in the Musicians’ Village. Painted in vibrant shades of purple, blue, orange and green, they are a bright sign of hope

for the surrounding neighborhood, which is still struggling to recover after receiving several feet of floodwater after Katrina. When completed, the Musicians’ Village will include 74 single-family homes, as well as several two-family homes specifically for older musicians. Eventually, Habitat would also like to build an additional 250-300 homes on nearby vacant lots. Although the development includes homes for musicians and non-musicians alike, Connick and Marsalis hope that the Musicians’ Village will become a community where musicians can pass on the city’s unique traditions to the next generation. The homes will surround the Ellis Marsalis Center for Music, named in honor of Branford’s father, a legendary jazz pianist and educator.

In addition to 350 hours of “sweat equity” invested into the home’s construction, Habitat homeowners pay roughly \$75,000 through a 20-year, no-interest loan. The monthly payment on a home in the Musicians’ Village will average about \$500, significantly less than what it costs to rent in New Orleans’ tight housing market. For many musicians, this could mean the difference between being able to stay in New Orleans and having to leave—and for the city of New Orleans, that decision will have a huge impact, both economically and culturally. According to Bill Taylor, director of the New Orleans-based Tipitina’s Foundation, the fate of the city and its musicians are inexorably linked. “If you want to know how New Orleans is doing, just look at the musicians,” he says. “If they’re hurting, that does not bode well for the city’s future; if they’re doing well, then things are looking up.” ■

NEWS FROM AROUND THE COUNTRY

Washington, DC

Since the residents of Washington, D.C. lack voting representation in Congress, Affordable Housing Activists of DC, a constituency of concerned neighbors and friends who act to influence public policy and resource allocation for affordable housing in the District, are launching a new advocacy effort called “Adopt DC” to recruit 50,000 votes from across the country in support of affordable housing in D.C. The nation’s capitol has no Senators or voting Representatives. So citizens from the 50 states are invited to join the Adopt DC network. Those who join will receive occasional, easy-to-respond-to alerts, which sometimes will relate to issues affecting housing nationwide and other times will deal with a specific issue relating to D.C. For more information, visit www.ahadc.net.

New Jersey

Reprinted from:
CBS3 (Philadelphia, PA)
August 10, 2006

(AP) TRENTON Plans to construct 100,000 homes for low- and middle-income New Jerseyans during the next decade are expected to be unveiled Thursday by Gov. Jon S. Corzine’s administration. The plan has been in the works since Corzine was a gubernatorial candidate last year. In June, he said he would soon unveil the blueprint to expand affordable housing throughout New Jersey, where tens of thousands of people are awaiting housing help.

“Affordable housing is the basic building block for transforming lives,” Corzine said at the time. The New York Times reported on the impending release of the report in Thursday’s newspapers. New Jersey is the most expensive state for homeowners and the third most expen-

WELCOME TO SPACE CITY, USA: HOUSTON, TEXAS

by *Bobbie Christensen*

Those who attend the Campaign for Affordable Housing's conference in Houston September 27-28 will be visiting America's fourth largest city and one that is chock full of interesting things to see and do before or after the conference. Here are some highlights.

Museums

Houston has the fourth largest museum district in the United States, featuring 15 museums. It might be difficult to choose from among so many, but they include the Museum of Fine Arts, the Houston Museum of Natural Science (with an IMAX theatre and a planetarium) and the Menil Collection (including 15,000 works of art dating from the Paleolithic era to present day). The district is also home to the Houston Zoo, housing more than 5,000 animals on 55 acres.

Shopping

The Campaign's conference hotel, the Sheraton Suites near the Galleria, is—well, as its name implies—right next to an upscale shopping mall, the Galleria. You'll find the likes of Lord & Taylor, Neiman Marcus, Saks Fifth Avenue, and Tiffany & Co. plus numerous "one of a kind" local stores. But other shopping options can be found all over the city. Among areas where you'll find clusters of stores is the Old Town (Victorian) Shopping Village—with 150 stores, including home décor and arts. Houston's Harwin Drive has been compared to New York City's Orchard Street—featuring leather goods, jewelry, and clothing, most at incredible prices. Then there's Historic Houston Heights, which has mucho antique stores and vintage clothing. You'll also find

interesting stuff at Uptown Park, Highland Village...the list is endless.

Theatre/Entertainment

If you have time to see a show, you're in the right city. Houston is one of just five cities in the U.S. that have resident companies in ballet, opera, symphony, and theatre (plays). You might choose to go to Broadway in Houston, Theatre Under the Stars, or Uniquely Houston.

Sports

How can one talk about Houston without mentioning sports? With major professional sports teams playing baseball, football, basketball, hockey, and soccer, it's always the season for a sporting competition. And in terms of participatory sports, there are more than 165 public and private golf courses. Fly fishers, too, will find plenty of opportunities for saltwater fishing in the Gulf of Mexico. Or you can rent a pontoon boat and lazily float down Buffalo Bayou or take a canoe tour. (See www.buffalobayou.org.)

Walks, Nature, Other Fun Activities

For those who like to walk, there are plenty of lovely spots. Surrounded by 1.5 million acres of lakes, the Gulf of Mexico, and with 80,000 miles of rivers and streams, there are plenty of opportunities to stroll by water. In addition, there are more than 43,700 acres of green and growing city parks.

Other Ideas

- You can touch a moon rock at Space Center Houston or take a shark tunnel tour at the Downtown Aquarium.
- The American Cowboy Museum preserves the western heritage of African Americans, Latinos, Native Ameri-

cans, and women.

- Forbidden Gardens celebrates the history and culture of China.
- A visit to the Third Ward's preserved shotgun houses would be of interest to some of us "housers." Inspired by the art of African American artist John Biggers, the Project Row Houses are on the site of 22 formerly abandoned shotgun houses circa 1930. It is a neighborhood-based art and cultural center that includes 13 affordable units.
- Oh, and if you have ever watched a rocket launch in person or on TV, you might want to visit the Johnson Space Center, the home of the "heart" of the space program, the famous Mission Control Room.

And when you want to—finally—rest, the Houston Water Wall near the Galleria is a soothing city landmark.

Restaurants

Of course in a city of this size, you'd expect to find a lot of restaurants; in fact, there are over 5,000. One is located right in the Sheraton Suites near the Galleria.

Like seafood? Joyce's Seafood and Steaks has gotten rave reviews and is near the Galleria. If you're looking for waterfront dining, check out the Rainbow Lodge or Brady's Landing. And how can one visit Houston without sampling barbeque? Check out www.Houston.CityWatch.com for reviews of all kinds of restaurants!

See you in "Space City" September 27-28! ■

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JETTER AND POOLE JOIN CAMPAIGN'S BOARD OF DIRECTORS

The Campaign is pleased to welcome two outstanding additions to its Board of Directors; Andrew Jetter, President and CEO of the Federal Home Loan Bank of Topeka and JoAnne Poole, realtor and 2005 President of the Maryland Association of Realtors. These widely respected leaders bring important perspective to the work of the Campaign.

Andrew Jetter

Andrew Jetter, 50, currently serves as president and CEO of FHLBank Topeka. One of 12 federally chartered federal home loan banks in the United States, FHLBank Topeka is a \$48 billion wholesale bank providing liquidity and related products and services to approximately 900 member financial institutions located in Colorado, Kansas, Nebraska and Oklahoma.

Jetter joined FHLBank Topeka in 1987 as an attorney and served as general counsel and corporate secretary and chief operating officer prior to being named president and CEO in 2002. Before joining FHLBank, Jetter was engaged in the private practice of law in Omaha, Neb., and served as a full-time instructor in the areas of finance and management at the University of Nebraska at Omaha.

He has a bachelor's degree in business administration and economics from Midland Lutheran College, Fremont, Neb., and Juris doctor and master of business administration degrees from the University of Nebraska, Lincoln, Neb. Jetter currently chairs the Housing and Community Development Committee of the Conference of FHLBank Presidents.

He is a member of the Kansas Chamber of Commerce board of directors, the Kansas Council



Andrew Jetter
President,
Federal Home Loan Bank of Topeka

on Economic Education board of directors, the Pentegra Financial Institutions Retirement Plan board of directors and the Kansas Equity Fund management committee.

JoAnne Poole

JoAnne Poole, 2005 President of the Maryland Association of REALTORS®, is a REALTOR® with Poole Realty in Glen Burnie, Maryland. She works with buyers and sellers in various areas and price ranges in Maryland. Poole holds the Certified Residential Specialist (CRS), Graduate of REALTORS® (GRI), Leadership Training Graduate (LTG) designations and Internet Professional (e-PRO).

Poole also serves the National Association of REALTORS® as the 2006 Chair of the Federal Housing Policy Committee, a member of the Public Policy Committee and a member of Housing Opportunity Advisory Board.

Poole is a member of the Anne Arundel County Association of REALTORS®, National Association of Real Estate Brokers,



JoAnne Poole
2005 President,
Maryland Association of REALTORS®

Distinguished Sales Achievement Club, the Council of Residential Specialists and the Women's Council of REALTORS®. She served as the 1997 President of the Anne Arundel County Association of REALTORS® and as 1998 State Chapter President, 2000 Regional Vice President for the Women's Council of REALTORS®, Poole was named Distinguished Sales Associate of the Year in 1994 and REALTOR® of the Year in 1997 for Anne Arundel County and was voted Member of Year for the Women's Council of REALTORS® in 2000.

Poole served on the National Association of REALTORS® Equal Opportunity Cultural Diversity Committee from 1997 through 2004 and represented the Maryland Association of REALTORS® on the Housing Maryland Coalition, a group working on the growing affordability issue in both the rental and homeownership sectors in Maryland.

"We are delighted to have the participation of Andy and JoAnne on the Board of Directors," said Board Chairman, Chuck Edson. "As our name

gets more widely known around the country for providing important training and information for those in a variety of sectors of the affordable housing industry, it is important that we have active industry leaders providing us the benefit of their experience."

Andy Jetter and JoAnne Poole will be among the Campaign's Board members attending the conference in Houston, Texas at the end of September. ■

COMPANY SPOTLIGHT: FEDERAL HOME LOAN BANKS

The Federal Home Loan Banks and their members are the largest source of residential mortgage and community development credit in the United States.

There are twelve FHLBanks, each with its own president and board of directors, located in different regions of the country, with twelve distinct sets of customers, all with differing kinds of demand for their products, services and expertise.

The FHLBanks' cooperative structure is ideal for serving the System's 8,100 member lenders. Each regional FHLBank manages and is responsive to its customer relationships, while the twelve FHLBanks use their combined size and strength to obtain the necessary funding at the lowest possible cost.

WORKSHOP PREVIEW: THREE YEARS AND COUNTING: HUD'S AFFORDABLE COMMUNITIES INITIATIVE SOUNDS THE ALARM FOR REGULATORY REFORM

It is not news that families across America are increasingly finding it difficult to afford to live in the communities where they work. This is especially true in certain areas of the country.

For example, recently economists with the *National City Corporation* and *Global Insight* found home prices in Naples, Florida, surged 140 percent since 2001, creating one of the most overvalued housing markets in the country. Bloomberg News reported that the local school district in Naples cannot hire enough teachers, and the Collier County's Sheriff's Office cannot fill nearly 100 positions because of the lack of affordable housing. While this affordability dilemma is largely a function of prevailing market conditions, many communities are discovering the problem is compounded by something that is entirely man made—burdensome, outdated and duplicative regulations.

Experts around the country agree these regulatory barriers can significantly add to the cost of housing or even prevent the construction thereof—thereby precluding families from finding a place to live near where they work.

In June of 2003, the Department of Housing and Urban Development (HUD) launched the *America's Affordable Communities Initiative (AACI)*, a

department-wide effort to help raise national awareness for the need for regulatory reform and to provide helpful guidance on creating local solutions. A. Bryant Applegate, Senior Counsel at the Department, was appointed Director and has since traveled the country working with state and local leaders, as well as industry groups, to find ways to overcome regulatory barriers to affordable housing. He will be one of the presenters at the Campaign's national conference on September 27th and 28th in Houston, Texas.

Coming from local government, where he was a local government attorney and litigator, Applegate understands the burdens confronting local government officials as they balance competing issues and interests. He also realized, as does Secretary Alphonso Jackson, that if HUD was going to ask local communities to commit to regulatory reform, HUD ought to lead by example.

Mr. Applegate will discuss many of the projects developed by the Department of Housing and Urban Development while emphasizing the importance of the need for local communities to develop solutions that are unique to their local needs. He will also share what he has learned about overcoming regulatory obstacles from his travels throughout America. ■

WORKSHOP PREVIEW: PLANNING A PUBLIC AWARENESS PROGRAM; WHAT WORKED!

by John Fairbanks
Public Affairs Manager,
Vermont Housing
Finance Agency

There is a saying in the field of strategic communications—"a goal without a plan is only a wish." Good intentions do not pave the road to success. When you're starting out planning a public education campaign, you need to make decisions about what your goals will be, what resources are necessary, and what steps you need to take to reach them. Otherwise, you're casting the fate of your efforts to the winds.

At the Campaign's upcoming conference, I will participate in a planning workshop that will include both a presentation on the basics of preparing a public awareness program on affordable housing and a series of short exercises to help get you started, including:

- Outlining a mission, goals and plan of action,
- Analyzing the communications environment, both the internal environment—your agency's/coalition's resources, strengths and weaknesses—and the external environment—demographic, political and economic factors as well as opportunities and threats, and
- Identifying potential target audiences—who do you need, who can help, and who might stand in your way.

The Vermont Housing Awareness Campaign (www.housingawareness.org) began as an idea among a group of staffers from three state housing agencies in late 2000. They made a few phone

calls, brought some interested parties together for a meeting, and began to put together an outline for a comprehensive plan to reach specific target audiences with tailored messages about the need for more affordable housing development in the Green Mountain State. Other state housing campaigns have had a specific legislative focus—Housing Minnesota is one example—but the Vermont campaign is aimed at building public awareness and support for housing. The distinction is important; because moving public opinion on a specific piece of legislation or a referendum is a different (though not totally unrelated) task from that of building public support for policy.

We drew up a list of key partners for our coalition and discussed how their interests overlapped with ours. We looked at the capacities of our individual agencies and of ourselves as a group, so we could assign responsibilities for getting certain tasks accomplished. We spent months hammering out a plan and a budget. And, since we agreed the goal was moving public opinion, we agreed to spend some money putting a public opinion survey into the field to both determine where to put most of our efforts and test out potential messages to reach specific audiences. The entire process, from "hey, good idea!" to the press event announcing our campaign, took 15 months.

All that planning paid off. We have enjoyed significant success at the local and state levels, to the point where there are now several local housing task forces up and running and the lack of affordable housing in Vermont is now on the public agenda. ■

GREAT DESIGN GENERATES SUPPORT FOR AFFORDABLE HOUSING MODEL

The Little Cottage That Could

by Alain Azcona

Hurricane Katrina—and, to a lesser degree, Hurricane Rita—caused an unprecedented and ongoing housing shortage along the Gulf Coast. The crisis is concentrated in Louisiana and Mississippi, where the percentage of housing stock damaged or destroyed was 31 percent and 21 percent, respectively, according to a report by the Office of Federal Coordinator for Gulf Coast Rebuilding. The report found that in the hardest-hit areas, the percentage of housing units that experienced “major/severe damage” ranged from more than 55 percent in New Orleans to almost 80 percent in St. Bernard Parish. In Mississippi’s Hancock County, more than 78 percent was severely damaged.

One might expect that during such a time of crisis, attractive housing design would rank fairly poorly on the priority list for recovery, far below considerations like affordability and expediency. However, the experience of communities along the Gulf Coast suggests quite the opposite. Unlikely as it may seem in a region where more than 100,000 displaced residents are living in FEMA trailers, housing design has become the subject of lively public discussion throughout Louisiana and Mississippi, with ordinary citizens pondering roof pitch and porch depth, while weighing panelized construction against the old-fashioned kit house.

This newfound interest reflects a virtual renaissance in affordable housing design that has come out of the housing crisis—a renaissance that was inspired, in a roundabout way, by the FEMA trailers themselves. Beginning in October 2005 at the Mississippi Renewal Forum, an urban design charrette or-

ganized by the Congress for New Urbanism (CNU) and superstar planner Andres Duany, there has been a wellspring of creativity focused on coming up with alternatives to “business as usual” when it comes to emergency housing design and construction. Although the CNU has been criticized in the past for focusing on upscale developments that exclude lower-income households, the Mississippi Renewal Forum emphasized the need for an affordable, attractive and sustainable alternative to FEMA trailers, that would win support of the wider public. The Forum challenged architects to design permanent, structurally sound homes that would regenerate communities over time, rather than becoming a blight.

The result was the Katrina Cottage I, a 308-square foot, one-bedroom home conceived by New York-based architect Marianne Cusato. Drawing on the Sears, Roebuck kit home for inspiration, Cusato designed the cottage to be both dignified and practical, with long-term recovery in mind for both the region and its displaced residents: “How can storm victims start over if they don’t have a place to get clean and feel safe?” Cusato asked.

Designed in consultation with residents of the affected Mississippi towns, the Katrina Cottage’s steep roof and wide front porch honor the region’s architectural traditions. To keep construction costs down, the shotgun-style cottage can be constructed with wood framing, steel framing or prefabricated foam-insulated panels, and it is finished with fiber cement siding and a metal roof. It complies with FEMA base flood elevation criteria, and it was engineered to withstand winds of up to 140 miles per hour. Cusato imagines that many residents will expand the cottage gradually according to

their needs and finances, in keeping with centuries-old American tradition. On larger lots, the cottage could also be placed in the back yard as a temporary home while owners rebuild, then converted into an accessory unit, or “granny flat.” Cusato designed the Katrina Cottage to be built in 1-2 weeks, at a cost of approximately \$35,000, excluding land acquisition. Compared to estimated cost for each FEMA trailer, ranging from \$60,000 to as much \$140,000, the fiscally-responsible Katrina Cottage I demanded attention. The main argument against it was that the 1974 Stafford Act authorized FEMA to provide only temporary housing. Supporters of the Katrina Cottage set about garnering the political will to change the Stafford Act by showcasing a model of the cottage and informing the public about its affordability.

Following its successful debut at the International Builders’ Show in January, where it attracted extensive media attention, the Katrina Cottage I was moved to downtown Ocean Springs, Miss. There the cottage received the outspoken endorsement of Mayor Connie Moran and Gov. Barbour, both of whom began lobbying Congress to consider funding the cottage as a cost-effective alternative to FEMA trailers. “Modular housing can be constructed quickly and efficiently, and ultimately costs the taxpayer less in construction and maintenance costs,” Gov. Barbour told the Senate Appropriations Committee.

Following another charrette with communities in Louisiana, the design for the Katrina Cottage II was developed in the tradition of the Louisiana Creole cottage. It was greeted with enthusiasm when it was unveiled in a Wal-Mart parking lot in Chalmette, La., just south of New Orleans in the devastated

St. Bernard Parish. The Katrina Cottage II is a three-bedroom home, significantly larger than the original, with 470 square feet on the first floor and 300 on a second-floor loft. Most remarkable is its resiliency – the cottage’s concrete panels are water-resistant and can withstand winds as high as 200 mph, owing to the panelized construction system of Home Front, Inc., which fabricated and constructed the cottage.

Located across the street from a field of FEMA trailers, which would pose a grave danger in winds of 75 mph, the Katrina Cottage II makes as bold a statement as its predecessor, and it seems to have successfully gotten its point across. Louisiana Gov. Kathleen Blanco and Louisiana Recovery Executive Director Andy Joplin have joined their Mississippi neighbors in lobbying Congress to change the Stafford Act. In May, Rep. Richard Baker and Sen. Mary Landrieu sponsored identical bills in the House and Senate, the Natural Disaster Housing Reform Act of 2006 (S. 2983 and H.R. 5393), to empower HUD to address long-term housing needs following disasters. Both are currently in committee.

Beyond the Gulf for Affordable Housing

It remains to be seen whether enthusiasm for the Katrina Cottage at the local and state levels will be enough to prompt change in federal policy, but the fact that a small, one-bedroom house could spark such a debate is remarkable in and of itself. Regardless of the outcome at the federal level, the Katrina Cottage will likely be a popular option once aid for rebuilding begins to reach local CDCs and individual homeowners in the coming months, especially if soaring construction costs continue as expected. On Aug. 23, Lowe’s Home Improve-

GREAT DESIGN GENERATES SUPPORT FOR AFFORDABLE HOUSING MODEL

(CONTINUED FROM PAGE 6)

ment Stores announced that it will sell four versions of the Katrina Cottage designs in kit form.

Plans are also underway to build the Katrina Cottage III in New Orleans. Despite rave reviews from media outlets throughout the country, nothing has generated as much interest in and support for the Katrina Cottage as the physical cottage itself. "People see it and they immediately relate to it," Cusato remarked at the National Association of Real Estate Editors' conference in April. "From this idea, a new way of thinking about housing can be born."

The Katrina Cottage proves that high design standards and affordability are not mutually exclusive; on the contrary, they are mutually supportive. Since the Katrina Cottage was first unveiled, it has inspired dozens of similar, "Katrina-like" cottage designs, and several manufacturers are setting up shop in the region to serve the anticipated demand for pre-fabricated, modular and panelized construction. As the pace of the Gulf Coast recovery picks up, however, it must do so without sacrificing the high standards set by the Katrina Cottage in order to sustain this newfound interest in affordable housing design. Communities along the Gulf Coast have an unprecedented opportunity to demonstrate on a grand scale the desirability of affordable housing, and the outcome will surely influence the willingness of other communities to embrace similarly innovative and creative solutions. ■

NEWS FROM AROUND THE COUNTRY

(CONTINUED FROM PAGE 2)

sive state for renters, according to the U.S. Census. The Corzine administration estimates 38 percent of New Jersey homeowners and 47 percent of tenants spend more than 30 percent of their income on housing costs.

The \$31 billion budget signed by Corzine last month increases rental assistance by \$15 million, to \$40 million, and includes about \$12 million to improve shelters for the homeless, substance abusers, veterans and domestic violence victims. About 40,000 New Jerseyans are on waiting lists for federal rental housing vouchers. The governor contends his funding increase would help 1,500 of those families afford decent housing.

Rhode Island

The University of Rhode Island is considering developing 60 affordable homes for faculty members as part of an expansion of its main campus in South Kingstown. "We are limited by what we can financially afford to pay our faculty members, so we must have other ways of enticing the best faculty from across the country," Robert Weygand, URI's vice president of administration stated. The median-priced home in South Kingstown last year cost \$374,500, which requires an income of almost \$120,000. According to the American Association of University Professors, the average faculty salary for an assistant professor at URI last year was \$58,800. "We are limited by what we can financially afford to pay our faculty members, so we must have other ways of enticing the best faculty from across the country," said Robert Weygand, vice president of administration. ■

WORKSHOP PREVIEW: AUSTIN DEVELOPERS ENCOURAGED BY "S.M.A.R.T. HOUSING"—PROGRAM HIGHLIGHTED AT CAMPAIGN'S CONFERENCE

In April 2000, the City Council of Austin, Texas, passed a resolution creating what it calls "S.M.A.R.T. Housing" in order to moderate the trends that made much of the local real estate unaffordable for low to medium-income families.

The S.M.A.R.T. Housing Initiative represents a shift from a regulatory to an incentive-based development model. In urban areas, where restrictions and regulations have been the preferred method of achieving public benefits, developers face an increased financial risk due to the uncertainty of regulatory costs. This acts as a disincentive to achieving public benefits such as affordable housing. In contrast, the S.M.A.R.T. Housing concept is a development policy that uses a voluntary, incentive-based approach to encourage developers to build housing that is affordable, meets higher construction standards, and is located near transit. The city clearly defines the public benefits desired through the S.M.A.R.T. Housing Initiative and rewards developers who participate. Housing that meets those standards enjoy preferred (expedited) treatment through the development review system. Such housing also qualifies for fee waivers.

The S.M.A.R.T. Housing Initiative has won numerous awards, including designation of an ICMA International Best Practice.

At the Campaign for Affordable Housing's September conference in Houston, Texas, Margaret Shaw, deputy director for housing and community development at the City of Austin, will describe in more detail how the initiative was created and—five years later—how it is working. She will also describe other Austin partnerships that are increasing affordable housing choices for Austin residents, including a neighborhood-based effort to manage density near the University of Texas campus and a creative non-profit-private housing partnership for disabled residents. ■

REMEMBER THE TRIBUTE FUND

Please think of the Campaign's Tribute Fund as a way to commemorate occasions and accomplishments, while supporting the cause of affordable housing.

All contributions to the Tribute Fund will be acknowledged in the Campaign's newsletter as well as in a card to the honoree. To donate, complete the tribute fund section of the donation form at the end of this newsletter.



the CAMPAIGN for AFFORDABLE HOUSING

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