

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 --> 00:40:54: 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
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.

This video transcript has been machine-generated, so it may not be accurate. It is for personal use only. Reproduction or use without written permission is prohibited. If you have a correction or for permission inquiries, please contact [\[email protected\]](#).