

Education/Marketing Campaign

What is it?

Public education programs can be broad, civics lessons on the public benefits of mixed-income housing. Providing a strong public education campaign for mixed-income housing could reduce potential opposition. Well documented and well-presented public education is essential in dispelling commonly-held views of what is meant by “mixed-income housing” – for example, as housing limited to the poor, transients or resulting in high density housing. An education and marketing effort could demonstrate that mixed-income housing serves a broad market and has considerable benefits for the community.

Targeted forms of *technical assistance* can be addressed to homebuilders, financial institutions, real estate professionals, developers, advocacy groups, and consumers.

How to do it

1. **Plan your marketing strategy.** Identify those groups to which you want to sell your concept. A targeting marketing program makes your mixed-income project more successful. Your intent should be to educate the public generally about the benefits of mixed income neighborhoods, not to market to below market-rate home buyers or renters. Marketing material must be targeted to different segments of the market for mixed-income housing. Don't include income qualifications in publicized marketing materials if you expect to market successfully to market rate customers. Leave that to the qualifying stage after customers are on site. Give marketing information designed for below-rate consumers to government agencies that administer programs for low and moderate-income people so that they can provide it directly to their clients.

Effective forms of marketing include:

- direct mail brochures
- flyers in grocery stores
- real estate ads in newspapers
- news stories
- web sites
- word of mouth

2. **Provide successful examples** of mixed-income housing in Georgia and from around the country, preferably from the Southeast. These examples should show:
 - a wide variety of mixed-income housing types
 - diverse resident groups being served
 - occupants with housing convenient to jobs

- affordability that is sustained from one generation of residents to the next
- the enhanced quality of life available to the entire community through affordable mixed-income, mixed-use living
- the economic benefits to the community from enlarging its employment reserve, increasing its tax base on underutilized parcels, and increasing consumer buying power to purchase local goods and services

3. **Locate technical information from public agencies and non-profits.** You can find technical assistance from agencies such as the [U.S. Department of Housing and Urban Development](#), the [Federal National Mortgage Association](#), (FNMA, or “Fannie Mae”), the [Georgia Department of Community Affairs](#), and your Regional Development Center. Many non-profit advocacy groups also provide support for community-based mixed-income initiatives, like the [Atlanta Neighborhood Development Partnership](#) and the Enterprise Foundation, non-profit community development corporations and traditional low/moderate-income housing advocates. The [Urban Land Institute](#), a major voice of the development community, advocates for more mixed-income housing and mixed-land uses in fringe area communities. The [National Association of Home Builders](#) (NAHB) supports providing more mixed-income housing nearer to workplaces. The [Atlanta Housing Authority](#) is also a major source of information and housing advocacy for affordable and mixed-income housing strategies.

4. **Enlist support from community-based organizations and the media.** Building partnerships with these organizations is a crucial part of your public education efforts. These groups help build political consensus and get the word out in your community. In many places, Chambers of Commerce are speaking out in favor of mixed-income housing. Because of their efforts, many businesses now recognize the need for convenient affordable housing to attract and retain employees. There is also growing support from the business community for innovative redevelopment strategies and incentives for employees to help them afford housing closer in or make it easier to get to work. Time spent working proactively with sympathetic news media up front is well worth the effort - particularly if you suspect the timing or location of your mixed-use development will attract news coverage anyway.

5. **Meet with neighboring community groups early and often.**

- Stress the housing needs of people they know – teachers, firefighters, nurses, etc.
- Listen to their concerns and ask for their input.
- Dispel myths with documented facts.
- Learn what they really want, and help them achieve it.
- Make it clear what you must have in order to be able to meet their needs.
- Negotiate openly and fairly. Never use threats. Compromise where you can.
- Earn their respect with straightforward answers to their questions.

- Be consistent with your information and your demands.
- Don't rush the community – give the process the time it deserves.
- Keep the perspective of the long-run community relationship you want.

Things to consider before using this tool

- Be prepared to respond to many longstanding misconceptions that favor separating income groups into different sectors of the community.
- Neighborhood associations and civic groups often oppose re-zonings for developments that are priced lower than their own homes.
- In some transitional neighborhoods, market-rate buyers may be concerned about the location of a mixed-income development. This is especially true of sites that are brownfield_sites or former sites of public housing projects redeveloped to mixed-income developments under the HOPE VI program. You'll have to overcome these perceptions in your marketing efforts.
- Concerns are likely to focus on personal security, crime rates, schools, noise, traffic, and activities associated with surrounding land uses.
- Prepare fact sheets targeted to market-rate customers designed to eliminate misperceptions and fears. In order to fill a meaningful housing market "niche" with mixed-income housing, it is wise to target emerging markets that represent new needs and opportunities. Emerging markets are segments of the population or geographic sectors that are growing as a percentage of the total population and are experiencing increasing needs for affordable housing. Examples of population groups that represent emerging mixed-income housing markets are female-headed households, elderly, singles, and members of non-traditional minority groups.

Additional Information on Mixed-Income Housing

Background

- Do people in your community find themselves driving long distances to work because there is no housing they can afford near their jobs?
- Is it impossible to find an affordable apartment nearby for an elderly parent, yet your zoning prohibits building an accessible in-law suite in an existing home?
- Are companies in upscale areas of your community having trouble attracting and retaining support personnel because they can't afford to live near work?
- Are there unemployed or underemployed individuals in your region willing and able to fill job vacancies in your community, if they could only afford to live there?
- Are the only affordable housing units in your community heavily concentrated in large complexes?
- Is it difficult for young families to find a home they can afford to buy in the area in which they grew up?

These are examples of the issues faced in communities where housing choice is limited or not responsive to the needs of citizens, businesses and newcomers. Do any of these scenarios sound familiar in your community? One set of approaches to resolve these concerns is mixed-income housing.

Mixed-income housing provides housing for people with a broad range of incomes, at all stages of life, within the same development or neighborhood. Mixed-income housing bridges a gap in the current housing market and spreads affordable units throughout community neighborhoods, providing more housing choices. Including a variety of housing and unit types in your community addresses many housing and lifecycle needs. Your community goals might be various housing opportunities for young adults, middle age and senior housing – single family and multi-family, for rent and for sale.

Benefits of Mixed-Income Housing

Placing mixed-income housing closer to employment and activity centers (definition of activity center):

1. Helps workers find housing near jobs
2. Helps employers find a closely available pool of labor
3. Reduces commuting time
4. Provides affordable housing options in communities without identifying certain homes or households as “low income”
5. Promotes neighborhood diversity and stability, so people can remain in a community through changes in their lifestyles, ages, families and incomes

Barriers to Mixed-Income Housing

Barrier	Strategy
Conventional zoning ordinances with many residential districts that set rigid standards for lot size and house size	Inclusive zoning ordinances that permit a mixture of housing styles and density
Financial institutions that turn down housing developers unless they produce conventional “products”	Support from private foundations, state and local housing agencies, federal agencies like Fannie Mae, and other private sector organizations that will underwrite financing and provide successful financing examples from other parts of the country
Neighborhood associations and civic groups that oppose re-zonings for developments that are priced at levels that are not equal to, or superior to their own homes	Public education about smart growth and the benefits of mixed-income housing close to employment; examples showing that mixed-income housing does not reduce property values
Local government officials that believe that development impacts increase with density and are unfamiliar with the advantages of mixed-income housing	Public education to show that building at appropriate density reduces development impacts; enlisting community-based organizations to convince local officials of the need for affordable housing for public employees, such as police, firefighters and teachers, as well as private sector employees, like bank tellers and retail service workers.

Successful Partnerships for Mixed-Income Housing

Forming and maintaining effective partnerships

Partnerships of various community stakeholders to develop mixed-income and affordable housing should include as many, or as few, members as needed to get the job done. Each partner should have a clearly defined role in contributing to the project and receive rewards for successful efforts.

Roles and Rewards for Successful Partnerships for Mixed-Income Housing		
Player	Role in Project	Reward for Success
Home builder	<ul style="list-style-type: none"> • Innovative design and construction methods • Cost-effective product 	<ul style="list-style-type: none"> • Expanded market opportunities • Professional reputation enhanced

Non-profit developer	<ul style="list-style-type: none"> • Bringing development and financing team together • Local commitment and familiarity with stakeholders • Construction management • Negotiates with government for approval 	<ul style="list-style-type: none"> • Providing homes for families in the community • Building a stronger organization • Community influence
For-profit developer	<ul style="list-style-type: none"> • Bringing development and financing team together • Familiarity with process • Construction management • Negotiates with government for approval 	<ul style="list-style-type: none"> • Expanded market opportunities • Building a profitable organization • Community prestige
City / County government	<ul style="list-style-type: none"> • Adopts affordable housing goals and zoning and land use policies in comprehensive plan • Streamlines development process • Gives incentives for affordable housing • Assists in identifying appropriate sites and land acquisition 	<ul style="list-style-type: none"> • Increasing housing choice • Meeting housing goals • Improving satisfaction of electorate • Improved relations with funding agencies
Local financial institution	<ul style="list-style-type: none"> • Provides construction and permanent financing 	<ul style="list-style-type: none"> • CRA credit • Opportunity to make loans
Federal, state, and local housing agencies	<ul style="list-style-type: none"> • Provide loans, tax credits, loan guarantees and other credit enhancements • Subsidized interest rates, rental assistance and grants may be available • Coordinates home buyer education 	<ul style="list-style-type: none"> • Meeting national, state and local goals to increase affordable housing
Community-based Non-profit organization	<ul style="list-style-type: none"> • Advocates for support of neighborhoods and local government approval • Provides homebuyer education 	<ul style="list-style-type: none"> • Fulfills charter for serving housing needs of constituents in local community

Financing supporting mixed-income housing

Creative financing up front reduces the development cost of a mixed-income housing development. Other forms of financial assistance can offer additional financial incentive to income-qualified buyers and renters. Financing assistance

is available from a variety of federal, state, and local sources, foundations and non-profit organizations offered as grants, low-interest loans, loan guarantees, tax credits and, in some areas, tax abatements. Experienced developers use a combination of these sources to leverage their investments. Some of the more popular financing programs include:

- [Community Development Block Grant](#) (CDBG)
- [HOME](#) Investment Partnership Program block grants to states and local governments
- [CHIP](#) program for local governments, part of HOME program
- HOPE VI Urban Revitalization Demonstration for revitalizing distressed public housing
- Enterprise Communities and Empowerment Zones
- [Low-Income Housing Tax Credit](#) for construction of rental or lease-purchase units
- USDA/Rural Housing Service Section 502
- Brownfield Redevelopment Initiative for remediating sites that were formerly polluted by industries
- Rental Housing Production: Tax Credits/HOME Rental Housing Loan Program, and the Rural Rental Housing Development Fund administered by DCA

Homebuyer and Renter Assistance

Assistance to low-income individuals is available through a variety of programs on the State and Federal levels. These programs can help mix the income levels in neighborhoods.

Federal and State programs help homebuyers receive affordable mortgage financing:

- Federal Housing Administration (FHA), VA, and USDA mortgage insurance programs
- Fannie Mae loans and services
- State and local Mortgage Revenue Bonds mortgages for first-time homebuyers

DCA administered programs:

Homebuying

OwnHOME down payment loans

HomeBuyer low interest mortgage loans

Rental Assistance

HUD Section 8 rent subsidies provide direct rental assistance to low-income tenants in qualified rental housing that may be a component of mixed-income housing developments.

Review the schedule of availability, processing time, approvals, and income restrictions that accompany most government affordable housing programs early

in the development cycle. These factors can significantly affect the timing, marketing, and financial structure of the entire development of a mixed-income project.