

Price problem hits home

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High support for affordable housing may drown out its opponents

By Haya El Nasser
USA TODAY

When builder Bobby Rayburn came to tiny Walnut Grove, Miss., and proposed 28 apartments that workers at a youth correctional facility and a poultry plant could afford to live in, town officials seemed receptive.

Until the public hearing. Thirty homeowners in the town of 488 people showed up to protest. They expressed a common worry that the character of their community would be ruined.

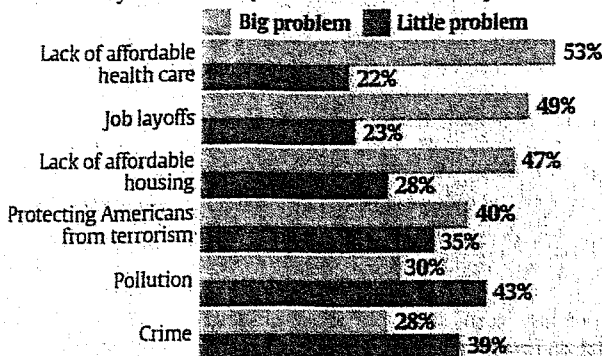
"An hour and a half later, we're changing sites and moving to another community," says Rayburn, president of the National Association of Home Builders. As a result, guards at the correctional facility and managers of the hatchery in Walnut Grove will continue to live more than 50 miles away.

Affordable housing projects often encounter student opposition across the USA. But a poll conducted for the National Association of Realtors and scheduled for release today suggests a wider public acceptance of such projects.

The survey shows an amazing level of support," says Steven Hornburg, a national housing strategist in Arlington, Va., who helped develop the Realtors' survey. "The folks who don't like it are the ones who show up and scream. They're a

Where affordable housing ranks as issue

How would you rate the importance of these issues in your area?



Source: Survey April 6-8 of 1,000 adults in the 25 most populous U.S. metropolitan areas by Public Opinion Strategies for the National Association of Realtors. Margin of error: ±3.1 percentage points. Complete results at www.realtor.org.

By Marcy E. Mullins, USA TODAY

vocal minority."

A growing number of interest groups want to tap the silent majority that may embrace cheaper housing for workers who serve their communities.

The supply of housing that people can buy with 30% of their income or less — a common definition of affordability — is shrinking as real estate prices rise steadily and interest rates nudge upward.

In many metropolitan areas, full-time workers can't afford to buy or rent close to their jobs. As gas prices climb above \$2 a gallon, long commutes eat up more household income. In some markets, many families are spending half of their incomes on housing.

"People are beginning to understand that affordable housing is about having a place to live for people waiting on us in restaurants, behind the counter at the library, teaching our kids and even providing security," says Minneapolis Mayor R.T. Rybak.

Affordable housing is an is-

sue for people such as Jonas and Carolina Ramirez and their son, Andrew, 5. Jonas is an executive chef for a food service company in Providence, Carolina a senior service representative at a bank. Together, they earn \$70,000 a year.

They moved from New York because housing was too expensive there. They heard from relatives that the Providence market was more affordable. But that was before high-speed train service to Boston began attracting commuters who can't afford the astronomical housing prices there.

"I had no idea," Jonas says. "We thought in Rhode Island the houses were affordable."

It took them four months to find a home they could afford — a 1930s house in Pawtucket, R.I. — although it cost more than they had hoped to pay. Six years ago, his cousin had paid \$109,000 for a similar home two blocks away. The Ramirezes were happy to get their house for \$291,000. Their monthly mortgage payment will be \$2,400, but they hope

to rent out the upstairs part of the house for \$1,000.

"Six years ago, the average sale price was below \$125,000," says Ron Phipps a Realtor in nearby Warwick. "Today, we're over \$225,000."

Several groups are promoting affordable housing:

► The National Association of Counties is launching an initiative to increase the supply. "We at the local-elected-official level are the individuals who will allow or disallow the opportunity for affordable housing based on our zoning," says Angelo Kyle, a county board member in Lake County, Ill., near Chicago, and incoming president of the association.

► The National Association of Home Builders is helping 30 communities through its Housing America's Working Families program. Builders say development-impact fees, zoning laws that restrict density and too many regulations make it hard to get projects off the ground.

► Big-city mayors are becoming strong advocates. Boston Mayor Thomas Menino made affordable housing the centerpiece of his term as head of the U.S. Conference of Mayors last year.

Rybak, the Minneapolis mayor, was vocal about the issue during his campaign. One-fourth of 3,000 housing units built since he became mayor less than three years ago are affordable to people earning less than 50% of the metro area's median household income of \$76,000 a year. Projects in which 20% of the units are that affordable get tax credits and can build more units than the zoning allows.

"There's both a carrot and a stick that government needs to use," Rybak says.

► Poll finds support, 1A