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The UCLA Ziman Center Pilots Change

The first-of-its-kind Howard and Irene Levine Affordable Housing Development Program is training the next generation of professionals

By Carolyn Gray Anderson

A chief aim of the UCLA Ziman Center's <u>Howard and Irene Levine Program in Housing and Social</u> <u>Responsibility</u> is to challenge and inspire students to think about broader societal issues in the context of their professional and personal pursuits. The Levine Program enables UCLA Anderson, as home to a prestigious center of excellence for real estate studies, to serve the community by promoting public dialogue and education around the escalating crises of homelessness and housing affordability.

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In 2018, Ziman inaugurated the long-incubated <u>Howard and Irene Levine Affordable Housing</u> <u>Development Program</u> (LAHDP) specifically to impart interdisciplinary and highly specialized expertise to the next generation of affordable housing professionals – across institutions and sectors that include state and local governments, social enterprises and for-profit developers – so they can implement real solutions in the face of bureaucratic, logistical and financial impediments. The pilot program included almost exclusively entry-level professionals forging careers in affordable housing development, most from the Los Angeles region.



UCLA Ziman LAHDP co-directors Joan Ling and Stuart Gabriel led the inaugural Howard and Irene Levine Affordable Housing Development Program in 2018

"This program coalesced quickly, but its roots are deep," says Professor of Finance Stuart Gabriel, Arden Realty Chair and director of the Richard S. Ziman Center for Real Estate at UCLA. "Ziman Center programming of this nature already exists for Anderson MBA students. LAHDP is unique as a universitylevel affordable housing training open to a wide cohort beyond students and academics."

Why this training, though, and why now?

According to Gabriel, "It's time for industry as well as nonprofits to benefit from a broader knowledge of *how* to create affordable housing using a 100 percent vetted toolkit carefully designed by UCLA faculty and industry experts."

Gabriel and his team, which includes executive director Tim Kawahara, as well as the Ziman Center board, are motivated by these convictions:

- In L.A. alone, 58 percent of renters spend more than 30 percent of their income to meet housing costs
- Housing affordability has reached crisis levels nationwide, making it both a political problem and an economic problem
- Barriers to development are legion, requiring more and more specialized knowledge and capacity to navigate permitting, zoning and finance structuring

"The private sector needs to know that money can be made in affordable housing," says Kawahara. "If the only housing starts are luxury, there will never be enough affordable housing. It cuts into the urban workforce if people can't afford to live where they work, putting in jeopardy our region's economic viability."

Gabriel's LAHDP co-director Joan Ling, lecturer in urban planning at the UCLA Luskin School of Public Affairs, declared on the first day of training, "Affordable housing development isn't rocket science. It needs two things, land and money. Since there isn't enough land, it's land use policy that needs expanding."

But, says Gabriel, "It's a difficult asset class to develop because the sources of capital are different. In metro areas, the available land is limited and challenged, and the specialized needs of populations increase costs." All this, he says, requires a "nuanced understanding of social services."



Vanesa Donangtavanh, a project technician at Self-Help Enterprises in Visalia, California, is applying her training to affordable rental housing solutions in the Central Valley

The groundwork for LAHDP was laid through research, campus collaborations and outside partnerships. To develop the curriculum, Gabriel and Ling teamed with Professor of Architecture and Urban Design Dana Cuff, who is also director of cityLAB UCLA; and Ziman Center board member Lance Bocarsly, a lecturer at UCLA School of Law and founding partner of Bocarsly Emden Cowan & Arndt LLP.

Tapping the talents of Ling, Cuff and Bocarsly, as well as 18 industry instructors and mentors, the training guided participants through lectures and lessons in tax codes and credits, entitlements, finance structuring and other crucial business angles specific to affordable housing developments. The program paired teams of six participants with industry mentors and a UCLA M.Arch

design consultant to develop a real housing tract in the Mar Vista neighborhood of Los Angeles.

The project assignment was based on extant zoning and permitting parameters. Proposals were hypothetical, but aimed for the highest possible feasibility. Teams were responsible for establishing a mission and targeting a specific tenant population, such as previously homeless military veterans or youth transitioning from foster care or some combination. Standard conundrums, like parking capacity, were negotiated alongside the more esoteric parameters of partner programs and funders.

Ling says, "The first training program was focused on helping entry-level professionals already in the field to become more effective. We achieved that by teaching them how to navigate an incredibly complex maze of finance and regulations. The mentors and architect consultants assigned to the six small case study teams raised the participants' confidence and helped them bond with others who could be professional assets in the future."

Participants included those from familiar organizations with an established record of affordable housing success, such as L.A.'s Skid Row Housing Trust and Mercy Housing California. San Francisco's Tenderloin Neighborhood Development Corporation and Chinatown Community Development Center were represented by junior members of staff. Others came from smaller regional entities like the East L.A. Community Corporation, Coachella Valley Housing Coalition and 1010 Development Corporation. Vanesa Donangtavanh commuted from Self-Help Enterprises in Visalia, where she's a project technician. Three years into her career, she says, "I'd never experienced a training like the program offered at UCLA. It allowed me to learn not only why or how housing development can work to solve affordability problems; it gave me a hands-on opportunity to learn about the housing development process through a case study project."

Dawn Hicks is the Enterprise Rose Architectural Fellow at Venice Community Housing, where she assumes a project management role versus design responsibilities. "Renewal strategies of urban neighborhoods often create development plans that never seem to reflect or consciously include those who already reside there," she says. Hicks is applying the LAHDP training to VCH's Rose Apartments development of 34 permanent supportive housing units. It's a real-life example very similar to the case study she worked on with her Ziman team. "We received some of the same education and training as students enrolled in UCLA Anderson's MBA program, an invaluable experience not everyone will have," she says. "It is imperative I receive the tools and training I need to advance at Venice Community Housing and help grow our housing development department. This in turn helps to end the homelessness crisis in Los Angeles, specifically for us in Venice and the surrounding areas."

Alexa Washburn, vice president of policy and planning at National Community Renaissance, expressed interest in expanding her financing skill set. Ashley Lewis of Esperanza Community Housing Corporation brought her background in public health to the table, while Jarred Herman ('14), the only UCLA Anderson alumnus participating, brought years of private-sector CPG and consulting experience but none in the affordable housing field. Working now as construction manager for Los Angeles developer BW Brody Affiliated, Herman is breaking into real estate as well. "Housing costs affect everybody," he says. "I want affordable housing to be a component of what I do. It makes sense to partner with a nonprofit to acquire funding and manage those projects on an ongoing basis."

Paris Howze, a housing development and preservation assistant project manager for the Housing Authority of the County of Los Angeles' Community Development Commission, says she "came back to work and had so many 'ah, ha' moments." Howze had been on the job for less than a year. She said, "The LAHDP course provided the rhyme and reason behind almost everything I come across on a daily basis. I felt I was finally able to start putting together the pieces of this very complex puzzle that is affordable housing development."

Another effect of the training is that it enables young professionals to envision how traditionally siloed agencies and sectors can work in collaboration, not just in tandem, to cut through divisions. Howze says, "It was great to learn more about the developers' perspective. I have a lot more empathy for and understanding of some of the challenges they face in the development process."

The pilot program determined in part what the wider applicability of this training could be. "California is a prime example," says Gabriel, "but housing affordability is becoming a problem nationwide."

On the first day of training, the participants were welcomed by the Levines, who make possible the public-private partnership essential to the success of UCLA Ziman's service-oriented programming. Longtime board member Howard Levine, who started his career as a messenger in a mortgage firm and whose commitment to housing and social responsibility dates back to his early business success, said, "We have a critical problem in L.A. Some 53,000 people in this region don't have a place to sleep. This is a great opportunity for you to support a new agenda for affordable housing and the homeless."

Kawahara, on behalf of the LAHDP team, says, "We are grateful to Howard, Irene and the entire Levine family for sharing in our vision. Their philanthropy enabled the Ziman Center to offer this critically needed program."



Benefactors irene and Howard Levine champion public dialogue and education around the crises of homelessness and housing affordability

The Ziman Center will continue to explore other professional education opportunities around innovative housing solutions. Possibilities like modular and manufactured stacked multifamily housing, and transitoriented communities (TOC) that qualify for density bonuses are attracting interest. And Ziman may introduce half-day trainings targeted to specific populations, like staff of elected officials or market-rate developers interested in affordable housing development.

"We know of no other major research university that's taken on this societal challenge in this way," says Gabriel. "We will grade ourselves on how successful we are in getting graduates of this training to develop affordable housing."

The fall 2018 LAHDP attracted more than 140 applications for only 24 spaces available to entry-level professionals. Given this overwhelming response and the obvious need for such training, the UCLA Ziman Center has established LAHDP as an annual program and will accommodate 30 students in 2019. The 2019 call for applications will issue at the end of February and the next program will be offered over two weekends in late June and early July.

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