



Discussions of Equitable Access to Affordable Housing at Habitat





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Agenda

- The need for housing equity
- Strategies for housing equity
 - Using data
 - Communications and trust
 - Financial tools
 - Sustainable building
 - Lasting affordability
- Habitat case studies weaved throughout



Disclaimer: This material is for informational purposes only and should not be considered legal advice. Seek appropriate counsel to obtain advice for your situation.

Community Brave Space Agreements

**Make Space,
Take Space**

**Speak from Your
Understanding**

**Listen to
Understand**

**Embrace
Complexity &
Divergence**

**Honor Intent,
Attend to Impact**

**Uphold
Confidentiality**

The Need for Housing Equity



The History of Housing in the U.S.

We all have a moral obligation to rectify this harm and to correct those policies that disadvantage Black households.

Late 1940's - The G.I. Bill.

After World War II, the legacy of redlining means private lenders don't honor the GI Bill & refuse loans to Black veterans. G.I. Bill put Black and white households on very different wealth/opportunity tracks.

1968 – Segregation Continues w/Fear & Violence.

Passage of the Fair Housing Act in 1968, racially restrictive covenants were officially prohibited. But communities start using exclusionary zoning by wealth and income to drive up the cost of new homes. Those Black homeowners who managed to purchase homes in all white neighborhoods were often pressured through violence and social pressures to leave. Restrictions disproportionately prevented families of color from accessing the education, employment and wealth-building opportunities found in neighborhoods previously segregated explicitly by race.

2020's –Gentrification, Exclusionary zoning, COVID-19. Discriminatory practices continue, mostly unchecked. Gentrification has a disproportionate impact on low-income Black homeowners. Black neighborhoods (regardless of socioeconomic status) are undervalued and underappraised. And, evictions and foreclosures worsen during the pandemic, especially among Black and Hispanic households.

1930's - Redlining Begins

Black families are denied private loans. Racially restrictive covenants typically prevented Black households from living outside of redlined communities.

1940's – Access Denied.

The Federal Housing Administration subsidized subdivisions on the condition that homes be sold to white families with restrictive deeds that prohibited resale to Black families. This prevented Black families from buying homes in affordable, growing suburban communities and many city neighborhoods. Governments at all levels enforced these deeds.

1950's – Displacement, Upheaval and Segregation.

Urban renewal displacing Black renters, homeowners and business owners in the name of "slum clearance." Federally funded highways that were built to open up the suburbs frequently cut through Black neighborhoods, further displacing Black households, stripping Black homeowners of their properties, and forcing them to start over elsewhere.

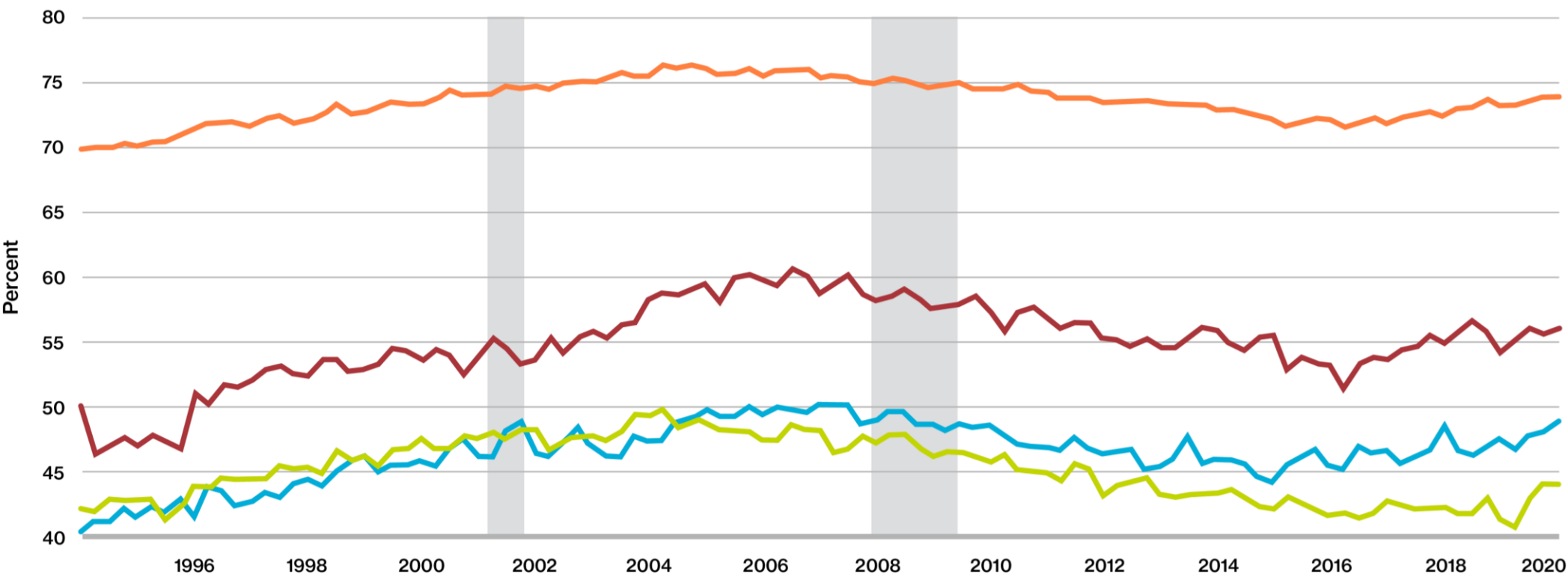
1977 - Community Reinvestment Act & Dividing Highways.

The CRA seeks to hold banks more accountable for meeting the credit and banking needs of their entire communities. However, Black homebuyers continued to face intentional barriers to homeownership. Imminent domain for infrastructure projects (like the "Highway to Nowhere" in Baltimore) literally demolished Black neighborhoods.

1980's –2010's - Inequity Grows.

Black homeowners were disproportionately targeted by predatory mortgages and predatory refinancing. The 2008 housing crash exposed hundreds of thousands of risky subprime loans, including "no doc" and balloon-payment loans, which disproportionately impacted low-income and Black borrowers.

Homeownership rate for the United States



Shaded areas indicate U.S. recessions

Source: U.S. Census Bureau

fred.stlouisfed.org

- Hispanic or Latino
- All other races
- Non-Hispanic White Alone
- Black or African American Alone

In the U.S., more than **50 million people live in communities that are under-resourced.**

Source: 2024 DCI Interactive Map - Economic Innovation Group

Factors like race continue to drive gaps in the access to housing and community development.

Neighborhood strongly impacts health and economic opportunity:

- Quality of education
- Access to grocery stores
- Access to recreation
- Air and water quality
- Physical safety
- Life span

Not a zero-sum strategy

The intention of fair approaches to homeownership is not to reallocate resources or de-prioritize some households.

Instead, it is to develop new resources and capacity to ensure underserved households have the same access to homeownership that others have had.

All people will benefit from enhanced resources and capacity and removal of barriers. This moves us closer to our vision of a world where everyone has a decent place to live.

Strategies for Housing Equity



Using data to analyze who is under-served and why



Data-Driven Approaches to Housing



- What communities face the most **barriers to homeownership** in your service area?
- What communities are underrepresented in your **applicants**?
- What communities aren't making it through the application process?
- What barriers might exist?
- How can we find out from them what kind of housing and supports they need at each step?
- Removing barriers removes barriers for everyone.

Discussion Question

How has your affiliate assessed what communities and neighborhoods face significant barriers and what kind of housing stock is needed?



Affiliate Case Study

- Evaluated who was being served through data audit
- Listening sessions with current Habitat homeowners, prospective homebuyers in the program, applicants who did not advance in the program, and affiliate staff members and leadership.
- Findings uncovered disparities in who was being served and who wasn't advancing in the program.
- Eliminated sweat equity requirement and started a Down Payment Assistance program



Enhancing communication, relationships and trust with under-represented groups



Exercise (15 minutes)

Who is inside the Habitat circle? Who is outside? How do Habitat policies and practices potentially exclude participation in Habitat programs and services?



Who is outside?

Advancing Black Homeownership

Deepening our core work in community engagement, local Habitat organization capacity building, and financing strategies .

GOAL: Removing barriers for homeownership.

THE CHALLENGE: Black households oftentimes face significant and distinct obstacles to homeownership due to the lingering effects of exclusionary housing policies.

OUR APPROACH: Habitat is working with local affiliates to pilot new and scale existing programs to support affiliates' efforts to increase home production, grow financial support, and advance vibrant, inclusive communities. Through homeownership, more Black households will have the opportunity to build intergenerational wealth and improve their health, education and economic opportunity.



Advancing Black Homeownership Catalyst Grant

- 20 affiliates
- Peer to peer learning cohort focused on ensuring practices and procedures are low barrier
- Low barrier defined as:
 - *Policies and practices that reduce obstacles to access or fully benefit from a program, including outreach, application process, eligibility and participation requirements*
- Opportunity to assess and evaluate existing practices
- Data driven approaches to assess how current practices and policies create or remove barriers to homeownership

ABH Catalyst Grant 2024 Affiliate Presenter

Alabama Habitat for Humanity

Zach Bowman,
Affiliate Program Support Manager



Affirmative Marketing

Plan to reach all the underserved communities in your GSA. Directing marketing efforts specifically toward people in the housing market who, although eligible, are not likely to apply for the program in the absence of directed outreach.

Methods include:

- Training staff on how to do trauma-informed, culturally appropriate outreach and engagement
- Working through trusted organizations and individuals
- Partnering with culturally specific media outlets
- Utilizing different approaches for different generations

7 EQUITABLE PROCESS PRINCIPLES



Truth & Reconciliation



Moving at the Speed of Trust



Centering the Margins



Lived Experience as Expertise



Solidarity not Charity



Intergenerational Accountability



Building Community Power

Financial tools for affordable homeownership



First Generation Down Payment Assistance

- Down payments are a major barrier to homeownership.
- First generation home buyers are unlikely to have intergenerational wealth from parents.
- Programs provide between \$10,000 and \$30,000 in assistance for buyers.

Individual Development Accounts

- Matched fund focuses the borrower on saving.
- Typically a 1-1 or 2-1 match.
- Reduces the cost the affiliate is going to put in at closing
- Private funders, banks, foundations can support.

Lasting Affordability



Lasting Affordability



Keeps home affordable for
at least 31 years



Does not include only
shared appreciation



Includes resale restrictions
that survive well beyond
the initial buyer

Community Benefits of a Lasting Affordability Model

Maintain

Maintain affordable housing units with lasting affordability.

Protect

Protect homes from the speculative market, setting land aside for housing that's affordable forever.

Increase

Increase the number of families served, making homeownership a reality for more people now and for generations to come.

Stabilize

Lasting affordability helps stabilize communities by keeping long time residents and their heirs in their own homes.

Affiliate Benefits of a Lasting Affordability Model

Create

Create homes that are as affordable to subsequent buyers as the first buyer without re-subsidizing the unit. “A one-time investment for multiple generations.”

Engage

Utilize wide-ranging support from municipalities, corporations, foundations, congregations, employers and individuals.

Include

Bring more people of color into homeownership. The share of minority households living in a lasting affordable home has increased from 13% (1985-2000) to **43%** (2013-2018).

Resources



- [MyHabitat Advancing Black Homeownership](#)
- [MyHabitat Lasting Affordability Resource Center](#)
- [MyHabitat Neighborhood Revitalization](#)



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