

Mission-Driven Affordable Housing

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Abstract

Social service agencies find that providing services to their clients is sometimes not enough. What is often missing for those they serve is safe, supportive, and affordable housing. Through the Low-Income Housing Tax Credit (LIHTC) program, these organizations are becoming mission-driven affordable housing developers, creating the housing that their clients need to thrive.

Introduction

To understand what mission-driven affordable housing is and how it is an important piece of the affordable housing puzzle, it may be helpful to review how affordable housing gets developed in the United States. The U.S. Department of Housing and Urban Development (HUD) used to fund thousands of housing units for seniors and the disabled through the HUD 202 and HUD 811 programs. Nearly every community in the U.S. has HUD 202 senior housing; these properties were developed with federal dollars but administered by private developers. In addition, housing authorities across the U.S. also received funding from HUD to develop and maintain affordable family and senior housing and to provide housing choice vouchers for individuals and families to use to help pay for rent.

The housing authorities and the vouchers remain, but the HUD 202 and 811 programs were phased out and replaced by the Low-Income Housing Tax Credit (LIHTC) program to incentivize developers. In Pennsylvania, the program is administered by the Pennsylvania Housing Finance Agency (PHFA), with nearly 10,000 units of affordable housing developed under the program since the late 1980s. Once a year, developers assemble exhaustive applications to PHFA for competitive review. The chances of being funded depend on the number of applications received, but on average, projects have about a 40% chance of selection in any given year. Those projects that are not selected must wait a year to apply again. Some projects may end up taking 3 or 4 years just to be selected for funding. Once selected, it takes another several years to get under construction and then built and occupied. In other words, it is not an easy or quick process and takes a great amount of skill and dedication to be successful.

The developers who apply for these credits and create this housing come from various backgrounds. Some are for-profit as well as non-profit developers whose practices focus on the development of housing; this is their core mission and is what they do every day. Others come

to it in a more roundabout way – they are often non-profit, social service agencies or health and human services agencies that provide a variety of services – some may serve low-income seniors, some the unhoused, some those who are fighting addiction. But at some point, these agencies realize that their missions could be better served and their outcomes could be greatly improved if, in addition to the services they provide, they could also provide safe, accessible, and supportive affordable housing. This is often the piece that is missing in their clients' lives.

This mission-driven development – a means to fulfill or further an organization's mission – fits an important piece into the affordable housing puzzle. The multifamily projects these groups undertake transform individual lives or neighborhoods, often both. They provide not only subsidized housing, but also, in many cases, supportive services such as addiction counseling or administrative assistance to help residents maintain public benefits. Whether working with the unhoused, those with special needs, seniors, or those in recovery, mission-driven development emphasizes a unique and powerful approach to combating our country's affordable housing crisis.

Example of a Mission-Driven Developer

HopePHL™ (pronounced “hopeful”) was founded through an integration of two human service organizations in Philadelphia: People's Emergency Center (PEC) and Youth Service, Inc. (YSI). HopePHL's mission is to inspire Philadelphia's children, youth, families, and communities to thrive by providing housing, advocacy, and trauma-responsive social services designed to promote equity, resilience, autonomy, and well-being.

Challenge

HopePHL began in the 1970s as a homeless shelter in West Philadelphia, committed to helping women and children in desperate need. HopePHL determined that while they could continue to build more shelter beds, building permanent housing would be a much better way to fulfill their mission of helping the homeless. So, while they continued to operate their homeless shelters, they pivoted to adding an affordable housing developer to their resume. The project they developed with CBP Architects, Jannie's Place, grew from that desire. HopePHL acquired a large, vacant site along 40th Street in West Philadelphia, less than a block from the Lancaster Avenue commercial corridor with a once-vibrant mix of housing. The site presented an opportunity to fill a literal and symbolic void in the struggling residential neighborhood.

CBP Architects designed a new, three-story building directly along the length of 40th Street, regaining both corners and reestablishing the street grid. The design breaks the scale of the long, linear building into rowhouse proportions appropriate to the neighborhood context. The facade juxtaposes red brick – the most common material in the surrounding architecture – with contemporary metal panel siding that injects playfulness and vibrancy into a building that offers a fresh start for mothers and their children. Jannie's Place includes 29 units ranging in size from one to three bedrooms. A landscaped, fenced rear yard with built-in bench seating and a paved terrace offers residents and their children a safe, appealing outdoor space to gather and play. The

building is dedicated to former Philadelphia Third District Councilwoman Jannie Blackwell for her commitment to HopePHL and advocacy for social justice.

Impact

As infill housing, Jannie's Place tackled both the need for permanent, supportive, and affordable housing for homeless women and their children and the need to create stability in this disinvested corner of Philadelphia. The resulting architecture, appropriate to the scale of the neighborhood, reestablishes the building line, anchors each corner, and provides hope in an area long ignored. A commitment to energy efficiency in the building design, including a green roof to reduce overall thermal energy, also keeps residents' utility bills low. The project earned Energy Star for Homes certification. More importantly, the project illustrates the concept of mission-driven development as it directly and positively benefits HopePHL's mission to inspire individuals and communities to thrive.

Jannie's Place for HopePHL, Joseph M. Kitchen Photography





Other examples of mission-driven affordable housing developers CBP Architects has worked with include:

- **New Kensington Community Development Corporation (NKCDC):** Committed to helping the working poor in Philadelphia's Kensington neighborhood, the organization provides employment counseling, afterschool programs, and other outreach. NKCDC found that doing all they do without affordable housing has a limited impact. CBP Architects is currently involved with a 44-unit family housing project in this highly impacted neighborhood struggling with the opioid epidemic. Construction is nearly complete.
- **NewCourtland:** Committed to serving Philadelphia's frail elderly population, NewCourtland pivoted from a nursing home approach to a joint approach of adult day health centers combined with affordable senior housing. CBP Architects has completed

three projects with NewCourtland and is engaged on a mixed-use, new construction project that includes 48 units of senior housing that is currently under construction.

- **Gaudenzia:** A longtime provider of inpatient addiction recovery services, Gaudenzia now incorporates permanent, supportive housing into its comprehensive approach – and has found that success rates soar. CBP Architects has completed two projects for Gaudenzia for a total of 54 one-, two-, and three-bedroom family units. The most recent, West Mill Place, provides permanent, supportive housing for women who have gone through Gaudenzia’s inpatient treatment program. The project includes housing, classrooms, and an outdoor play area for children. The chance for these women to reconnect with their children, and to receive the on-site support they need to remain drug-free, has been profound.

West Mill Place for Gaudenzia, Halkin Mason Photography





Woods Services Looks to Mission-Driven Housing Development

Today, CBP Architects is working with Woods Services, another social service agency looking to expand their resume to include that of an affordable housing developer with a project aligned to their mission. Woods, a nonprofit provider of services to those with intellectual disabilities, employs over 1,600 people at its 280-acre headquarters, and serves hundreds of children and adults in the community with a broad range of services, including group homes and support services. Woods has long recognized that many of their staff struggle to find housing – in this suburban location, access to low-cost housing is practically non-existent. In addition, Woods has clients who live independently off campus, with support. These residents, who include individuals with traumatic brain injury, intellectual disabilities, and autism, would greatly benefit from living in housing that is both affordable and located in their community.

Woods knew they have the available land – their campus can beautifully support this type of project. And so, they began to pursue low-income housing tax credits to fulfill this mission. CBP Architect's design expertise was sought by Woods Services in 2021 to design Meadowbrook, which will be a 42-unit, 4-story new construction residential building. With a mix of one-, two-, and three-bedroom units, a spacious lobby and adjacent community room, as well as a wellness

resource center, this building will provide safe, affordable housing in a location rich with outdoor space, plentiful parking, and all the amenities a campus can provide.

The path has not been easy or straightforward, though. After struggling to obtain necessary approvals, a second site on the campus for the development was identified, further delaying the project. The project will finally break ground soon, though, with construction set to start in early 2026.

The challenges that Woods has faced in developing affordable housing are quite common. The amount of time it takes for these projects to come to fruition through the varied and multiple hurdles, some of which cannot be overcome, is daunting. And organizations, such as Woods, must make a financial investment along the way that may not be recouped. While we as a country struggle with an affordable housing crisis, it seems there should be systemic changes in the way that affordable housing is developed to the benefit of all. And for those non-profit organizations that look to develop affordable housing to advance their mission, the country should recognize the great service these organizations provide to their communities and beyond.

Meadowbrook, CBP Architects

