

Video

2022 ULI Housing Opportunity Conference???The Role of Real Estate in Addressing Homelessness (Video)

Date: March 09, 2022

00:00:03 --> 00:00:04: Good afternoon

00:00:04 --> 00:00:10: everyone and welcome to this session of the role of

00:00:10 --> 00:00:12: real estate.

00:00:12 --> 00:00:15: And forgive me one second while.

00:00:15 --> 00:00:17: I get OK. This is the session on the role

00:00:17 --> 00:00:21: of real estate and addressing the the real estate business

00:00:21 --> 00:00:24: and addressing the challenges of homelessness.

00:00:24 --> 00:00:27: One of the first questions that comes to mind is

00:00:27 --> 00:00:28: why do we care?

00:00:28 --> 00:00:32: Why do we in the real estate community care about

00:00:32 --> 00:00:32: this?

00:00:32 --> 00:00:37: And homelessness profoundly affects everyone in a

00:00:37 --> 00:00:40: community.

00:00:37 --> 00:00:40: Government, business, industry, real estate,

00:00:40 --> 00:00:45: health and safety, social services and education sectors all

00:00:45 --> 00:00:47: suffer

00:00:45 --> 00:00:47: when homelessness is not prioritized.

00:00:47 --> 00:00:52: Current estimates are that the public sector spends an

00:00:52 --> 00:00:56: average

00:00:52 --> 00:00:56: of about \$36,000 per year for every person who is

00:00:57 --> 00:00:57: homeless.

00:00:57 --> 00:00:59: A group of you, allied members,

00:00:59 --> 00:01:01: has been working on a collection of case studies and

00:01:01 --> 00:01:04: a report to begin a conversation about what we,

00:01:04 --> 00:01:07: as real estate business people can do to make a

00:01:07 --> 00:01:09: positive impact on this challenge.

00:01:09 --> 00:01:12: That report is due to be released in the very

00:01:12 --> 00:01:15: near future and hopes that it will spark the creative

00:01:16 --> 00:01:16: minds.

00:01:16 --> 00:01:19: I'm sorry the creative minds of fellow USLI members.

00:01:22 --> 00:01:25: On any given night, more than 580,000 people in the

00:01:25 --> 00:01:27: United States are without a home.

00:01:27 --> 00:01:30: About 354,000 of these folks are sheltered,

00:01:30 --> 00:01:34: and about 226,000 are unsheltered people who study the issue

00:01:34 --> 00:01:38: generally agree that this estimate fails to fully capture the

00:01:38 --> 00:01:42: extent of homelessness in the United States by a significant

00:01:42 --> 00:01:44: margin. One of the major causes of homelessness,

00:01:44 --> 00:01:46: but certainly not the only cause,

00:01:46 --> 00:01:50: is the lack of affordable and workforce housing estimates of

00:01:50 --> 00:01:51: the extent of the shortfall.

00:01:51 --> 00:01:56: Very widely. For example, Freddie Mac estimates that the deficit

00:01:56 --> 00:01:57: is \$3.8 million,

00:01:57 --> 00:02:01: housing Unit 3 three point 8,000,000 housing units,

00:02:01 --> 00:02:05: while the national Low Income Housing Coalition puts the shortfall

00:02:05 --> 00:02:06: at 6.8 million units.

00:02:06 --> 00:02:09: Other causes include unemployment, poverty,

00:02:09 --> 00:02:13: low wages, mental illness, substance abuse along with the lack

00:02:13 --> 00:02:16: of necessary support services and many others.

00:02:16 --> 00:02:19: You realize membership has vast knowledge,

00:02:19 --> 00:02:22: expertise and experience in real estate development,

00:02:22 --> 00:02:26: finance, and operation. This knowledge and know how combined with

00:02:26 --> 00:02:29: UCLA's mission to create vibrant,

00:02:29 --> 00:02:34: sustainable communities, makes it the right organization to assist communities

00:02:34 --> 00:02:35: and the nation.

00:02:35 --> 00:02:37: And addressing the issue of homelessness,

00:02:37 --> 00:02:41: USLI and its members have repeatedly shown their ability to

00:02:41 --> 00:02:45: find new approaches and solutions to intractable challenges.

00:02:45 --> 00:02:48: Homelessness is just such a challenge.

00:02:48 --> 00:02:52: And one that urgently needs our attention while the real

00:02:52 --> 00:02:55: estate industry cannot solve solve homelessness alone,

00:02:55 --> 00:02:59: it can play a critical role to finding solutions to

00:02:59 --> 00:03:03: strengthen Community health both economically and environmentally.

00:03:03 --> 00:03:09: Building and operating transitional and affordable housing helping influence policies

00:03:09 --> 00:03:11: perspectives creating meaningful,

00:03:11 --> 00:03:15: sustainable and impactful relationships and realizing that

being a part
of the solution is a win win situation or just
a few examples of how the real estate industry can
play a role to address homelessness.
Our panelists today will discuss some of their efforts to
have a positive impact on this challenge and we hope
that this conversation will continue.
I'm going to introduce our panelists today and we appreciate
them joining us.
Darryl Carter and each of the panelists will introduce the
next one to the following.
Darryl Carter is the chairman and CEO of Avanath Capital
Management,
a capital of California based owner and operator of affordable
apartment communities in 13 states in the US,
serving residents that make 40 to 80%
of area median income, 50%
of their 14,000 households are comprised of Section 8.
Voucher holders and without Section 8 vouchers.
Many of their residents might possibly be homeless,
so so Darrell is very interested in the homeless crisis
the homeless represent future residents and avanath
communities.
If more resources such as Section 8 vouchers and other
innovations can be provided.
Darrell will be followed by Vicki Davis,
who is the managing partner and founder of Urban Atlantic,
an innovative community development and finance company
providing housing for
homelessness.
Excuse me for about providing housing for homeless people
is
an integral part of their mission and a bill of
building inclusive communities.
Currently, they house formerly homeless people in public
housing.
Section 8 housing assisted living and in mixed income
buildings.
As a part of rapid rehousing Vicki is very interested
in figuring out replicable national best practices for
development,
finance, and property management and regulatory tools to be
able
to provide housing to formerly homeless people at scale.

00:05:07 --> 00:05:09: She will be followed by Ben Kasdan,
00:05:09 --> 00:05:12: who is an architect and a design principle at KTG
00:05:12 --> 00:05:16: where he leads a design studio in the metropolitan
Washington
00:05:16 --> 00:05:20: DC area that focuses on high density housing communities
along
00:05:20 --> 00:05:24: the East Coast. He cares about addressing homelessness
because he
00:05:24 --> 00:05:27: became an architect to literally make the world a better
00:05:28 --> 00:05:28: place,
00:05:28 --> 00:05:32: and he believes that housing is a fundamental human right.
00:05:32 --> 00:05:36: Philippine served on the utilized national advisory service
panel.
00:05:36 --> 00:05:39: Looking at the issue of homelessness in Los Angeles in
00:05:39 --> 00:05:40: 20 in 2017,
00:05:40 --> 00:05:43: he was so moved and disturbed by what he saw
00:05:44 --> 00:05:46: there that he sold his business,
00:05:46 --> 00:05:49: started the Lotus Campaign and now dedicates his time and
00:05:49 --> 00:05:53: resources to seeking innovative ways to engage the private
sector
00:05:53 --> 00:05:56: in addressing the challenges of homelessness.
00:05:56 --> 00:05:58: Darrell the floor is yours
00:05:59 --> 00:06:02: again. I'm Darryl Carter, you know.
00:06:02 --> 00:06:06: One of the reasons that the homeless situation is very
00:06:06 --> 00:06:07: important to me,
00:06:07 --> 00:06:09: just from a human perspective,
00:06:09 --> 00:06:12: but also I look at half our residents who are
00:06:12 --> 00:06:16: Section 8 voucher holders and if it wasn't for the
00:06:16 --> 00:06:19: the the vouchers they may be homeless and I also
00:06:19 --> 00:06:22: look at the fact that.
00:06:22 --> 00:06:25: At one out of every for every Section 8 voucher
00:06:25 --> 00:06:26: holder,
00:06:26 --> 00:06:30: there are seven that are on a waiting list that
00:06:30 --> 00:06:33: takes them ten years to get that that support.
00:06:34 --> 00:06:36: So it's very very important,
00:06:36 --> 00:06:40: because clearly you know part of what you know the
00:06:40 --> 00:06:45: the the issues with homelessness are economically driven
and Section
00:06:45 --> 00:06:46: 8 provides.
00:06:46 --> 00:06:50: A means to supplement that.
00:06:50 --> 00:06:53: What's interesting you know if you look at our Section
00:06:53 --> 00:06:56: 8 residents that they pay about 50%
00:06:56 --> 00:07:01: of the rent, which. Is about you know our on

00:07:01 --> 00:07:07: our our average rent across our portfolio was \$1300.
 00:07:08 --> 00:07:12: I mean we own tax credit and project based Section
 00:07:12 --> 00:07:13: 8 properties.
 00:07:13 --> 00:07:16: So our resident is paying about \$700.00 a month which
 00:07:17 --> 00:07:18: is an affordable rent.
 00:07:18 --> 00:07:21: We also have a lot of our residents that are
 00:07:21 --> 00:07:22: two income families.
 00:07:22 --> 00:07:24: They just both have to work.
 00:07:24 --> 00:07:28: They both work at Walmart which then requires you know
 00:07:28 --> 00:07:31: if they're in a place like Los Angeles.
 00:07:31 --> 00:07:34: Where rents are 2324 hundred a month,
 00:07:34 --> 00:07:38: it's very, very difficult. What we have found in you
 00:07:38 --> 00:07:44: know and and we actually house some public housing
 residents
 00:07:44 --> 00:07:47: in some of our mixed income communities.
 00:07:47 --> 00:07:52: Is that many need supportive services and and while many
 00:07:52 --> 00:07:54: focus on mental health issues,
 00:07:54 --> 00:07:58: I think some of the more practical things that people
 00:07:58 --> 00:07:59: need are childcare.
 00:07:59 --> 00:08:02: Since Section 8 has a work requirement.
 00:08:02 --> 00:08:05: One of the things that we've learned is a school
 00:08:05 --> 00:08:08: bus pulls up at 3:00 PM and parents don't get
 00:08:08 --> 00:08:10: home from work till seven or eight.
 00:08:10 --> 00:08:12: So what happens in those you know,
 00:08:12 --> 00:08:15: three to five hours is very meaningful in an apartment
 00:08:15 --> 00:08:16: community.
 00:08:16 --> 00:08:21: So in communities. Where we have large numbers of
 children,
 00:08:21 --> 00:08:25: we often partner with a nonprofit that does after school
 00:08:26 --> 00:08:30: programs and they provide that service at our community.
 00:08:30 --> 00:08:32: The other thing is, you know,
 00:08:32 --> 00:08:36: Wellness is A is a big issue and both physical
 00:08:36 --> 00:08:37: and mental Wellness.
 00:08:37 --> 00:08:40: And so you know, we partner.
 00:08:40 --> 00:08:43: For instance, in the DC area with University of Maryland
 00:08:43 --> 00:08:43: Med.
 00:08:43 --> 00:08:46: Center that we do a lot of Wellness,
 00:08:46 --> 00:08:51: particularly in our seniors. Communities and finally another
 service is
 00:08:52 --> 00:08:53: financial literacy,
 00:08:53 --> 00:08:57: and particularly when people aren't in the banking system
 and
 00:08:57 --> 00:09:01: they're using check cashing where that speeds of five to

00:09:01 --> 00:09:01: 8%

00:09:01 --> 00:09:05: to get them in the mainstream of the banking community

00:09:05 --> 00:09:06: gives them a pay raise.

00:09:06 --> 00:09:10: In a sense. The other thing that we've learned,

00:09:10 --> 00:09:13: and I know my good friend,

00:09:13 --> 00:09:14: Vicky Davis, will talk about it,

00:09:14 --> 00:09:17: but we. You know we have found that in,

00:09:17 --> 00:09:21: in, in, in in our many of our communities that

00:09:21 --> 00:09:24: the mixed income model is a very,

00:09:24 --> 00:09:27: very good model because. For a lower income residents,

00:09:27 --> 00:09:32: it becomes more aspirational and we think that that's a

00:09:32 --> 00:09:33: model that,

00:09:33 --> 00:09:39: again, is is. Is very positive and and providing some

00:09:39 --> 00:09:44: sense of upward mobility for a number of our lower

00:09:44 --> 00:09:46: income residents.

00:09:46 --> 00:09:48: So with that I'd like to turn it over to

00:09:49 --> 00:09:51: a very good friend who I think is one of

00:09:51 --> 00:09:54: the most talented people in the business.

00:09:54 --> 00:09:57: In terms of this issue of mixed income housing.

00:09:57 --> 00:09:59: And that's my good friend Vicki Davis Vicki.

00:10:01 --> 00:10:05: I couldn't have had a more generous introduction from my

00:10:05 --> 00:10:06: dear friend Darryl Carter,

00:10:06 --> 00:10:12: who is remarkable in having grown a tremendous business to

00:10:12 --> 00:10:16: many thousands of units that serve people.

00:10:16 --> 00:10:19: At different income levels, but reaching some of the most

00:10:19 --> 00:10:20: affordable housing out there,

00:10:20 --> 00:10:24: which is certainly a huge challenge.

00:10:24 --> 00:10:29: Very, very generous. My company.

00:10:29 --> 00:10:34: Urban Atlantic. Don't we specialize in real estate

00:10:35 --> 00:10:35: development and

00:10:35 --> 00:10:35: in finance?

00:10:35 --> 00:10:42: And because our origins were in affordable housing?

00:10:42 --> 00:10:47: We tend to have some level of affordable housing and

00:10:47 --> 00:10:48: all of our deals.

00:10:48 --> 00:10:51: Sometimes it's as little as 8%

00:10:51 --> 00:10:53: like some of the homeownership is at 8%

00:10:53 --> 00:10:57: of all units. Some of it is 100%,

00:10:57 --> 00:11:00: a lot of it is 20 to 30%

00:11:00 --> 00:11:05: and we do a lot of public private partnerships and.

00:11:05 --> 00:11:09: And so we house people in Section 8 similar to

00:11:09 --> 00:11:13: Darrell and we house people in public housing in privately

00:11:13 --> 00:11:14: run buildings.

00:11:14 --> 00:11:18: We we house seniors and we house families.

00:11:18 --> 00:11:25: Umm? And. The thing that interests me is.

00:11:25 --> 00:11:30: Figuring out how to house people in mixed income communities.

00:11:30 --> 00:11:33: And you might say, well why?

00:11:33 --> 00:11:37: And the answer that I have is because.

00:11:37 --> 00:11:41: I think it provides tremendous access to middle class opportunities

00:11:42 --> 00:11:46: to people who otherwise might not have those opportunities,

00:11:46 --> 00:11:49: and oftentimes those are children.

00:11:49 --> 00:11:52: In low income families and so.

00:11:52 --> 00:11:56: So that's very important, because it can actually have a

00:11:56 --> 00:11:59: tremendous effect in breaking the cycle of poverty.

00:11:59 --> 00:12:04: And to me, that's that's great on an individual basis.

00:12:04 --> 00:12:07: But it's also really good for our country and it,

00:12:07 --> 00:12:11: and it allows all people to prosper and gives that

00:12:11 --> 00:12:12: opportunity,

00:12:12 --> 00:12:17: because people who otherwise would be perhaps only exposed to

00:12:17 --> 00:12:19: other low income people.

00:12:19 --> 00:12:23: Are exposed to middle income and market rate and workforce

00:12:23 --> 00:12:28: and sometimes the locations are actually tremendously good locations in

00:12:28 --> 00:12:29: cities.

00:12:29 --> 00:12:32: So so I'm very interested in that.

00:12:37 --> 00:12:42: I also am interested in the standards of housing that

00:12:42 --> 00:12:43: is provided.

00:12:43 --> 00:12:45: I was supposed to do a slide show today and

00:12:45 --> 00:12:48: frankly just couldn't get it to be right enough to

00:12:48 --> 00:12:48: show you,

00:12:48 --> 00:12:53: but we house people in all kinds of different product,

00:12:53 --> 00:12:58: single family townhouses, smaller multifamily buildings,

00:12:58 --> 00:13:04: high-rise buildings and and we house people you know who

00:13:04 --> 00:13:05: make.

00:13:05 --> 00:13:09: Less than \$10,000 a year next to people who make

00:13:09 --> 00:13:13: over \$200,000 a year and it is not without effort.

00:13:13 --> 00:13:16: I think it takes a special effort on the finance

00:13:16 --> 00:13:17: side in particular,

00:13:17 --> 00:13:21: have a great partner on finance on the development side

00:13:21 --> 00:13:25: so that you really get the designs right and and

00:13:25 --> 00:13:27: amounts of types of housing right?

00:13:27 --> 00:13:31: But then also on the property management side because you

00:13:31 --> 00:13:34: have to meet the needs of of multiple audiences we've
 00:13:35 --> 00:13:35: been exposed.
 00:13:35 --> 00:13:41: To. Housing formerly homeless people.
 00:13:41 --> 00:13:42: On some of our large projects,
 00:13:42 --> 00:13:45: one of them is Walter Reed and we've done it
 00:13:45 --> 00:13:46: together with partners,
 00:13:46 --> 00:13:50: so we have partners that so others might eat and
 00:13:50 --> 00:13:53: housing up and help us a so we have the
 00:13:53 --> 00:13:56: housing for formerly homeless veterans,
 00:13:56 --> 00:14:01: formerly homeless seniors, and we're just now breaking into
 assisted
 00:14:01 --> 00:14:06: living for seniors for affordable and and targeted mostly to
 00:14:06 --> 00:14:07: homeless and.
 00:14:07 --> 00:14:10: And that's a population and A and a product type
 00:14:10 --> 00:14:11: that does not exist.
 00:14:11 --> 00:14:14: In volume, anywhere to my knowledge.
 00:14:14 --> 00:14:17: So in in DC they've changed their programs a bit
 00:14:17 --> 00:14:21: to coordinate various agencies to come together so that so
 00:14:21 --> 00:14:25: that the site the end of life cycle where somebody
 00:14:25 --> 00:14:27: in affordable housing goes to the hospital,
 00:14:27 --> 00:14:29: goes to rehab, goes to back to housing,
 00:14:29 --> 00:14:32: and so on until the end is broken,
 00:14:32 --> 00:14:35: where they might have a better quality of life and
 00:14:35 --> 00:14:37: also more cost effective for the jurisdiction to be in
 00:14:37 --> 00:14:38: assisted living.
 00:14:38 --> 00:14:41: So we're we're working on that as a as a
 00:14:41 --> 00:14:41: new.
 00:14:41 --> 00:14:47: Program. We're fortunate enough to live in neighborhoods
 where people
 00:14:47 --> 00:14:50: are very receptive to mixed income,
 00:14:50 --> 00:14:53: housing and affordable housing, and care deeply about it.
 00:14:53 --> 00:14:56: So we haven't experienced as much Nimbyism as as others
 00:14:56 --> 00:14:57: might have,
 00:14:57 --> 00:15:01: and that's really great. So so that's it for me.
 00:15:01 --> 00:15:06: And and I would like to pass it to Ben
 00:15:06 --> 00:15:08: Kasdon at KTG Y.
 00:15:08 --> 00:15:13: Am I passing it to Phil or Phillip or Ben?
 00:15:15 --> 00:15:19: Appreciate your. And then is with one of the most
 00:15:19 --> 00:15:24: prominent architectural firms that we have worked with.
 00:15:24 --> 00:15:28: And they are they're leaders in their field.
 00:15:28 --> 00:15:31: I know them to be operating in DC and in
 00:15:31 --> 00:15:32: California,

00:15:32 --> 00:15:35: but they have a much broader reach than that.

00:15:35 --> 00:15:40: And and they're always at the forefront of discovering new

00:15:40 --> 00:15:43: and better ways to serve communities.

00:15:43 --> 00:15:45: So then it's it's you.

00:15:47 --> 00:15:48: Thank you Vicky for the introduction.

00:15:48 --> 00:15:52: I appreciate it so much and I'm going to attempt

00:15:52 --> 00:15:55: to share my screen so wish me luck on the

00:15:55 --> 00:15:57: technological side here.

00:15:57 --> 00:15:59: The architect of the panel and the visual learner.

00:15:59 --> 00:16:04: So hopefully you all are seeing this OK.

00:16:04 --> 00:16:07: And so I wanted to talk about a few kind

00:16:07 --> 00:16:10: of unconventional solutions for homelessness.

00:16:10 --> 00:16:13: But I wanted to start with a few conventional ones

00:16:13 --> 00:16:15: on early in my career at Kadri.

00:16:15 --> 00:16:18: I think one of the first projects I worked on

00:16:18 --> 00:16:22: that I saw go from the beginning through construction was

00:16:22 --> 00:16:26: diamond apartments which is a special needs housing

00:16:26 --> 00:16:30: community.

00:16:26 --> 00:16:30: Serving homeless people and and and includes all the

00:16:30 --> 00:16:33: services

00:16:30 --> 00:16:33: needed in a historic neighborhood.

00:16:33 --> 00:16:36: And it was just really inspiring to see the grand

00:16:36 --> 00:16:37: opening.

00:16:37 --> 00:16:41: And here the residents stories about how they end up

00:16:41 --> 00:16:45: here and and it just really opened my eyes on

00:16:45 --> 00:16:47: how they're not different.

00:16:47 --> 00:16:50: Being homeless from me. They just had a different set

00:16:50 --> 00:16:51: of experiences.

00:16:51 --> 00:16:54: A couple other examples of lighthouse and and Long Beach

00:16:55 --> 00:16:58: was a targeted expansion of the Long Beach Rescue mission

00:16:58 --> 00:17:01: for women and children and young families.

00:17:01 --> 00:17:03: And then the Gables TLP program,

00:17:03 --> 00:17:06: which is. In my neck of the woods in Arlington

00:17:06 --> 00:17:07: County,

00:17:07 --> 00:17:11: Virginia, just outside DC. And this was an interesting project

00:17:11 --> 00:17:15: where Arlington County operated this facility on the site and

00:17:15 --> 00:17:18: we had to design a new version of it with

00:17:18 --> 00:17:21: a smaller footprint that had to be fully operational before

00:17:21 --> 00:17:24: the market rate housing project could be built.

00:17:24 --> 00:17:27: Sort of around it. But really what what I want

00:17:27 --> 00:17:31: to focus on today are a couple of non traditional

00:17:31 --> 00:17:34: other than let's call it spirited entitlement processes.

00:17:34 --> 00:17:37: On those three, they're basically,

00:17:37 --> 00:17:41: you know. Design bid, build typical projects and yeah they
 00:17:41 --> 00:17:43: have some interesting stories,
 00:17:43 --> 00:17:46: of course, but. It has an R&D studio and they
 00:17:46 --> 00:17:50: focus on problems that exist sort of outside the realm
 00:17:50 --> 00:17:54: of a specific project and a couple years ago we
 00:17:54 --> 00:17:57: focused on this issue and you know more than half
 00:17:57 --> 00:18:00: a million people are experiencing homelessness right now.
 00:18:00 --> 00:18:03: Lee mentioned some of the other stats and you know
 00:18:03 --> 00:18:03: 35%
 00:18:03 --> 00:18:06: of them are estimated to be unsheltered every night,
 00:18:06 --> 00:18:10: and another issue that we were dealing with and still
 00:18:10 --> 00:18:12: are right now is retail vacancy,
 00:18:12 --> 00:18:15: and in particular big box retail.
 00:18:15 --> 00:18:18: On mall, so we're talking about,
 00:18:18 --> 00:18:20: you know department stores and a lot of our projects
 00:18:20 --> 00:18:22: that we're seeing right now are either.
 00:18:22 --> 00:18:26: On current big box mall sites or in the parking
 00:18:26 --> 00:18:26: lot,
 00:18:26 --> 00:18:30: or some combination thereof, and so the research and
 Development
 00:18:30 --> 00:18:33: studio saw these two kind of parallel
 00:18:33 --> 00:18:34: issues and wondered if there's
 00:18:34 --> 00:18:35: a way to match that up.
 00:18:35 --> 00:18:38: Is there a way that we can address the issues
 00:18:38 --> 00:18:42: of both homelessness and vacant big box retail and what
 00:18:42 --> 00:18:45: they came up with is a concept called Rehab it
 00:18:45 --> 00:18:46: and I'll talk to you.
 00:18:46 --> 00:18:50: Kind of through the concept really quickly in.
 00:18:50 --> 00:18:52: In general, you know starting at #1.
 00:18:52 --> 00:18:54: You take the big box and you kind of split
 00:18:54 --> 00:18:54: it.
 00:18:54 --> 00:18:58: Open one of the issues with these vacant ends of
 00:18:58 --> 00:19:01: malls is that now there's not an entrance to the
 00:19:01 --> 00:19:02: mall on the end,
 00:19:02 --> 00:19:05: and so the first kind of pass is to create
 00:19:05 --> 00:19:05: a new,
 00:19:05 --> 00:19:09: more pedestrian friendly entrance to the mall that splits up
 00:19:09 --> 00:19:13: the big space with kind of a retail experience that
 00:19:13 --> 00:19:14: didn't exist before.
 00:19:14 --> 00:19:17: And #2 we're taking kind of the bigger chunk of
 00:19:17 --> 00:19:19: the remnant of that big box.
 00:19:19 --> 00:19:22: Putting an interior courtyard so we can get a couple

00:19:22 --> 00:19:23: of different types of residential.

00:19:23 --> 00:19:27: Experiences we have a few different you know,

00:19:27 --> 00:19:31: types of units. Thinking about the progression as someone who

00:19:31 --> 00:19:36: comes in straight off the streets to kind of rehabilitation

00:19:36 --> 00:19:39: and rediscovering kind of a purpose in their life and

00:19:39 --> 00:19:42: becoming more and more independent.

00:19:42 --> 00:19:45: In #3, we start thinking about some of the interior

00:19:45 --> 00:19:50: amenity spaces and programming and support services and recreation.

00:19:50 --> 00:19:53: All those things in the number 4 is taking advantage

00:19:53 --> 00:19:54: of the rooftop.

00:19:54 --> 00:19:58: Have this big box with some recreational programming and I'll

00:19:58 --> 00:20:00: show you a little bit more of that too.

00:20:00 --> 00:20:05: Some of the side benefits are opening up the edges.

00:20:05 --> 00:20:10: Typically there are some blank walls in existing department store

00:20:10 --> 00:20:11: type,

00:20:11 --> 00:20:14: big box spaces and we can create a new,

00:20:14 --> 00:20:18: more pedestrian friendly experience for.

00:20:18 --> 00:20:21: Users of them all, and then this focuses on kind

00:20:21 --> 00:20:24: of that new portal to get into a new entrance

00:20:24 --> 00:20:26: to said mall and and you can see you know

00:20:26 --> 00:20:29: the the variation and textures and colors and and lighting

00:20:29 --> 00:20:31: and programming all those things.

00:20:31 --> 00:20:38: Just make a more more interesting experience for the space.

00:20:38 --> 00:20:42: One of the unique. Aspects of kind of the programmatic

00:20:43 --> 00:20:47: concept here is that you start as a person coming

00:20:47 --> 00:20:50: in and strike off of a life of homelessness and

00:20:50 --> 00:20:54: you you end up being rehabilitated such that you can

00:20:54 --> 00:20:56: work in the retail space in the base of this

00:20:56 --> 00:20:57: building.

00:20:57 --> 00:21:00: And there's sort of a circle of life.

00:21:00 --> 00:21:03: Moment there this is kind of the the vibe that

00:21:03 --> 00:21:05: we're going for in the community space.

00:21:05 --> 00:21:07: There's an extra high ceilings in a lot of these

00:21:07 --> 00:21:07: spaces,

00:21:07 --> 00:21:12: so maybe there's some mezzanines and there's there's

00:21:12 --> 00:21:16: value that that good design can bring to the quality

00:21:16 --> 00:21:18: of life for every person,

00:21:18 --> 00:21:22: including formerly homeless people, this is one of the more

00:21:22 --> 00:21:25: provocative types of residential units.

00:21:25 --> 00:21:28: It's like a dormitory, almost like a a cruise ship

00:21:29 --> 00:21:30: kind of setup.

00:21:30 --> 00:21:32: Here's the. Details on on how that works,

00:21:32 --> 00:21:33: not all the units are this way,

00:21:33 --> 00:21:37: but this is one of the more unique.

00:21:37 --> 00:21:41: Solutions that we showed and then showing what this rooftop

00:21:41 --> 00:21:44: activation might feel like with community gardens.

00:21:44 --> 00:21:47: Perhaps the the crops that are grown here could be

00:21:47 --> 00:21:51: served in the restaurants in the space below or sold

00:21:51 --> 00:21:52: in farmers markets.

00:21:52 --> 00:21:55: Those kinds of things outdoor recreation.

00:21:55 --> 00:21:58: We're just trying to treat the whole person with this

00:21:58 --> 00:22:00: process and you all might think,

00:22:00 --> 00:22:02: oh that's nice. It's making the project.

00:22:02 --> 00:22:05: Yeah, maybe got written about in some articles and one

00:22:05 --> 00:22:06: design order or something,

00:22:06 --> 00:22:07: but what have you done for?

00:22:07 --> 00:22:12: It's real so. Hope on Alvarado is another supportive housing

00:22:12 --> 00:22:13: solution.

00:22:13 --> 00:22:16: This is in Los Angeles and the original thought it's

00:22:17 --> 00:22:20: funny to say this now kind of post pandemic and

00:22:20 --> 00:22:24: seeing all those all those shipping container kind of stacked

00:22:24 --> 00:22:26: up in the in the outside the port but the

00:22:26 --> 00:22:30: original concept here was to repurpose shipping containers

00:22:30 --> 00:22:33: back when

00:22:30 --> 00:22:33: there was a surplus and we quickly realized that there

00:22:34 --> 00:22:38: was no fabricator that could handle the amount of containers

00:22:38 --> 00:22:39: that would be needed.

00:22:39 --> 00:22:45: To actually deliver a multifamily building with all repurpose

00:22:45 --> 00:22:50: and

00:22:45 --> 00:22:50: it's kind of side benefit is that there's some.

00:22:50 --> 00:22:54: There's some environmental air quality benefits to having

00:22:54 --> 00:22:55: purpose built

00:22:54 --> 00:22:55: modules as well,

00:22:55 --> 00:22:58: and some of the shipping containers are treated with

00:22:58 --> 00:22:59: formaldehyde

00:22:58 --> 00:22:59: and other toxins,

00:22:59 --> 00:23:02: and so the solution went to purpose.

00:23:02 --> 00:23:05: Built steel, modular coming from overseas,

00:23:05 --> 00:23:09: and so these these containers you can see flying onto

00:23:09 --> 00:23:09: the site.

00:23:09 --> 00:23:12: Never served a life other than as the components of

00:23:12 --> 00:23:16: these residential units and the and obviously the the benefit
00:23:16 --> 00:23:18: of this type of the strategy is that you can
00:23:18 --> 00:23:22: build the on site work so the the parking,
00:23:22 --> 00:23:28: the amenities the service functions simultaneously as the
containers or
00:23:28 --> 00:23:32: the modules or whatever are being fabricated off site and
00:23:33 --> 00:23:36: then they come in and fly in much more quickly
00:23:36 --> 00:23:39: than a conventional framing solution.
00:23:39 --> 00:23:42: And this is what the unit looks like.
00:23:42 --> 00:23:46: And if I didn't tell you that this was made
00:23:46 --> 00:23:49: in a in a factory that makes shipping containers,
00:23:49 --> 00:23:51: I don't think you would know.
00:23:51 --> 00:23:54: Maybe you'd be queued to the to the fact that
00:23:54 --> 00:23:58: there's more glazing at the ends than a typical kind
00:23:58 --> 00:23:59: of wood framed building,
00:23:59 --> 00:24:02: but we kind of treat the seam on the ceiling
00:24:02 --> 00:24:04: and treat this the seam on the floor,
00:24:04 --> 00:24:08: and this comes to the site with all of the
00:24:08 --> 00:24:09: cabinetry.
00:24:09 --> 00:24:12: All of the appliances, all the plumbing fixtures.
00:24:12 --> 00:24:16: And there's there's sort of a a rhythm to coordinate
00:24:16 --> 00:24:18: all of that going forward,
00:24:18 --> 00:24:20: and here it is in the context of Los Angeles.
00:24:20 --> 00:24:24: Again, the the ends being all glazing,
00:24:24 --> 00:24:28: offers a unique aesthetic. Then kind of.
00:24:28 --> 00:24:32: Typically you would see with with traditional wood shear
walls,
00:24:32 --> 00:24:34: and so you know those are the two projects I
00:24:34 --> 00:24:35: wanted to share with you,
00:24:35 --> 00:24:38: and you know it. It's a challenge.
00:24:38 --> 00:24:45: Getting any. Multifamily housing projects approved in in 2021
and
00:24:45 --> 00:24:48: and for the last several decades.
00:24:48 --> 00:24:50: So you know, the entitlement is always a challenge,
00:24:50 --> 00:24:56: let alone a more provocative program such as formerly
homeless
00:24:56 --> 00:24:57: population.
00:24:57 --> 00:24:59: And so our strategy is to really kind of design
00:24:59 --> 00:25:01: the heck out of these things.
00:25:01 --> 00:25:04: And you know, all these are unique to their site.
00:25:04 --> 00:25:07: They fit the the program and in this this part
00:25:07 --> 00:25:07: of the city.
00:25:07 --> 00:25:10: And there's a reason for why we designed it this

00:25:10 --> 00:25:10: way.

00:25:10 --> 00:25:13: And yeah, the. The there's some things that we run

00:25:13 --> 00:25:13: into,

00:25:13 --> 00:25:18: but ultimately good design prevails eventually in our experience,

00:25:18 --> 00:25:21: and so with that I'm going to stop my share

00:25:21 --> 00:25:23: and then hand this over to Phillip,

00:25:23 --> 00:25:27: who has an interesting perspective on what it means to

00:25:27 --> 00:25:27: be retired.

00:25:27 --> 00:25:32: And I'm truly inspired by your altruism.

00:25:32 --> 00:25:35: So, Phillip, you want to tell us about what you've

00:25:35 --> 00:25:37: been doing the last few years.

00:25:39 --> 00:25:43: You I think you can hear me now.

00:25:43 --> 00:25:46: I'm Philip Payne and thank you,

00:25:46 --> 00:25:51: Ben. You know the the Lotus campaign was as.

00:25:53 --> 00:25:57: Lee said earlier sort of a direct result of my

00:25:57 --> 00:26:02: having participated in a number of UOI advisory housing panels

00:26:03 --> 00:26:05: on the issue of housing.

00:26:05 --> 00:26:08: And culminated with the meeting in.

00:26:08 --> 00:26:11: December of 17 in LA.

00:26:11 --> 00:26:14: And so I came back and my wife and I

00:26:14 --> 00:26:16: decided we didn't need to do more.

00:26:16 --> 00:26:20: For for people who've been homeless and we needed to

00:26:20 --> 00:26:21: do it now.

00:26:21 --> 00:26:25: And so we started Lotus with the help of a

00:26:26 --> 00:26:33: couple other USLI people about Silverman and Molly McCabe and

00:26:33 --> 00:26:33: so.

00:26:33 --> 00:26:36: But over the years, what's happened is I've got five

00:26:36 --> 00:26:37: sort of.

00:26:37 --> 00:26:40: But principles that I'm following as as we go through

00:26:40 --> 00:26:43: this and the the first one is real clear,

00:26:43 --> 00:26:47: is that homelessness exists because we allow it to exist.

00:26:50 --> 00:26:53: We we does not willing to put in the effort

00:26:53 --> 00:26:55: at the time the money that whatever the innovation,

00:26:55 --> 00:26:58: whatever it takes to get it done and it's not

00:26:59 --> 00:27:02: going to change until we step up and really say

00:27:02 --> 00:27:03: it's got to go.

00:27:05 --> 00:27:07: Number two is we I am.

00:27:07 --> 00:27:11: We are condensed that this problem is just simply too

00:27:11 --> 00:27:14: big for government to take care of on its own.

00:27:17 --> 00:27:20: The truth is they don't have the expertise in housing

00:27:21 --> 00:27:22: or operational housing,

00:27:22 --> 00:27:26: development of housing, financing of housing,

00:27:26 --> 00:27:28: nor do they have the access to the vast amount

00:27:28 --> 00:27:32: of private capital that's out there that could be funneled

00:27:32 --> 00:27:33: into housing.

00:27:33 --> 00:27:36: So we think the private sector it's essential that the

00:27:36 --> 00:27:39: private sector come in and be part of the solution.

00:27:39 --> 00:27:44: Three is this issue of myths and misunderstandings.

00:27:44 --> 00:27:48: You probably have heard the saying it's not what you,

00:27:48 --> 00:27:51: what you know, don't know it's not what you don't

00:27:51 --> 00:27:52: know that gets you.

00:27:52 --> 00:27:56: It's what you think you know that ain't so and

00:27:56 --> 00:27:58: that's what we find.

00:27:58 --> 00:28:01: There's a lot of confusion and and we'll just start

00:28:01 --> 00:28:05: with the general public who don't understand homelessness

00:28:05 --> 00:28:07: other than

00:28:07 --> 00:28:09: they don't want to see it or be around it.

00:28:09 --> 00:28:12: But they don't understand the causes.

00:28:12 --> 00:28:13: They don't understand remedies. They don't understand the

00:28:13 --> 00:28:17: cost to

00:28:17 --> 00:28:20: their community.

00:28:20 --> 00:28:24: That homelessness exists. Business people who don't truly

00:28:24 --> 00:28:27: understand the

00:28:27 --> 00:28:30: cost of their community and their community.

00:28:30 --> 00:28:33: City officials. You know it's easy to say that they

00:28:33 --> 00:28:37: lose \$36,000 a year approximately on on hard cost.

00:28:37 --> 00:28:39: Taking care of people who've been who are homeless.

00:28:39 --> 00:28:43: But what about the impact on tourism?

00:28:43 --> 00:28:47: What about the impact on business development and

00:28:47 --> 00:28:51: growth?

00:28:51 --> 00:28:54: Those are hard to quantify,

00:28:54 --> 00:28:57: but they definitely exist, #4 is.

00:28:57 --> 00:28:59: I am absolutely convinced and I think we are documenting

00:28:59 --> 00:29:01: that it is possible to find an economically viable way

00:29:01 --> 00:29:04: to house people who've been homeless.

00:29:04 --> 00:29:11: It does take a willingness to be opened,

00:29:11 --> 00:29:15: a willingness to try new things,

00:29:15 --> 00:29:19: a willingness to you know,

00:29:19 --> 00:29:22: look at materials, building techniques,

00:29:22 --> 00:29:25: findings, techniques. How we provide the appropriate

00:29:25 --> 00:29:28: services,

00:29:28 --> 00:29:31: you know? Again, this is absolutely correct.

00:29:31 --> 00:29:34: We've discovered that social services is the is perhaps the

00:29:19 --> 00:29:21: most critical aspect of this.

00:29:21 --> 00:29:24: And then five years it's that the people that you

00:29:24 --> 00:29:27: or I are the right people to take this challenge

00:29:27 --> 00:29:28: on.

00:29:28 --> 00:29:32: We have the the intellectual capital and the experience and

00:29:32 --> 00:29:36: the money to figure out how to get this done.

00:29:36 --> 00:29:38: So Lotus actually now has.

00:29:38 --> 00:29:40: We've been around for 3 1/2 years.

00:29:40 --> 00:29:42: We have three programs. There's one.

00:29:42 --> 00:29:44: It's called the Landlord Participation program.

00:29:44 --> 00:29:48: It is very straightforward program that basically we went to

00:29:48 --> 00:29:50: landlords and said why don't you?

00:29:50 --> 00:29:52: Why won't you lease to people who've been homeless?

00:29:52 --> 00:29:55: And we got a checklist and then we went down

00:29:55 --> 00:29:56: the list,

00:29:56 --> 00:29:57: classical sales technique and said,

00:29:57 --> 00:30:00: let's deal with each one one at a time,

00:30:00 --> 00:30:03: and so our program. We go to the landlords and

00:30:03 --> 00:30:06: we say we're willing to put people in and we're

00:30:07 --> 00:30:09: willing to pay for the following things.

00:30:09 --> 00:30:11: We'll give you a payment little deposit.

00:30:11 --> 00:30:14: We'll pay for all the renters insurance and application fees.

00:30:14 --> 00:30:19: We'll guarantee against loss of rent will guarantee against

00:30:19 --> 00:30:20: loss

00:30:19 --> 00:30:20: of damages.

00:30:20 --> 00:30:24: Interestingly enough, we will provide existing assistance.

00:30:24 --> 00:30:27: We will pay for your court cost and your lawyer

00:30:27 --> 00:30:30: and one of us will appear in court provided you've

00:30:30 --> 00:30:33: given us a 30 day notice prior to filing for

00:30:33 --> 00:30:38: the eviction and we cannot solve the problem during that

00:30:38 --> 00:30:39: 30 day period.

00:30:39 --> 00:30:40: But on top of that,

00:30:40 --> 00:30:44: what's really important? We also park partner with social

00:30:44 --> 00:30:47: service

00:30:44 --> 00:30:47: agencies and it's those agencies who find the clients,

00:30:47 --> 00:30:50: bet the clients put the clients in housing and are

00:30:50 --> 00:30:54: required to provide pretty extensive social services

00:30:54 --> 00:30:56: throughout the entire

00:30:54 --> 00:30:56: entirety of the tenancy,

00:30:56 --> 00:30:58: including a once a month inspection,

00:30:58 --> 00:31:01: physical inspection of the unit to see how things are

00:31:01 --> 00:31:03: going on and look out for signs of.

00:31:03 --> 00:31:06: That things are going off the rails.

00:31:06 --> 00:31:09: Second is an investment program where we are actually investing

00:31:09 --> 00:31:13: in properties in exchange for a certain amount of units

00:31:13 --> 00:31:16: being reserved for people who experienced homelessness,

00:31:16 --> 00:31:20: we have one property that we actually own.

00:31:20 --> 00:31:24: It's 144 Unit 1984 built property.

00:31:24 --> 00:31:26: We bought it, rehabbed it and 20%

00:31:26 --> 00:31:29: of the units are reserved for people who've experienced homeless.

00:31:29 --> 00:31:30: The rest is market rate,

00:31:30 --> 00:31:33: workforce housing and is in a great location.

00:31:33 --> 00:31:37: And lastly, there's an education program where we're going around

00:31:37 --> 00:31:41: and we meet with City and government officials talking about

00:31:41 --> 00:31:43: this issue and then we go and meet with the

00:31:43 --> 00:31:46: building community to talk about possible ways of solving it.

00:31:46 --> 00:31:50: And then most importantly, we would meet with the Community

00:31:50 --> 00:31:51: trying to dispel.

00:31:51 --> 00:31:54: I missed surrounding homelessness, so that's load is in a

00:31:54 --> 00:31:55: nutshell,

00:31:55 --> 00:31:59: so thank you. And now Rosie is going to take

00:31:59 --> 00:32:00: over for questions.

00:32:05 --> 00:32:07: Thank you so much Phil and UM,

00:32:07 --> 00:32:10: our first question is for Vicki.

00:32:10 --> 00:32:15: Many formerly homeless people have experienced trauma that makes reentering

00:32:15 --> 00:32:16: housing challenging.

00:32:16 --> 00:32:21: What is your experience with mixing formerly homeless populations where

00:32:21 --> 00:32:24: with workforce housing and market rate housing?

00:32:24 --> 00:32:28: On when you talk about projects on a scale of

00:32:28 --> 00:32:30: Olympic dives,

00:32:30 --> 00:32:34: it's the highest difficulty of dive in my experience and

00:32:35 --> 00:32:38: and I want to talk to you a little bit

00:32:38 --> 00:32:41: about that for rapid rehousing in DC,

00:32:41 --> 00:32:45: we have rapid rehousing where the city will give a

00:32:45 --> 00:32:47: person who is formerly homeless,

00:32:47 --> 00:32:59: evoucher and. And. I got distracted by the text.

00:32:59 --> 00:33:04: And and they come into your building and live with

00:33:04 --> 00:33:06: everybody else and.

00:33:06 --> 00:33:11: And our given services COVID was terrible for services because

00:33:11 --> 00:33:15: a lot of our service providers didn't come out in

00:33:15 --> 00:33:17: person for well over a year.

00:33:17 --> 00:33:20: And the people who have experienced homelessness,

00:33:20 --> 00:33:23: I think you can say that they have a very

00:33:23 --> 00:33:26: high level of stress as a general statement.

00:33:26 --> 00:33:28: It's a very stressed thing.

00:33:28 --> 00:33:33: You've been sick. Maybe you have a child who's sick.

00:33:33 --> 00:33:37: You have issues. If you've lost your home.

00:33:37 --> 00:33:39: You're going to have a stress level,

00:33:39 --> 00:33:44: and so to me, wrap around services are really,

00:33:44 --> 00:33:50: really critical and we have we have struggled with that

00:33:50 --> 00:33:52: through COVID now.

00:33:52 --> 00:33:54: If so, let me tell you what we have.

00:33:54 --> 00:33:59: We have 79 units of formerly homeless veterans in the

00:33:59 --> 00:34:01: building at Walter Reed.

00:34:01 --> 00:34:03: Walter Reed is a mixed income community.

00:34:03 --> 00:34:05: You can look it up on the Internet and it

00:34:05 --> 00:34:07: has a website called the parks at Walter Reed.

00:34:07 --> 00:34:11: Where the parks DC. Maybe it will respond to both

00:34:11 --> 00:34:13: and it is an integrated community.

00:34:13 --> 00:34:16: There are over 2000 housing units there,

00:34:16 --> 00:34:20: and we pledged that 432 would be affordable at different

00:34:20 --> 00:34:21: income levels.

00:34:21 --> 00:34:25: So a fully 114 of those are targeted to below

00:34:25 --> 00:34:25: 30%

00:34:25 --> 00:34:28: of median and and those households.

00:34:28 --> 00:34:31: Typically in my experience, if I look at the rent

00:34:31 --> 00:34:32: roll,

00:34:32 --> 00:34:35: they're earning in the 10,000 to 12,000 range,

00:34:35 --> 00:34:39: then we have another 100 and.

00:34:39 --> 00:34:42: I'm going to botch this number like 149.

00:34:42 --> 00:34:44: This targeted to 50% of median are below.

00:34:44 --> 00:34:46: Then we have another 179 to 80%

00:34:46 --> 00:34:50: of median or below, and then the rest is market

00:34:50 --> 00:34:50: so 20%

00:34:50 --> 00:34:55: is targeted to very low income to workforce levels and

00:34:55 --> 00:34:59: our experience has been quite good across the board.

00:34:59 --> 00:35:02: I will tell you that we have had issues but

00:35:02 --> 00:35:04: they are few and far between.

00:35:04 --> 00:35:07: I think if I so I have 79 of those

00:35:07 --> 00:35:09: units I have.

00:35:09 --> 00:35:15: 39 formerly homeless seniors. I have 80.

00:35:15 --> 00:35:18: Low income seniors so and they're in a building that's

00:35:18 --> 00:35:21: congregates so that you can get services and and housing
00:35:21 --> 00:35:23: up has their corporate offices there as well,
00:35:23 --> 00:35:26: which is a service provider.
00:35:26 --> 00:35:29: Out of 100, I don't know.
00:35:29 --> 00:35:31: It's like close to 200 units.
00:35:34 --> 00:35:38: We've had three people with issues.
00:35:38 --> 00:35:45: That were dramatic issues and needed broader attention
from our
00:35:45 --> 00:35:46: community.
00:35:46 --> 00:35:49: Now we have very high end luxury housing here and
00:35:49 --> 00:35:53: we have a broad community that we have invited in.
00:35:53 --> 00:35:55: It's got a new Town Center that's under construction,
00:35:55 --> 00:35:59: so it's very important to us to provide quality housing.
00:35:59 --> 00:36:02: So I would say there are issues you have to
00:36:02 --> 00:36:03: be vigilant.
00:36:03 --> 00:36:06: You have to be mindful but really the thing that
00:36:06 --> 00:36:09: makes all the difference in the world is services and
00:36:09 --> 00:36:13: wrap around services and if cities can help themselves those
00:36:13 --> 00:36:17: services. Just help people through a really hard time,
00:36:17 --> 00:36:20: you know, and and I think we all have times
00:36:20 --> 00:36:22: when things are really hard.
00:36:22 --> 00:36:25: But if if we could just get that in place
00:36:25 --> 00:36:27: and functioning well,
00:36:27 --> 00:36:31: I think that it becomes a much lower lift and
00:36:31 --> 00:36:33: very replicable.
00:36:33 --> 00:36:37: So rapid rehousing people in DC have an obligation to
00:36:37 --> 00:36:43: not discriminate and and take take formerly homeless people
in.
00:36:43 --> 00:36:46: I hope that's a good answer to the question.
00:36:46 --> 00:36:51: Thank you Vicki. On that note a question for Ben,
00:36:51 --> 00:36:54: but maybe the others have also had some experience with
00:36:54 --> 00:36:55: this.
00:36:55 --> 00:36:56: Whether you're familiar with trauma,
00:36:56 --> 00:37:00: informed design and what special considerations do you get
to
00:37:00 --> 00:37:03: design for formally homeless demographics?
00:37:03 --> 00:37:05: And I'll just note that one of our award winners
00:37:05 --> 00:37:08: two years ago did use trauma informed design and I
00:37:08 --> 00:37:11: can put on more information about that in the chat.
00:37:13 --> 00:37:17: Yeah, that's a great question Georgia and it's interesting
because
00:37:18 --> 00:37:20: I when I saw that question pop up in our
00:37:20 --> 00:37:21: chat,

00:37:21 --> 00:37:21: I was like Oh no.
 00:37:21 --> 00:37:24: What did I do wrong was when I first thought
 00:37:24 --> 00:37:26: because I hadn't heard that that term before now.
 00:37:26 --> 00:37:28: So I'm learning. This is fun.
 00:37:28 --> 00:37:30: I've heard of trauma, informed care,
 00:37:30 --> 00:37:33: and so I'm like Googling in the background here and
 00:37:33 --> 00:37:34: so you know,
 00:37:34 --> 00:37:40: trauma informed design is sort of an outcropping of care,
 00:37:40 --> 00:37:43: and as I understand it.
 00:37:43 --> 00:37:47: Now it's, you know, reducing known adverse stimuli and
 environmental
 00:37:47 --> 00:37:48: stresses,
 00:37:48 --> 00:37:51: actively engaging individuals and dynamic,
 00:37:51 --> 00:37:56: multisensory, multisensory environment, supporting self
 reliance and providing a connection
 00:37:56 --> 00:37:57: to the natural world.
 00:37:57 --> 00:38:01: And I think, sort of intuitively as architects and designers,
 00:38:01 --> 00:38:04: we want to do that for all of our populations
 00:38:04 --> 00:38:08: and in the examples of the the the projects that
 00:38:08 --> 00:38:11: I personally worked on adjusting this population,
 00:38:11 --> 00:38:12: that's something we're always trying to do.
 00:38:12 --> 00:38:14: It's not a one size fits all.
 00:38:14 --> 00:38:18: Solution kind of ever because people are coming into this
 00:38:18 --> 00:38:21: situation from all different ways.
 00:38:21 --> 00:38:23: Sometimes it's it's a mental health issue.
 00:38:23 --> 00:38:24: Sometimes it's just bad luck,
 00:38:24 --> 00:38:28: sometimes it's something else. And I totally agree with Vicki.
 00:38:28 --> 00:38:31: It's all about the wrap around care and all of
 00:38:31 --> 00:38:33: these projects.
 00:38:33 --> 00:38:36: We collaborate very closely with our clients and their
 partners.
 00:38:36 --> 00:38:39: If they're, if they're not bringing that care in in-house
 00:38:39 --> 00:38:42: and they're partnering with someone else and you really,
 00:38:42 --> 00:38:46: we use that information and that set of of programming
 00:38:46 --> 00:38:48: to inform the design.
 00:38:48 --> 00:38:52: The design revolves around those services and and you
 know,
 00:38:52 --> 00:38:53: access to to natural light.
 00:38:53 --> 00:38:56: I think you could see that even in the big
 00:38:56 --> 00:38:59: box retail solution where we're we're really kind of making
 00:38:59 --> 00:39:02: up ways to provide natural light into these residential units,
 00:39:02 --> 00:39:08: and. And different types of of unit sizes and configurations
 00:39:08 --> 00:39:08: so.

00:39:08 --> 00:39:10: Thank you for teaching me a new term.

00:39:10 --> 00:39:11: I'm excited to learn more.

00:39:13 --> 00:39:15: Thanks Ben and and so continue on this.

00:39:15 --> 00:39:19: We have another question. I believe Phil is best suited

00:39:19 --> 00:39:20: to answer this.

00:39:20 --> 00:39:23: Annette would like to know how the panelists addressed the

00:39:23 --> 00:39:26: issue of mental illness that really complicates housing.

00:39:26 --> 00:39:28: Some of the homeless population.

00:39:29 --> 00:39:34: Well, yeah. The nice thing about the question is the

00:39:34 --> 00:39:36: word some.

00:39:36 --> 00:39:42: It really complicates housing for some of the homeless

00:39:42 --> 00:39:44: population,

00:39:44 --> 00:39:44: and that's one of the myths I do want to

00:39:44 --> 00:39:47: make clear.

00:39:47 --> 00:39:50: Not all homeless people are mentally ill.

00:39:50 --> 00:39:54: There are some mentally ill just like there are some

00:39:54 --> 00:39:58: people walking around the streets day-to-day who are

00:39:58 --> 00:40:02: mentally ill.

00:40:02 --> 00:40:05: And again, it's an issue of screening and support.

00:40:05 --> 00:40:06: There are people whose mental illness is so severe that

00:40:06 --> 00:40:09: they are not going to be capable of living in

00:40:09 --> 00:40:12: a blend.

00:40:12 --> 00:40:15: A mixed rate, mixed use community.

00:40:15 --> 00:40:17: Now we can go into a bigger philosophical question about

00:40:17 --> 00:40:20: why this country has decided that mentally ill people we

00:40:20 --> 00:40:21: shouldn't be taking care of the mentally ill.

00:40:21 --> 00:40:24: We just let them fend for themselves and was in

00:40:24 --> 00:40:26: the streets.

00:40:26 --> 00:40:28: But the issue is there are people aren't capable and

00:40:28 --> 00:40:31: you can't put them there.

00:40:31 --> 00:40:34: But with the right proper,

00:40:34 --> 00:40:38: with the right amount of social service support,

00:40:38 --> 00:40:41: there are plenty of people who have some form of

00:40:41 --> 00:40:43: mental illness who are fine in a in a community.

00:40:43 --> 00:40:49: I can tell you our experience in the first three

00:40:49 --> 00:40:54: years is that we've had no.

00:40:54 --> 00:40:56: We've had less issues on mental if health issues with

00:40:56 --> 00:40:59: our.

00:40:59 --> 00:41:01: Lotus residents, then the landlords have held with not non

00:41:01 --> 00:41:04: Lotus residents.

00:41:04 --> 00:41:07: I mean if you've been in this business long enough

00:41:07 --> 00:41:10: and at one time we were running 30,000 units,

00:41:01 --> 00:41:04: I can tell you that you get your fair share
 00:41:04 --> 00:41:06: of people who go off the rails and there's no
 00:41:06 --> 00:41:07: way to get them.
 00:41:07 --> 00:41:11: Any help and in our situation we're getting them data.
 00:41:11 --> 00:41:16: You know, day-to-day help. They're being closely monitored
 and helped
 00:41:16 --> 00:41:19: and we can step in before things get too seriously
 00:41:19 --> 00:41:20: in trouble so.
 00:41:20 --> 00:41:25: I know it so. It's sounding redundant at this point,
 00:41:25 --> 00:41:27: but if you don't have the social services,
 00:41:27 --> 00:41:29: this is all doomed to failure.
 00:41:29 --> 00:41:32: But we've had a grand total of 380 people,
 00:41:33 --> 00:41:36: so where we've had a grand total of two evictions
 00:41:36 --> 00:41:39: and then three more people who left our program by
 00:41:39 --> 00:41:41: talking them off the property.
 00:41:43 --> 00:41:44: So it's not been an issue for us.
 00:41:46 --> 00:41:47: You know,
 00:41:47 --> 00:41:50: I would like to add something to that and and
 00:41:50 --> 00:41:54: you know one of the things we've experienced over the
 00:41:54 --> 00:41:55: last two years.
 00:41:55 --> 00:41:57: Maybe some of it is COVID related,
 00:41:57 --> 00:42:00: but you know, to the point Bill just made.
 00:42:00 --> 00:42:06: We have had considerable mental health challenges within
 many of
 00:42:06 --> 00:42:11: our communities where people you know have been
 impacted either
 00:42:11 --> 00:42:14: through COVID and isolation.
 00:42:14 --> 00:42:16: You know, in particularly in.
 00:42:16 --> 00:42:20: Seniors, communities, you know and and you know this this
 00:42:20 --> 00:42:25: whole election and polarization creates issues amongst our
 residents.
 00:42:25 --> 00:42:28: But you know, one of the things that we as
 00:42:28 --> 00:42:32: a company we try to identify and our on site.
 00:42:32 --> 00:42:36: People are really aggressive in trying to understand when
 someone
 00:42:36 --> 00:42:39: does have an issue and try to create,
 00:42:39 --> 00:42:43: you know either attract resources from the you know the
 00:42:43 --> 00:42:47: housing authorities or other places to try to address.
 00:42:47 --> 00:42:52: But mental illness is something that we find increasingly is
 00:42:52 --> 00:42:56: a management challenge that we have to do in in
 00:42:56 --> 00:42:58: our communities.
 00:43:00 --> 00:43:01: I I agree with that,
 00:43:01 --> 00:43:07: and you know. When we first started the rapid rehousing

00:43:07 --> 00:43:10: I I sort of thought Oh my goodness,
 00:43:10 --> 00:43:11: how? How are we going to do it?
 00:43:11 --> 00:43:14: And it was a requirement and so we just did
 00:43:14 --> 00:43:17: it and I guess different landlords took that different way,
 00:43:17 --> 00:43:21: right? So some of them did what they were asked
 00:43:21 --> 00:43:23: to do and some of them didn't.
 00:43:23 --> 00:43:25: But I would say this.
 00:43:28 --> 00:43:30: Who's responsibility is homeless housing?
 00:43:33 --> 00:43:36: Does that you know is that everybody's responsibility,
 00:43:36 --> 00:43:39: and I would have said yes it is.
 00:43:39 --> 00:43:44: And and it's a very small percentage of the population,
 00:43:44 --> 00:43:47: right? I don't think of the total population,
 00:43:47 --> 00:43:50: it's it's. It's an acute problem.
 00:43:50 --> 00:43:52: But not like 10% of the population.
 00:43:52 --> 00:43:56: It's not, it's it's a very small number and and
 00:43:56 --> 00:44:01: so then the question is OK if it's everybody's responsibility
 00:44:01 --> 00:44:04: and and we acknowledge that,
 00:44:04 --> 00:44:08: then how do we? Make it OK and make it
 00:44:08 --> 00:44:09: worthwhile.
 00:44:09 --> 00:44:13: The way that Phillip has done and do that at
 00:44:13 --> 00:44:14: scale,
 00:44:14 --> 00:44:16: right? Do that so that if I own a building
 00:44:16 --> 00:44:18: that's 250 units,
 00:44:18 --> 00:44:20: which is most developers own buildings,
 00:44:20 --> 00:44:24: 250 units that I can take almost all of them
 00:44:24 --> 00:44:25: are in that range.
 00:44:25 --> 00:44:30: And my 250 I can take two right so 10%
 00:44:30 --> 00:44:34: and do that. What do I need?
 00:44:34 --> 00:44:37: So I'm going to tell you the flip side of
 00:44:37 --> 00:44:37: this.
 00:44:37 --> 00:44:42: I got a beautiful building downtown through my rents are
 00:44:42 --> 00:44:43: over \$3 a foot.
 00:44:43 --> 00:44:45: It's it's a lovely building.
 00:44:45 --> 00:44:49: It's a high rise and I took one person who
 00:44:49 --> 00:44:49: was.
 00:44:49 --> 00:44:55: Who had experienced deep trauma from domestic violence?
 00:44:55 --> 00:44:56: And as a person with a child,
 00:44:56 --> 00:45:01: a woman with a child and.
 00:45:01 --> 00:45:05: And she has threatened our concierge 10 times with the
 00:45:05 --> 00:45:05: knife.
 00:45:05 --> 00:45:09: As well as other people who ride the elevator.
 00:45:09 --> 00:45:12: That's when my 1% problem right there and it's it's

00:45:12 --> 00:45:14: traumatic for my residents.

00:45:14 --> 00:45:17: It's traumatic for my staff and my management company.

00:45:17 --> 00:45:22: It's it's deeply traumatic. And she's been arrested all 10

00:45:22 --> 00:45:26: times and released back to my building and that is

00:45:27 --> 00:45:31: not a good model because that person is not being

00:45:31 --> 00:45:35: helped and is not being surrounded by the care that

00:45:35 --> 00:45:35: she needs,

00:45:35 --> 00:45:41: right? It's just not happening and and that's sort of

00:45:41 --> 00:45:43: the the difficulty now.

00:45:43 --> 00:45:45: You can't force people to take care,

00:45:45 --> 00:45:50: right? You can't do that and you know it.

00:45:50 --> 00:45:53: It doesn't really matter how much her income is.

00:45:53 --> 00:45:54: This could have been anybody,

00:45:54 --> 00:45:57: anywhere, right? And so, so it's.

00:45:57 --> 00:46:00: It's one of the things that you have to deal

00:46:00 --> 00:46:00: with.

00:46:00 --> 00:46:03: And yes, it takes a tremendous amount of effort.

00:46:03 --> 00:46:06: And believe me, our company at many levels has been

00:46:06 --> 00:46:09: making phone calls to try and get the right amount

00:46:09 --> 00:46:10: of help to to help the person.

00:46:10 --> 00:46:12: So those things do happen.

00:46:12 --> 00:46:12: I just want to tell you,

00:46:12 --> 00:46:16: they do happen. And it does impact owners.

00:46:16 --> 00:46:19: But if everybody had one person like that and I

00:46:19 --> 00:46:21: wouldn't wish it on anybody,

00:46:21 --> 00:46:23: but if everybody had one,

00:46:23 --> 00:46:27: I bet you collectively we would figure out how to

00:46:27 --> 00:46:31: get the right services to the person so that they

00:46:31 --> 00:46:35: could find a way to thrive within our communities just

00:46:35 --> 00:46:39: like everybody else. And so that's my personal opinion,

00:46:39 --> 00:46:42: and it's I say that having done an awful lot

00:46:42 --> 00:46:45: of work to try and and help and and fix

00:46:45 --> 00:46:47: it for everyone and make it safe.

00:46:47 --> 00:46:49: But but there are challenges,

00:46:49 --> 00:46:53: and I think that there should be incentives out there

00:46:53 --> 00:46:57: to make that a challenge that all landlords are willing

00:46:57 --> 00:47:00: to accept and should accept.

00:47:00 --> 00:47:02: So that's my that's my little preaching for today.

00:47:02 --> 00:47:04: Thank you. Thank you for listening to that.

00:47:07 --> 00:47:10: Vicki, you've made some very good points there and I

00:47:10 --> 00:47:12: think I think the the key thing in this goes

00:47:12 --> 00:47:13: back to what Phil was saying.

00:47:13 --> 00:47:15: Is that the challenge? You know,
00:47:15 --> 00:47:19: the UALR existing real estate professionals know how to develop
00:47:19 --> 00:47:19: properties,
00:47:19 --> 00:47:21: know how to manage properties,
00:47:21 --> 00:47:23: know how to operate properties,
00:47:23 --> 00:47:24: and what we're talking about.
00:47:24 --> 00:47:27: Here is an element of customer service and and if
00:47:28 --> 00:47:31: you liken it to the five Star Hotel who has
00:47:31 --> 00:47:35: the concierge that knows that I like one particular style
00:47:35 --> 00:47:37: of food and sends me to 1 restaurant?
00:47:37 --> 00:47:41: Someone else is looking for a different kind of entertainment
00:47:41 --> 00:47:44: and he sends them somewhere else and and some of
00:47:44 --> 00:47:48: the people that we're talking about needing housing have unique
00:47:48 --> 00:47:51: customer service needs and that's really what we're talking about.
00:47:51 --> 00:47:54: Is figuring out a way to provide those needs in
00:47:54 --> 00:47:57: a businesslike fashion so that we're not just trying to
00:47:57 --> 00:47:59: dump it all on the government,
00:47:59 --> 00:48:02: and so the government's got to take care of it
00:48:02 --> 00:48:06: because the government is not likely to have the financial
00:48:06 --> 00:48:08: resources or the motivation.
00:48:08 --> 00:48:10: You know, let's face it,
00:48:10 --> 00:48:13: all of our government forces at this point have a
00:48:13 --> 00:48:14: lot of challenges.
00:48:14 --> 00:48:16: Homelessness is being only one of them,
00:48:16 --> 00:48:19: and we in the real estate business can probably bring
00:48:20 --> 00:48:22: more forces to bear if we can just begin to
00:48:22 --> 00:48:23: figure out.
00:48:23 --> 00:48:24: You know what the model is,
00:48:24 --> 00:48:26: and I think y'all. You know you folks,
00:48:26 --> 00:48:28: you know Darrell and and Phillip,
00:48:28 --> 00:48:30: and you have all done great work in these fields
00:48:30 --> 00:48:32: and we just need to get more people on the
00:48:32 --> 00:48:32: boat.
00:48:34 --> 00:48:36: Yeah, I would say on that,
00:48:36 --> 00:48:39: leave that what? I mean,
00:48:39 --> 00:48:41: we're talking about a lot of social services,
00:48:41 --> 00:48:45: but that social services have the person has to have
00:48:45 --> 00:48:47: a place to live to start.
00:48:47 --> 00:48:49: You put them in a place to live and then
00:48:49 --> 00:48:51: you put the services on top.

00:48:51 --> 00:48:55: You can give people services from the from now until
00:48:55 --> 00:48:56: the apocalypse.
00:48:56 --> 00:48:58: If they don't have a place to live,
00:48:58 --> 00:49:02: it doesn't work so you have to get the place.
00:49:02 --> 00:49:06: Provide them good quality housing or it's clean,
00:49:06 --> 00:49:09: safe, warm and dry. Doesn't have to be fancy and
00:49:09 --> 00:49:12: it needs to be a small percentage of every property
00:49:12 --> 00:49:14: would be the best possible solution.
00:49:14 --> 00:49:18: So working out the economics of that is really important
00:49:18 --> 00:49:21: and that's what that's what we do at ULI.
00:49:21 --> 00:49:23: OK, I'm not suggesting we're social workers,
00:49:23 --> 00:49:26: I'm just saying we get we develop the properties,
00:49:26 --> 00:49:29: put a some units in every property and then figure
00:49:29 --> 00:49:32: out how the economics of that and you can actually
00:49:32 --> 00:49:33: make money.
00:49:33 --> 00:49:36: While you're doing it, I can tell you that the
00:49:36 --> 00:49:39: people who had Lotus clients with guaranteed rents were
really
00:49:39 --> 00:49:42: happy at the height of the pandemic that they could
00:49:42 --> 00:49:45: count on those writs coming in every month in full,
00:49:45 --> 00:49:49: no questions asked. Made them better than any other
resident
00:49:49 --> 00:49:50: they had,
00:49:50 --> 00:49:52: so anyway I'll be quiet now.
00:49:52 --> 00:49:53: I don't want to preach to you.
00:49:53 --> 00:49:53: Thank you.
00:49:57 --> 00:49:59: I think you're hitting the nail on the head.
00:49:59 --> 00:50:02: Fill up an interestingly. One of the questions that's in
00:50:02 --> 00:50:03: the chat is and,
00:50:03 --> 00:50:06: and I'm I may throw up the question.
00:50:06 --> 00:50:09: But how does Lotus engage with the new city who
00:50:09 --> 00:50:11: would like to follow your model?
00:50:11 --> 00:50:12: How? How does somebody you know?
00:50:12 --> 00:50:14: How does somebody get in touch with you?
00:50:16 --> 00:50:18: You have two two people you can contact and we'll
00:50:18 --> 00:50:20: get immediately back in touch.
00:50:20 --> 00:50:27: You you can go to **** or you can write
00:50:27 --> 00:50:30: Beth at lotuscampaign.org,
00:50:30 --> 00:50:33: and that's Beth is our best silvermans our executive director
00:50:33 --> 00:50:35: and one of us will come back to you.
00:50:35 --> 00:50:37: We we're talking to a lot of cities.
00:50:37 --> 00:50:40: I am not going to mention the name but.
00:50:40 --> 00:50:44: We've got the final contracts going back and forth for

00:50:44 --> 00:50:45: services in a.

00:50:45 --> 00:50:49: Non North Carolina City, where we're going to start immediately

00:50:49 --> 00:50:51: on a 2 year program to get them up and

00:50:51 --> 00:50:52: running.

00:50:52 --> 00:50:54: So we are looking for other cities.

00:50:54 --> 00:50:57: Pandemic has been a terrible thing for that kind of

00:50:57 --> 00:50:59: hard to go to a different city and do the

00:50:59 --> 00:51:02: groundwork you have to do when you can't get there,

00:51:02 --> 00:51:03: but we're back now.

00:51:05 --> 00:51:07: Can I ask Phillip a question?

00:51:07 --> 00:51:14: That allowed. So, Phillip. This is a teach a man

00:51:14 --> 00:51:19: to fish question for you and that is.

00:51:19 --> 00:51:23: You're a nonprofit and there are a lot of just

00:51:23 --> 00:51:26: wonderful nonprofits around the country.

00:51:26 --> 00:51:31: I wonder if you shouldn't teach them.

00:51:31 --> 00:51:34: How to do what you do?

00:51:34 --> 00:51:38: Because I think your model is entirely replicable and and

00:51:38 --> 00:51:42: you would have a very willing and ready audience there.

00:51:42 --> 00:51:46: And and I think it could be unbelievably accretive for

00:51:46 --> 00:51:48: for nonprofit and for cities.

00:51:49 --> 00:51:53: Well, we're trying Mickey and the education campaign has been

00:51:53 --> 00:51:55: a big component about how to do it,

00:51:55 --> 00:51:58: what the issues are, what the myths are,

00:51:58 --> 00:52:00: and you have to bust the mess again.

00:52:00 --> 00:52:04: COVID has been. Not a nice experience for us.

00:52:04 --> 00:52:08: We're traveling around the country giving education sessions and I

00:52:08 --> 00:52:10: hate being on the zoom.

00:52:10 --> 00:52:11: No offense to everybody here today.

00:52:11 --> 00:52:16: So so. Yes, we we want to do that.

00:52:16 --> 00:52:19: I mean the model was built to be replicable,

00:52:19 --> 00:52:22: and my real mission was to teach other people to

00:52:22 --> 00:52:26: test the model ourselves and then teach other people how

00:52:26 --> 00:52:26: to do it.

00:52:26 --> 00:52:28: But there are other by the way.

00:52:28 --> 00:52:31: There are other lots of other ways of doing this.

00:52:31 --> 00:52:32: We're just happened to be one way.

00:52:32 --> 00:52:36: I do not claim to hold the solution to homelessness.

00:52:36 --> 00:52:38: Matter of fact, I don't think we're ever going to

00:52:38 --> 00:52:40: do away with our homeless.

00:52:40 --> 00:52:44: But there is an economically driven pragmatic approach that can

00:52:44 --> 00:52:46: make inroads on the issue,

00:52:46 --> 00:52:47: and that's what we're talking about.

00:52:49 --> 00:52:50: We got some more questions from the audience,

00:52:50 --> 00:52:51: I think.

00:52:52 --> 00:52:54: Yes, so there was a question what are unique strengths

00:52:55 --> 00:52:55: of the real estate?

00:52:55 --> 00:53:00: Has the real estate has an addressing the homelessness crisis

00:53:00 --> 00:53:01: that other parties don't?

00:53:01 --> 00:53:03: What do they bring to the table and where do

00:53:04 --> 00:53:05: they need to improve?

00:53:08 --> 00:53:14: Well, we have housing had to start so sometimes we

00:53:14 --> 00:53:19: have a few vacant units and and that's more of

00:53:19 --> 00:53:20: a start.

00:53:20 --> 00:53:22: And we also have another thing,

00:53:22 --> 00:53:27: and that is we're very well organized through entities like

00:53:27 --> 00:53:27: USLI,

00:53:27 --> 00:53:30: and we're good at sharing information.

00:53:30 --> 00:53:34: And then the very last thing that we have is.

00:53:34 --> 00:53:38: We pay an awful lot of real estate taxes.

00:53:38 --> 00:53:40: A lot. And you know,

00:53:40 --> 00:53:44: if you were thinking about paying for services for somebody

00:53:44 --> 00:53:46: and you just were to do it out.

00:53:46 --> 00:53:48: If you're real estate taxes,

00:53:48 --> 00:53:51: direct, or as as a quid pro quo,

00:53:51 --> 00:53:55: there's so many ways to have a carrot and stick.

00:53:55 --> 00:53:59: But this is a tremendous economic engine for cities,

00:53:59 --> 00:54:03: right? We are. We are very good citizens and and

00:54:03 --> 00:54:05: we have the ability.

00:54:05 --> 00:54:09: If we set our minds to it to house people.

00:54:09 --> 00:54:10: This is what we do.

00:54:12 --> 00:54:15: You know, I would add one thing to what Vicki

00:54:15 --> 00:54:16: just said.

00:54:16 --> 00:54:18: If when we do our jobs well,

00:54:18 --> 00:54:23: we also build great communities where there I mean,

00:54:23 --> 00:54:26: believe it or not, we have found with people with

00:54:26 --> 00:54:30: mental challenges being in a supportive community.

00:54:30 --> 00:54:31: It it you know it.

00:54:31 --> 00:54:34: It it the rising tide lifts all boats and so

00:54:34 --> 00:54:38: you know things that one thing in the real estate

00:54:38 --> 00:54:39: industry.

00:54:39 --> 00:54:45: In our business we maximize resident retention because we've learned

00:54:45 --> 00:54:46: that with.

00:54:46 --> 00:54:50: You know our turnover is less than 15%

00:54:50 --> 00:54:53: a year. You know some properties are 40 or 50

00:54:53 --> 00:54:56: where you know people want that kind of turnover to

00:54:56 --> 00:54:59: potentially get you know an increased value.

00:54:59 --> 00:55:04: But we have learned that the more stable community is

00:55:04 --> 00:55:08: in the limit it reduces crime and it it kind

00:55:08 --> 00:55:11: of gives people mentors in a community.

00:55:11 --> 00:55:16: So if we do our job right and creating designing.

00:55:16 --> 00:55:21: Renovating, managing a community. There is a community that forms

00:55:21 --> 00:55:25: that really lifts and and touches people that may have

00:55:25 --> 00:55:27: additional needs.

00:55:28 --> 00:55:30: And if I can, I know we're running out of

00:55:30 --> 00:55:30: time here,

00:55:30 --> 00:55:31: but if I can have.

00:55:35 --> 00:55:37: The the the private sector.

00:55:37 --> 00:55:42: The for profit community is very knowledgeable in the development

00:55:42 --> 00:55:42: operation.

00:55:42 --> 00:55:45: They understand the economics of real estate.

00:55:47 --> 00:55:51: But what's really also important is they have access to

00:55:51 --> 00:55:52: vast amounts,

00:55:52 --> 00:55:56: almost unbelievable amounts of investment capital.

00:55:56 --> 00:56:00: So if you look at Lotus sharing crossing here in

00:56:00 --> 00:56:00: Charlotte,

00:56:00 --> 00:56:03: if you let me round so and I'll just round

00:56:03 --> 00:56:05: so the numbers are easier to say.

00:56:05 --> 00:56:09: It's a \$17 million project.

00:56:09 --> 00:56:15: Umm? Freddie Mac. Put up 11 million in a traditional

00:56:16 --> 00:56:16: loan.

00:56:18 --> 00:56:23: A fund partner put up.

00:56:23 --> 00:56:28: 5.7 million? Lotus put up a grand total of 300,000.

00:56:31 --> 00:56:34: And we have the use of 30 apartments for the

00:56:34 --> 00:56:35: seven years of the loan.

00:56:35 --> 00:56:36: And you're going to say,

00:56:36 --> 00:56:37: well, what do you do next?

00:56:37 --> 00:56:41: I'm sure I'll recapitalize like a redone for 20 years,

00:56:41 --> 00:56:44: but if you really look at the way that works,

00:56:44 --> 00:56:49: Lotus has the use because it's paruppu with the promote.

00:56:49 --> 00:56:52: So Lotus is putting up \$300,000 and at the end
 00:56:52 --> 00:56:56: of the seven years we're going to get all of
 00:56:56 --> 00:56:57: our money back.
 00:56:57 --> 00:57:01: Plus amount of the profit percentage plus we've been
 00:57:01 --> 00:57:02: canning
 00:57:01 --> 00:57:02: cash flow every month,
 00:57:02 --> 00:57:08: so we're providing 30 units of housing effectively at no
 00:57:08 --> 00:57:09: cost to Lotus.
 00:57:09 --> 00:57:13: I, I think that's a pretty good model.
 00:57:13 --> 00:57:17: And So what can we learn as a real estate
 00:57:17 --> 00:57:19: community to be better?
 00:57:19 --> 00:57:21: That you can do this and make money.
 00:57:21 --> 00:57:25: You can do this in economically viable way.
 00:57:25 --> 00:57:27: That's a big. Shut the door.
 00:57:27 --> 00:57:29: We're not going to do it because you nobody can
 00:57:29 --> 00:57:30: make money doing that.
 00:57:30 --> 00:57:34: That's just wrong. And once everybody understands that.
 00:57:34 --> 00:57:37: I think I mean, I'm sure Vicki would tell you
 00:57:38 --> 00:57:39: if you can go say,
 00:57:39 --> 00:57:42: every unit, every property I bill is going to have
 00:57:42 --> 00:57:43: X number of units in it.
 00:57:43 --> 00:57:46: When you go to your zoning hearing that helps.
 00:57:46 --> 00:57:50: OK, it helps. So anyway,
 00:57:50 --> 00:57:51: I'll be quiet again.
 00:57:52 --> 00:57:54: And and Phil, I think that's you know,
 00:57:54 --> 00:57:57: we're we're beginning to get to the bewitching hour here
 00:57:57 --> 00:57:59: and about the need to wrap up.
 00:57:59 --> 00:58:02: There was one other question in the chat.
 00:58:02 --> 00:58:03: Whether it was, you know,
 00:58:03 --> 00:58:06: have we have any of you seen any criticism about
 00:58:07 --> 00:58:10: people saying that the units are too nice for the
 00:58:10 --> 00:58:11: population?
 00:58:11 --> 00:58:14: They're serving? Vicki Phillip Darrell?
 00:58:14 --> 00:58:16: Any of y'all want to comment on that?
 00:58:16 --> 00:58:18: I, I think I know what Ben's answer would be,
 00:58:18 --> 00:58:20: but any of the rest of you want to react
 00:58:20 --> 00:58:20: to that.
 00:58:25 --> 00:58:25: I've
 00:58:25 --> 00:58:29: heard that once. I want
 00:58:29 --> 00:58:31: to hear it from the from the owners.
 00:58:31 --> 00:58:34: Our properties are too nice.
 00:58:34 --> 00:58:35: You'll tear them up well,

00:58:35 --> 00:58:37: the truth is it loaded.

00:58:37 --> 00:58:40: I mean it loaders again.

00:58:40 --> 00:58:49: We've had. Less than \$6000 of damages from 380 people

00:58:49 --> 00:58:52: and 3 1/2 years.

00:58:52 --> 00:58:56: It's better than your average person because I have somebody

00:58:56 --> 00:58:58: going in that unit once a month to look for

00:58:58 --> 00:58:59: problems.

00:59:01 --> 00:59:01: Well,

00:59:02 --> 00:59:05: that's the winning thing, but actually I took your question

00:59:05 --> 00:59:06: differently.

00:59:06 --> 00:59:09: Can I just say that I think?

00:59:09 --> 00:59:12: I think there are people.

00:59:12 --> 00:59:17: Who say wow? If you produce this in a in

00:59:17 --> 00:59:20: a low income neighborhood,

00:59:20 --> 00:59:23: you'd only have to pay 300,000 a unit.

00:59:23 --> 00:59:26: If you produce this in the CBD,

00:59:26 --> 00:59:30: you have to pay 500,000 a unit and you have

00:59:30 --> 00:59:34: to make them the same as your market rate units

00:59:34 --> 00:59:37: and they end up being too nice for the people

00:59:38 --> 00:59:40: who are living there. I believe that's what was being

00:59:40 --> 00:59:42: mentioned in the question.

00:59:42 --> 00:59:44: I could have understood the question wrong.

00:59:44 --> 00:59:48: And I have heard that once,

00:59:48 --> 00:59:50: but it's a it's a question and and there's a

00:59:50 --> 00:59:53: valid question there of how many people do you serve

00:59:53 --> 00:59:54: in mass versus other?

00:59:54 --> 00:59:55: And but I and it's a.

00:59:55 --> 00:59:58: It's a question that comes up in mixed income and

00:59:58 --> 01:00:01: I would say we operate a lot of affordable housing

01:00:01 --> 01:00:03: that's just affordable.

01:00:03 --> 01:00:06: We operate a lot of mixed income housing.

01:00:06 --> 01:00:09: If I were the affordable.

01:00:09 --> 01:00:13: Family. I'd be very happy to have either one,

01:00:13 --> 01:00:15: but I would be most excited to be in the

01:00:15 --> 01:00:18: mixed income one because I think it would create upward

01:00:18 --> 01:00:20: mobility for my children.

01:00:21 --> 01:00:23: You make a very good point there,

01:00:23 --> 01:00:25: and I think I'd like to add too.

01:00:25 --> 01:00:29: That part of this is a conversation on going forward.

01:00:29 --> 01:00:32: One of the challenges that I've been struggling with is

01:00:32 --> 01:00:35: the cost of housing in general and in looking at

01:00:35 --> 01:00:38: that and then comparing it to the kind of thing
 01:00:38 --> 01:00:42: that we're talking about to serve previously homeless people
 or
 01:00:42 --> 01:00:42: special needs,
 01:00:42 --> 01:00:46: housing or permanent assisted housing,
 01:00:46 --> 01:00:49: it dawns on me that we as a country have
 01:00:49 --> 01:00:52: grown to believe that everybody ought to have.
 01:00:52 --> 01:00:55: I think we're now up to like 1220 seven 2800
 01:00:55 --> 01:00:58: square feet and the average single family house,
 01:00:58 --> 01:01:00: and it seems to me that there was a man
 01:01:00 --> 01:01:03: named Levitt Back Post World War Two that was building
 01:01:03 --> 01:01:07: perfectly adequate 850 square foot houses that a lot of
 01:01:07 --> 01:01:10: families grew up in. So I really do think that
 01:01:10 --> 01:01:11: from a cost standpoint,
 01:01:11 --> 01:01:14: for the benefit of our society at large,
 01:01:14 --> 01:01:17: we might want to investigate building thing,
 01:01:17 --> 01:01:21: having at least some product that's smaller and therefore
 more
 01:01:22 --> 01:01:22: affordable.
 01:01:22 --> 01:01:24: But not just for low income people.
 01:01:24 --> 01:01:26: I think that's something across the board,
 01:01:26 --> 01:01:29: but that's a much longer conversation on a much broader
 01:01:29 --> 01:01:30: topic,
 01:01:30 --> 01:01:34: some of which. Adam Ducker was talking about a little
 01:01:34 --> 01:01:37: bit earlier today on on his introduction,
 01:01:37 --> 01:01:40: but again, this topic is an ongoing topic.
 01:01:40 --> 01:01:43: It's one that I think you allow will be continuing
 01:01:43 --> 01:01:44: to to discuss,
 01:01:44 --> 01:01:47: and would invite anybody that wants to.
 01:01:47 --> 01:01:50: If you want to reach out to Rosie or to
 01:01:50 --> 01:01:50: me,
 01:01:50 --> 01:01:52: or to fill up their number.
 01:01:52 --> 01:01:55: I was working on this report that I mentioned earlier
 01:01:56 --> 01:01:59: on that hopefully won't be a singular report on housing
 01:01:59 --> 01:02:00: to homeless.
 01:02:00 --> 01:02:04: A prospective ULI. Perspective but will be part of an
 01:02:04 --> 01:02:07: ongoing conversation because,
 01:02:07 --> 01:02:08: as I think Phillip mentioned,
 01:02:08 --> 01:02:11: this is not a. This is not a problem that's
 01:02:11 --> 01:02:13: going to be solved once and done.
 01:02:13 --> 01:02:16: This is a challenge. We're going to be facing for
 01:02:16 --> 01:02:17: quite some time,
 01:02:17 --> 01:02:20: and hopefully you and I folks in in their ongoing

01:02:20 --> 01:02:24: business activities can be a major factor in providing some
01:02:25 --> 01:02:28: progress and some solutions to the problem with that.
01:02:28 --> 01:02:31: Anyone else got some closing comments before we wrap
up?
01:02:32 --> 01:02:34: No, thank you very much.
01:02:34 --> 01:02:40: Excellent job all and there was a lively chat debate
01:02:40 --> 01:02:41: so you know,
01:02:41 --> 01:02:43: as much as I can put you all in touch
01:02:43 --> 01:02:46: with those who had maybe further questions that are more
01:02:46 --> 01:02:48: direct for one on one conversations with you all I
01:02:48 --> 01:02:49: will.
01:02:49 --> 01:02:54: Alright, thank you everybody. Bye.

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