

MACARTHUR

The John D. and Catherine T. MacArthur Foundation

www.macfound.org

SUPPORTING HOUSING PRACTICE, POLICY, AND RESEARCH

AT A GLANCE

- In 2005, 17 million U.S. households spent over half of their annual earnings on rent, mortgages, and other housing costs. Renters make up one-third of all U.S. households, about 37 million, yet they account for more than half of all families and seniors with severe housing affordability problems.
- More than housing is at stake. A growing body of evidence suggests that access to decent housing at an affordable cost has a significant impact on family stability and economic opportunity, and on the life and health outcomes of children. There also is evidence that a mix of quality housing options helps make communities more vibrant, diverse and livable.
- Improving access to stable and affordable housing is an important goal of MacArthur's grantmaking, which seeks to (1) preserve and improve the existing stock of affordable rental homes nationwide; (2) generate new evidence and insight into the ways that housing contributes to positive outcomes for children, families, and communities; and (3) transform public housing in Chicago.
- The centerpiece of this work is MacArthur's \$150-million initiative, *Window of Opportunity: Preserving Affordable Rental Housing*. Through the end of 2007, the initiative helped developers revitalize and retain nearly 50,000 affordable rental homes at an average per unit cost of \$81,000—about half the cost of building new. According to Harvard University's Joint Center for Housing Studies, the nation lost 1.2 million of its most affordable rental homes from 1993 to 2003; another million units are at risk over the decade ahead. Meanwhile, the number of renter households is expected to jump by almost two million.

BACKGROUND

For decades, U.S. housing policy focused on expanding homeownership, using tax incentives and backing for key financial institutions and capital market innovations to create wealth-building opportunities for

millions of households. Nonetheless, most of us will be renters at some point in our lives—and for millions of people, renting remains the best or only option.

Unfortunately, millions of renters today have trouble finding a decent, stable and

affordable home—especially one with ready access to work, transit, and schools. Part of the problem is that wages for those at the bottom of the economic ladder have not kept pace with rising rents. The stock of low-cost rental homes also has fallen by more than 1.2 million

units since 1993 due to demolition, condominium conversion and the expiration of government subsidies and affordability restrictions. Another one million affordable rental homes are at risk over the decade ahead.

Meanwhile, the number of renters is likely to jump by almost 2 million households—fueled by immigration and changing demographics, but also by mortgage delinquencies and foreclosures that began sweeping the nation in 2006.

The country's growing need for affordable housing calls for a more balanced approach and greater commitment from every level of government. Only one-quarter of all income-eligible renter households can get some form of assistance at current spending levels. But the answer is not money alone. Better information, easier access to existing funds, improved regulations, and other policy innovations—especially at state and local levels—would stimulate greater private sector investment and unlock new opportunities for capable developers to meet high-priority needs in urban, suburban, and rural markets.

WHAT WE FUND

MacArthur's housing-related grantmaking seeks to encourage policies, investments, and development practices that will help meet our country's growing need for stable and affordable housing, especially among low- and moderate-income renters.

To achieve this goal, the Foundation supports innovative housing developers and financial intermediaries, policy analysis, outreach and expert assistance, and research conducted by outstanding scholars, including some commissioned by public agencies.

MacArthur's support for affordable housing also includes low-cost loans known as "program-related investments" provided to community development financial institutions that finance a range of affordable housing projects nationwide. Some Foundation-backed financial intermediaries also provide affordable, fixed-rate mortgages with responsible terms. These are invaluable alternatives to the sub-prime loans currently driving record levels of delinquency and foreclosure across the U.S.

The Foundation focuses its blended support for the development of innovative and best practices, sound policy, and increased knowledge on three housing priorities:

1. Preserving and improving the nation's existing stock of affordable rental homes through the \$150-million *Window of Opportunity* initiative.

Formally launched in 2003, the Foundation's support for the rental housing preservation field includes grants and long-term, below-market loans for 25 mission-driven housing developers and a number of specialized financing vehicles, including a federally supported national fund to help preserve affordable rental homes in rural communities. The initiative also invests in the design and implementation of preservation programs in Chicago, New York City, and ten other states and localities. Ongoing support is provided for data collection, policy analysis, outreach, collaboration, and expert assistance to build knowledge about the existing stock of affordable rental housing; create effective strategies to mitigate the risk of loss; document and replicate model preservation policies at local, state and federal levels; and identify and disseminate best practices for long-term, mission-driven housing owners.

2. Deepening knowledge about the ways that housing matters to children, families, and communities.

In February 2007, MacArthur announced a \$25 million commitment to build a deep, empirical evidence base that explores how housing affects children's cognitive, emotional, and behavioral development, as well as the ways that housing choices shape the economic, emotional, and physical well-being of adults. An interdisciplinary research network that the Foundation is creating will play a central role in this new area of work. MacArthur also expects to fund specific projects exploring subjects such as the effects of household mobility patterns on labor market success and child development outcomes.

3. Supporting the successful implementation of Chicago's ambitious Plan for Transformation of public housing.

The Plan is a once-in-a-generation opportunity to revitalize Chicago neighborhoods that have suffered from the blighting effect of neglected public housing, improve the living conditions of public housing residents, and support residents' efforts to better their economic circumstances. Since 1999, the Foundation has awarded more than 132 grants totaling \$42.3 million for this work. It also made a \$15 million program-related investment in the form of a guaranty of financing for development of the new mixed-income communities. Grants also support work to complete the Plan, to evaluate its progress and improve its implementation, and to conduct research on its longer-term impact.

THE WINDOW OF OPPORTUNITY INITIATIVE

In 2003 the Foundation launched a national initiative to preserve and improve affordable rental housing with an initial commitment of \$50 million. The *Window of Opportunity* initiative helps national and regional nonprofit housing developers demonstrate new, cost-effective ways to acquire, recapitalize and renovate existing rental properties.

In New York City, MacArthur helped establish a \$200-million acquisition fund that aims to preserve 30,000 low-cost rentals. In Cook County, Illinois, the Foundation and the Urban Land Institute brought together leaders in the public, nonprofit and private sectors to create the Preservation Compact, a

comprehensive action plan to preserve and improve 70,000 affordable rental homes by 2020.

To build on this success and stimulate the spread of promising policies and practices, the Foundation has tripled its support for the *Window of Opportunity* initiative to \$150 million. We expect this investment will directly help preserve and improve at least 300,000 affordable rental homes nationwide. More broadly, we hope to (1) make it easier, faster and more cost-effective for affordable rental property owners to retain and renew the existing stock; and, (2) reverse the loss of existing, affordable rental homes by stimulating reforms that provide the resources and incentives needed to preserve at least one million units over the decade ahead.

GRANTS

Preserving Affordable Rental Housing

Leading Nonprofit Housing Owners

AHC INC.
Arlington, VA
www.ahcinc.org

COMMUNITY HOUSING PARTNERS CORPORATION
Christiansburg, VA
www.communityhousingpartners.org

COMMUNITY PRESERVATION AND DEVELOPMENT CORPORATION
Washington, DC
www.cpdcc.org

COMMUNITY SERVICES OF ARIZONA
Chandler, AZ
www.csainc.org

HISPANIC HOUSING DEVELOPMENT CORP.
Chicago, IL
www.hispanichousingdevelopment.com

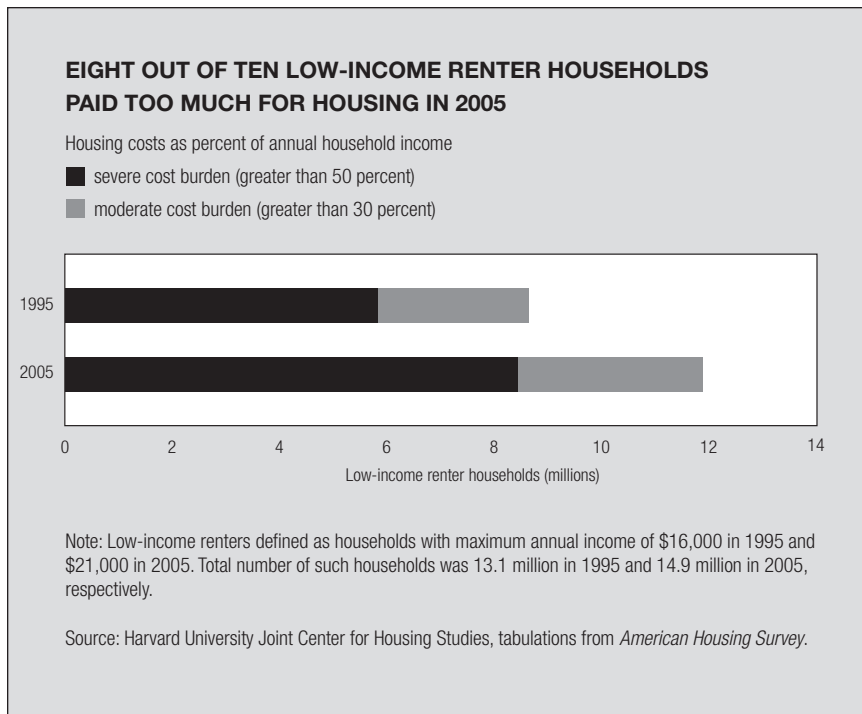
HOMES FOR AMERICA
Annapolis, MD
www.homesforamerica.org

LOW INCOME HOUSING INSTITUTE
Seattle, WA
www.lihi.org

MERCY HOUSING
Denver, CO
www.mercyhousing.org

NHT/ENTERPRISE PRESERVATION CORPORATION
Washington, DC
www.nhtinc.org/nhte.asp

PRESERVATION OF AFFORDABLE HOUSING, INC.
Boston, MA
www.poah.org



PROGRESSIVE REDEVELOPMENT, INC.
Decatur, GA
www.prihousing.org

SAN ANTONIO ALTERNATIVE
HOUSING CORP.
San Antonio, TX
www.saahc.org

THE COMMUNITY BUILDERS, INC.
Boston, MA
www.tcbinc.org

THE NHP FOUNDATION
Washington, DC
www.nhpfoundation.org

THE PHIPPS HOUSES GROUP
New York, NY
www.phippshouses.com

VOLUNTEERS OF AMERICA
Alexandria, VA
www.voa.org

Specialized Financing Intermediaries

COMMUNITY INVESTMENT CORPORATION
Chicago, IL
www.cicchicago.org

HOUSING ASSISTANCE COUNCIL
Washington, DC
www.ruralhome.org

HOUSING PARTNERSHIP FUND
Boston, MA
www.housingpartnership.net/lending

NATIONAL AFFORDABLE HOUSING TRUST
Columbus, OH
www.nht.org

NEIGHBORHOOD CAPITAL CORP.
Cleveland, OH
www.neighborhoodcapital.org

NEW YORK CITY AFFORDABLE HOUSING
ACQUISITION FUND
New York, NY
www.enterprisefoundation.org

PRUDENTIAL MORTGAGE CAPITAL
COMPANY
McLean, VA
www.prudential.com

***National Policy Organizations and
Practitioner Networks***

HOUSING ASSISTANCE COUNCIL
Washington, DC
www.ruralhome.org

HOUSING PARTNERSHIP NETWORK
Boston, MA
www.housingpartnership.net

HOUSING PRESERVATION PROJECT
St. Paul, MN
www.hppinc.org

NATIONAL HOUSING LAW PROJECT
Oakland, CA
www.nhlp.org

NATIONAL HOUSING TRUST
Washington, DC
www.nhtinc.org

NATIONAL LOW INCOME HOUSING
COALITION
Washington, DC
www.nlihc.org

STEWARDS OF AFFORDABLE HOUSING
FOR THE FUTURE
Washington, DC
www.sahfnet.org

***Preservation-Related Research
Projects***

CALIFORNIA HOUSING PARTNERSHIP
CORPORATION
San Francisco, CA
www.chpc.net

CHICAGO REHAB NETWORK
Chicago, IL
www.chicagorehab.org

CITY RESEARCH
Boston, MA
www.cityresearch.com

THE COMMUNITY BUILDERS, INC.
Boston, MA
www.tcbinc.org

CORPORATION FOR ENTERPRISE
DEVELOPMENT
Washington, DC
www.cfed.org

HARVARD UNIVERSITY – JOINT CENTER
FOR HOUSING STUDIES
Cambridge, MA
www.jchs.harvard.edu

NEIGHBORWORKS AMERICA
Washington, DC
www.nw.org

NEW JERSEY HOUSING AND MORTGAGE
FINANCE AGENCY
Trenton, NJ
www.nj.gov/dca/hmfa

NEW SCHOOL UNIVERSITY – MILANO
GRADUATE SCHOOL OF MANAGEMENT
AND URBAN POLICY
New York, NY
www.newschool.edu/milano

NEW YORK CITY DEPARTMENT OF
HOUSING PRESERVATION AND
DEVELOPMENT
New York, NY
www.nyc.gov/hpd

NEW YORK UNIVERSITY – THE FURMAN
CENTER FOR REAL ESTATE AND URBAN
POLICY
New York, NY
www.law.nyu.edu/realestatecenter

RECAPITALIZATION ADVISORS
Boston, MA
www.recapadvisors.com

ULI FOUNDATION
Washington, DC
www.uli.org

UNIVERSITY OF FLORIDA – SHIMBERG
CENTER FOR AFFORDABLE HOUSING
Gainesville, FL
www.shimberg.ufl.edu

THE URBAN HOMESTEADING
ASSISTANCE BOARD
New York, NY
www.uhab.org

VASYS CONSULTING
Chicago, IL
www.vasysconsulting.com



**Understanding How Housing Matters
for Families, Children and Communities**

BROOKINGS INSTITUTION
Washington, DC
www.brook.edu

CENTER FOR HOUSING POLICY
Washington, DC
www.centerforhousingpolicy.org

CHICAGO REHAB NETWORK
Chicago, IL
www.chicagorehab.org

HARVARD UNIVERSITY – JOHN F. KENNEDY
SCHOOL OF GOVERNMENT
Cambridge, MA
www.ksg.harvard.edu

HARVARD UNIVERSITY – JOINT CENTER
FOR HOUSING STUDIES
Cambridge, MA
www.jchs.harvard.edu

JOHNS HOPKINS UNIVERSITY – INSTITUTE
FOR POLICY STUDIES
Baltimore, MD
www.ips.jhu.edu

NATIONAL LOW INCOME HOUSING
COALITION
Washington, DC
www.nlihc.org

NEIGHBORHOOD REINVESTMENT
Washington, DC
www.nw.org

NEW YORK UNIVERSITY – THE FURMAN
CENTER FOR REAL ESTATE AND URBAN
POLICY
New York, NY
www.law.nyu.edu/realestatecenter

SYRACUSE UNIVERSITY – CENTER FOR
POLICY RESEARCH
Syracuse, NY
www.maxwell.syr.edu

UNIVERSITY OF CALIFORNIA – INSTITUTE
OF BUSINESS AND ECONOMIC RESEARCH
Berkeley, CA
www.urbanpolicy.berkeley.edu

UNIVERSITY OF WISCONSIN – INSTITUTE
FOR RESEARCH ON POVERTY
Madison, WI
www.lafollette.wisc.edu



**Financing Affordable Housing
Through Community Development
Financial Institutions**

CALVERT SOCIAL INVESTMENT
FOUNDATION
Bethesda, MD
www.calvertfoundation.org

CENTER FOR COMMUNITY SELF-HELP
Durham, NC
www.self-help.com

CHICAGO COMMUNITY LOAN FUND
Chicago, IL
www.cclfchicago.org

COASTAL ENTERPRISES
Wiscasset, ME
www.ceimaine.org

COMMUNITY INVESTMENT CORP.
Chicago, IL
www.cicchicago.com

COMMUNITY REINVESTMENT FUND
Minneapolis, MN
www.crfusa.com

CORPORATION FOR SUPPORTIVE HOUSING
Chicago, IL
www.csh.org

ENTERPRISE CORPORATION OF THE
DELTA
Jackson, MS
www.ecd.org

ENTERPRISE FOUNDATION
Columbia, MD
www.enterprisecommunity.org

FLORIDA COMMUNITY LOAN FUND
Orlando, FL
www.fclf.org

ILLINOIS FACILITIES FUND
Chicago, IL
www.iff.org

LOCAL INITIATIVES SUPPORT CORP.
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www.lisc.org/chicago
www.lisc.org

LOW INCOME INVESTMENT FUND
San Francisco, CA
www.liifund.org

NEIGHBORHOOD HOUSING SERVICES
Chicago, IL
www.nhschicago.org

OPPORTUNITY FINANCE NETWORK
Philadelphia, PA
www.opportunityfinance.net

RNA COMMUNITY BUILDERS
West Rutland, VT

RURAL COMMUNITY ASSISTANCE CORP.
West Sacramento, CA
www.rcac.org

SHOREBANK CORP.
Chicago, IL
www.shorebankcorp.com

SOUTHERN DEVELOPMENT BANCORP
Arkadelphia, AK
www.southerndevelopmentbancorp.com

SOUTHERN MUTUAL HELP ASSOCIATION
New Iberia, LA
www.southernmutualhelp.org

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Transforming Public Housing in Chicago

ABRAHAM LINCOLN CENTRE
Chicago, IL
www.abelink.org

ARCHDIOCESE OF CHICAGO, OFFICE FOR
PEACE AND JUSTICE
Chicago, IL
[www.archdiocese-chgo.org/departments/
peace_and_justice](http://www.archdiocese-chgo.org/departments/peace_and_justice)

BRINSHORE DEVELOPMENT
Northbrook, IL

BUSINESS AND PROFESSIONAL PEOPLE
FOR THE PUBLIC INTEREST
Chicago, IL
www.bpchicago.org

CARA PROGRAM
Chicago, IL
www.thecaraprogram.org

CENTRAL ADVISORY COUNCIL
Chicago, IL
[www.acf.hhs.gov/assetbuilding/grantees/
grantees03/03CentralAdvisory](http://www.acf.hhs.gov/assetbuilding/grantees/grantees03/03CentralAdvisory)

CHAPIN HALL CENTER FOR CHILDREN
Chicago, IL
www.chapinhall.org

CHESTNUT HEALTH SYSTEMS
Bloomington, IL
www.chestnut.org

CHICAGO COMMUNITY FOUNDATION
Chicago, IL
www.cct.org

CHICAGO HOUSING AUTHORITY
Chicago, IL
www.thecha.org

CHICAGO JOBS COUNCIL
Chicago, IL
www.cjc.net

CHICAGO VIDEO PROJECT
Chicago, IL
www.chicagovideo.com

CIVIC COMMITTEE OF THE COMMERCIAL
CLUB OF CHICAGO – FINANCIAL
RESEARCH AND
ADVISORY COMMITTEE
Chicago, IL
www.civiccommittee.org

COLUMBIA UNIVERSITY IN THE CITY
OF NEW YORK – DEPARTMENT
OF SOCIOLOGY
New York, NY
www.sociology.columbia.edu

THE COMMUNITY BUILDERS
Boston, MA
www.tcbinc.org

COMMUNITY RENEWAL SOCIETY –
CHICAGO REPORTER
Chicago, IL
www.crs-ucc.org

CORPORATION FOR
SUPPORTIVE HOUSING
Chicago, IL
www.csh.org

COUNCIL OF LARGE PUBLIC
HOUSING AUTHORITIES
Washington, DC
www.clpha.org

DEVELOPMENT TRAINING INSTITUTE
Baltimore, MD

EMPLOYMENT & EMPLOYER SERVICES
Chicago, IL
www.eesforjobs.com

FIELD MUSEUM
Chicago, IL
www.fieldmuseum.org

FINANCIAL RESEARCH AND ADVISORY
COMMITTEE
CHICAGO, IL
www.ccachicago.org

GEORGIA TECH RESEARCH CORPORATION
Atlanta, GA
www.gtrc.gatech.edu

HEARTLAND HUMAN CARE SERVICES
Chicago, IL
www.heartlandalliance.org

HOUSING CHOICE PARTNERS
Chicago, IL

ILLINOIS FACILITIES FUND
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www.iff.org

INSTITUTE FOR COMMUNITY ECONOMICS
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www.iceclt.org

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OF POLITICS
Lake Forest, IL
www.lakeforest.edu

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Chicago, IL

LAKEFRONT SRO CORPORATION
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LAKEFRONT SUPPORTIVE HOUSING
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www.lakefront.org

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METROPOLITAN OPEN COMMUNITIES
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www.luc.edu/curl/lcmoc

LECLAIRE COURTS HOMEOWNERSHIP
CORPORATION
Chicago, IL

MARCY NEWBERRY ASSOCIATION
Chicago, IL
www.marcy-newberry.org

METROPOLITAN PLANNING COUNCIL
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www.metroplanning.org

NATIONAL CENTER ON ADDICTION AND
SUBSTANCE ABUSE AT COLUMBIA
UNIVERSITY
New York, NY
www.casacolumbia.org

NATIONAL OPINION RESEARCH CENTER
AT THE UNIVERSITY OF CHICAGO
Chicago, IL
www.norc.org

NEAR WEST SIDE COMMUNITY
DEVELOPMENT CORPORATION
Chicago, IL
www.newcommunities.org/communities/westhaven

NEIGHBORHOOD HOUSING
SERVICES OF CHICAGO
Chicago, IL
www.nhschicago.org

NEW SCHOOL UNIVERSITY –
MILANO GRADUATE SCHOOL OF
MANAGEMENT AND URBAN POLICY
New York, NY
www.milano.newschool.edu

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UNIVERSITY OF CHICAGO – JOINT CENTER
FOR POVERTY RESEARCH
Evanston, IL
www.jcpr.org

NORTHWESTERN UNIVERSITY
SCHOOL OF LAW
Chicago, IL
www.law.northwestern.edu

NORTHWESTERN UNIVERSITY –
INSTITUTE FOR POLICY RESEARCH
Evanston, IL
www.northwestern.edu/ipr

ONE ECONOMY CORPORATION
Washington, DC
www.one-economy.com

PROJECT MATCH
Chicago, IL
www.pmatch.org

PROTESTANTS FOR THE
COMMON GOOD
Chicago, IL
www.thecommongood.org

RICHARD H. DRIEHAUS FOUNDATION
Chicago, IL
www.driehausfoundation.org

S.B. FRIEDMAN & COMPANY
Chicago, IL
www.friedmanco.com

STATEWAY COMMUNITY PARTNERS
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UJIMA
Chicago, IL

UNIVERSITY OF CHICAGO – SCHOOL OF
SOCIAL SERVICE ADMINISTRATION
Chicago, IL
www.ssa.uchicago.edu

UNIVERSITY OF CHICAGO – UNIVERSITY
RESEARCH ADMINISTRATION
Chicago, IL
www.researchadmin.uchicago.edu

URBAN INSTITUTE
Washington, DC
www.urban.org

WAYNE STATE UNIVERSITY –
SCHOOL OF SOCIAL WORK
Detroit, MI
www.socialwork.wayne.edu

WE THE PEOPLE MEDIA
Chicago, IL
www.wethepeoplemedia.org

WINDOWS OF OPPORTUNITY, INC.
Chicago, IL

For More Information about
MacArthur's support for housing
practice, policy, and research

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Community Development
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About the MacArthur Foundation

The John D. and Catherine T. MacArthur Foundation is a private, independent grantmaking institution dedicated to building a more just and sustainable world. Through the support it provides, the Foundation fosters the development of knowledge, nurtures individual creativity, strengthens institutions, improves public policy, and provides information to the public, primarily through support for public interest media. With an endowment over \$6.4 billion, the Foundation makes grants totaling approximately \$260 million each year. For more information or to sign-up for MacArthur's e-newsletter, please visit www.macfound.org.

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