

# 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  
00:03:15 --> 00:03:18: of the solution is a win win situation or just  
00:03:18 --> 00:03:21: a few examples of how the real estate industry can  
00:03:21 --> 00:03:23: play a role to address homelessness.  
00:03:23 --> 00:03:27: Our panelists today will discuss some of their efforts to  
00:03:27 --> 00:03:30: have a positive impact on this challenge and we hope  
00:03:30 --> 00:03:32: that this conversation will continue.  
00:03:32 --> 00:03:35: I'm going to introduce our panelists today and we appreciate  
00:03:36 --> 00:03:36: them joining us.  
00:03:36 --> 00:03:40: Darryl Carter and each of the panelists will introduce the  
00:03:40 --> 00:03:42: next one to the following.  
00:03:42 --> 00:03:46: Darryl Carter is the chairman and CEO of Avanath Capital  
00:03:46 --> 00:03:46: Management,  
00:03:46 --> 00:03:50: a capital of California based owner and operator of affordable  
00:03:50 --> 00:03:53: apartment communities in 13 states in the US,  
00:03:53 --> 00:03:56: serving residents that make 40 to 80%  
00:03:56 --> 00:03:59: of area median income, 50%  
00:03:59 --> 00:04:02: of their 14,000 households are comprised of Section 8.  
00:04:02 --> 00:04:05: Voucher holders and without Section 8 vouchers.  
00:04:05 --> 00:04:09: Many of their residents might possibly be homeless,  
00:04:09 --> 00:04:12: so so Darrell is very interested in the homeless crisis  
00:04:12 --> 00:04:17: the homeless represent future residents and avanath  
communities.  
00:04:17 --> 00:04:20: If more resources such as Section 8 vouchers and other  
00:04:20 --> 00:04:22: innovations can be provided.  
00:04:22 --> 00:04:24: Darrell will be followed by Vicki Davis,  
00:04:24 --> 00:04:28: who is the managing partner and founder of Urban Atlantic,  
00:04:28 --> 00:04:33: an innovative community development and finance company  
providing housing for  
00:04:33 --> 00:04:34: homelessness.  
00:04:34 --> 00:04:38: Excuse me for about providing housing for homeless people  
is  
00:04:38 --> 00:04:41: an integral part of their mission and a bill of  
00:04:41 --> 00:04:43: building inclusive communities.  
00:04:43 --> 00:04:47: Currently, they house formerly homeless people in public  
housing.  
00:04:47 --> 00:04:51: Section 8 housing assisted living and in mixed income  
buildings.  
00:04:51 --> 00:04:55: As a part of rapid rehousing Vicki is very interested  
00:04:55 --> 00:04:59: in figuring out replicable national best practices for  
development,  
00:04:59 --> 00:05:03: finance, and property management and regulatory tools to be  
able  
00:05:03 --> 00:05:07: 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  
is provided.  
00:12:42 --> 00:12:43: I was supposed to do a slide show today and  
00:12:43 --> 00:12:45: frankly just couldn't get it to be right enough to  
00:12:45 --> 00:12:48: show you,  
00:12:48 --> 00:12:48: but we house people in all kinds of different product,  
00:12:48 --> 00:12:53: single family townhouses, smaller multifamily buildings,  
00:12:53 --> 00:12:58: high-rise buildings and and we house people you know who  
00:12:58 --> 00:13:04: make.  
00:13:04 --> 00:13:05: Less than \$10,000 a year next to people who make  
00:13:05 --> 00:13:09: over \$200,000 a year and it is not without effort.  
00:13:09 --> 00:13:13: I think it takes a special effort on the finance  
00:13:13 --> 00:13:16: side in particular,  
00:13:16 --> 00:13:17: have a great partner on finance on the development side  
00:13:17 --> 00:13:21: so that you really get the designs right and and  
00:13:21 --> 00:13:25: amounts of types of housing right?  
00:13:25 --> 00:13:27: But then also on the property management side because you  
00:13:27 --> 00:13:31:

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 there's a

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  
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  
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  
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  
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  
other than  
00:28:05 --> 00:28:07: they don't want to see it or be around it.  
00:28:07 --> 00:28:09: But they don't understand the causes.  
00:28:09 --> 00:28:12: They don't understand remedies. They don't understand the  
cost to  
00:28:12 --> 00:28:13: their community.  
00:28:13 --> 00:28:17: That homelessness exists. Business people who don't truly  
understand the  
00:28:17 --> 00:28:20: cost of their community and their community.  
00:28:20 --> 00:28:24: City officials. You know it's easy to say that they  
00:28:24 --> 00:28:27: lose \$36,000 a year approximately on on hard cost.  
00:28:27 --> 00:28:30: Taking care of people who've been who are homeless.  
00:28:30 --> 00:28:33: But what about the impact on tourism?  
00:28:33 --> 00:28:37: What about the impact on business development and  
growth?  
00:28:37 --> 00:28:39: Those are hard to quantify,  
00:28:39 --> 00:28:43: but they definitely exist, #4 is.  
00:28:43 --> 00:28:47: I am absolutely convinced and I think we are documenting  
00:28:47 --> 00:28:51: that it is possible to find an economically viable way  
00:28:51 --> 00:28:54: to house people who've been homeless.  
00:28:54 --> 00:28:57: It does take a willingness to be opened,  
00:28:57 --> 00:28:59: a willingness to try new things,  
00:28:59 --> 00:29:01: a willingness to you know,  
00:29:01 --> 00:29:04: look at materials, building techniques,  
00:29:04 --> 00:29:11: findings, techniques. How we provide the appropriate  
services,  
00:29:11 --> 00:29:15: you know? Again, this is absolutely correct.  
00:29:15 --> 00:29:19: 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 --> 00:40:49: years is that we've had no.  
00:40:49 --> 00:40:54: We've had less issues on mental if health issues with  
00:40:54 --> 00:40:56: our.  
00:40:56 --> 00:40:59: Lotus residents, then the landlords have held with not non  
00:40:59 --> 00:41:01: Lotus residents.  
00:40:59 --> 00:41:01: I mean if you've been in this business long enough  
00:40:59 --> 00:41:01: 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 **[email protected]** 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  
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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