



Building Wealth with Homeownership

Closing Racial & Ethnic Opportunity Gaps

Recognize Fair Housing Month, explore data trends in BIPOC homeownership, and discuss local plans and strategies for expanding wealth-building opportunities among San Antonians.

LSC
SAN ANTONIO



Building Wealth with Homeownership: Closing Racial & Ethnic Opportunity Gaps

Monday, April 25, 2022, 11:30 am - 1:00 pm

Leilah Powell, LISC San Antonio

Introductions and Fair Housing Month Recognition

Barbara Ankamah Burford, Wells Fargo

WORTH Planning Grant

Patricia Mejia, San Antonio Area Foundation

Wealth Building Strategies and Reframing Housing

Mark Carmona, Chief Housing Officer, City of San Antonio

Strategic Housing Implementation Plan

John Laycock, researcher

BIPOC Homeownership Data and Trends

Leilah Powell, LISC San Antonio

BIPOC Homeownership Recommendations

Leilah Powell
Executive Director
LISC San Antonio

- Introductions
- Fair Housing Month Recognition

Fair Housing

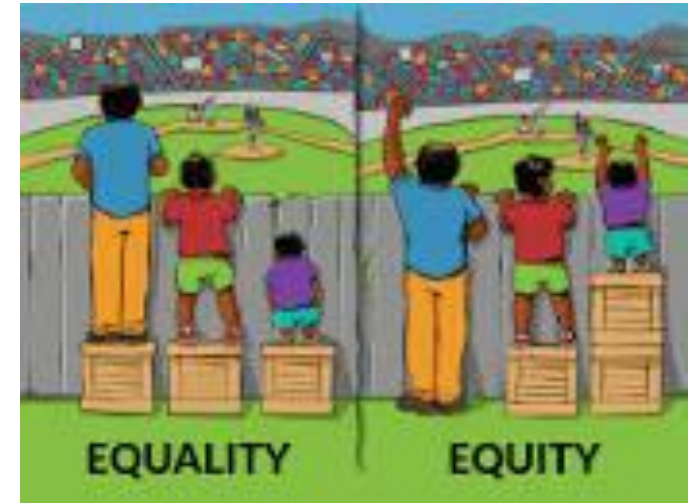


- President Lyndon Johnson signed the Civil Rights Act of 1968 on April 11, 1968
- Title VIII of the Act is also known as the Fair Housing Act
- Prohibits discrimination concerning the sale, rental, and financing of housing based on race, religion, national origin, sex (amended to include handicap and family status)
- Covers housing rental and sales, mortgage lending, eviction, harassment, “blockbusting”

Equitable Housing

Equality: each individual or group of people is given the same resources or opportunities.

Equity: each person has different circumstances and needs different resources and opportunities to reach an equal outcome.



Barbara Ankamah Burford

Vice President, Social Impact & Sustainability
Wells Fargo

- WORTH Planning Grant
- Implementation Opportunity

Patricia Mejia

Vice President, Community Engagement
& Impact

San Antonio Area Foundation

- Wealth Building Strategies**
- Reframing Housing**



San Antonio Area Foundation

Where Giving and Community Connect

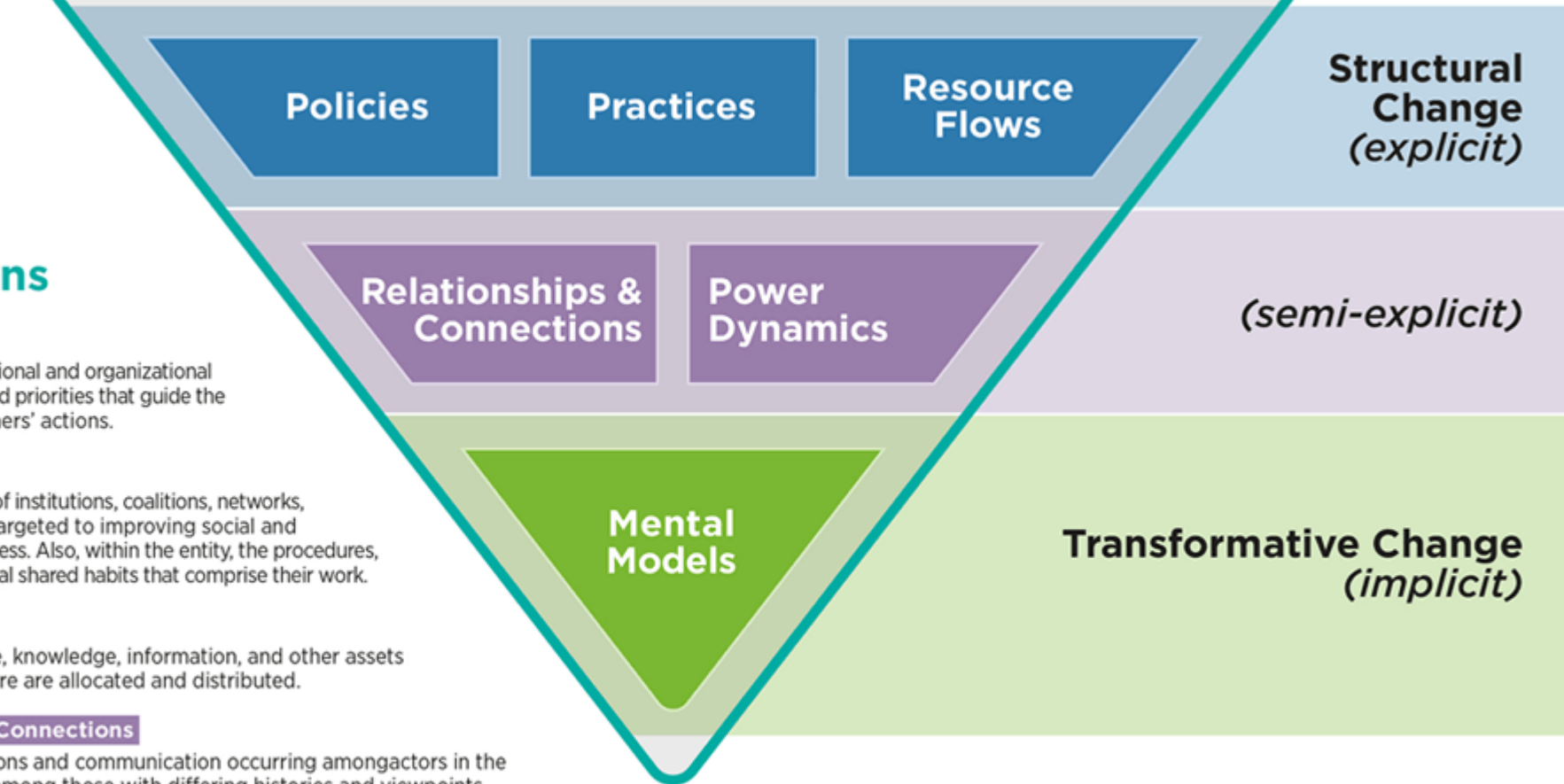
**Positioning ourselves
to close opportunity gaps**

Strategic Planning

Mission - *The San Antonio Area Foundation serves as your most trusted and impactful philanthropic partner.*

Vision - *To close the opportunity gap for the people in San Antonio who need it most.*

Six Conditions of Systems Change



Definitions

Policies

Government, institutional and organizational rules, regulations, and priorities that guide the entity's own and others' actions.

Practices

Espoused activities of institutions, coalitions, networks, and other entities targeted to improving social and environmental progress. Also, within the entity, the procedures, guidelines, or informal shared habits that comprise their work.

Resource Flows

How money, people, knowledge, information, and other assets such as infrastructure are allocated and distributed.

Relationships & Connections

Quality of connections and communication occurring among actors in the system, especially among those with differing histories and viewpoints.

Power Dynamics

The distribution of decision-making power, authority, and both formal and informal influence among individuals and organizations.

Mental Models

Habits of thought—deeply held beliefs and assumptions and taken-for-granted ways of operating that influence how we think, what we do, and how we talk.

¹ John Kania, Mark Kramer, and Peter Senge. "The Waters of Systems Change." FSG, June 2018. https://www.fsg.org/publications/water_of_systems_change

Structural Change via Research

- **State of the African American Community**
In San Antonio and Bexar County (Feb. 2021)



- **State of Aging** (May 2021)



- **Assessing the Impacts of the Pandemic on the Latino Racial Wealth Gap** (December 2022)



- **Procurement Playbook** (July 2022)



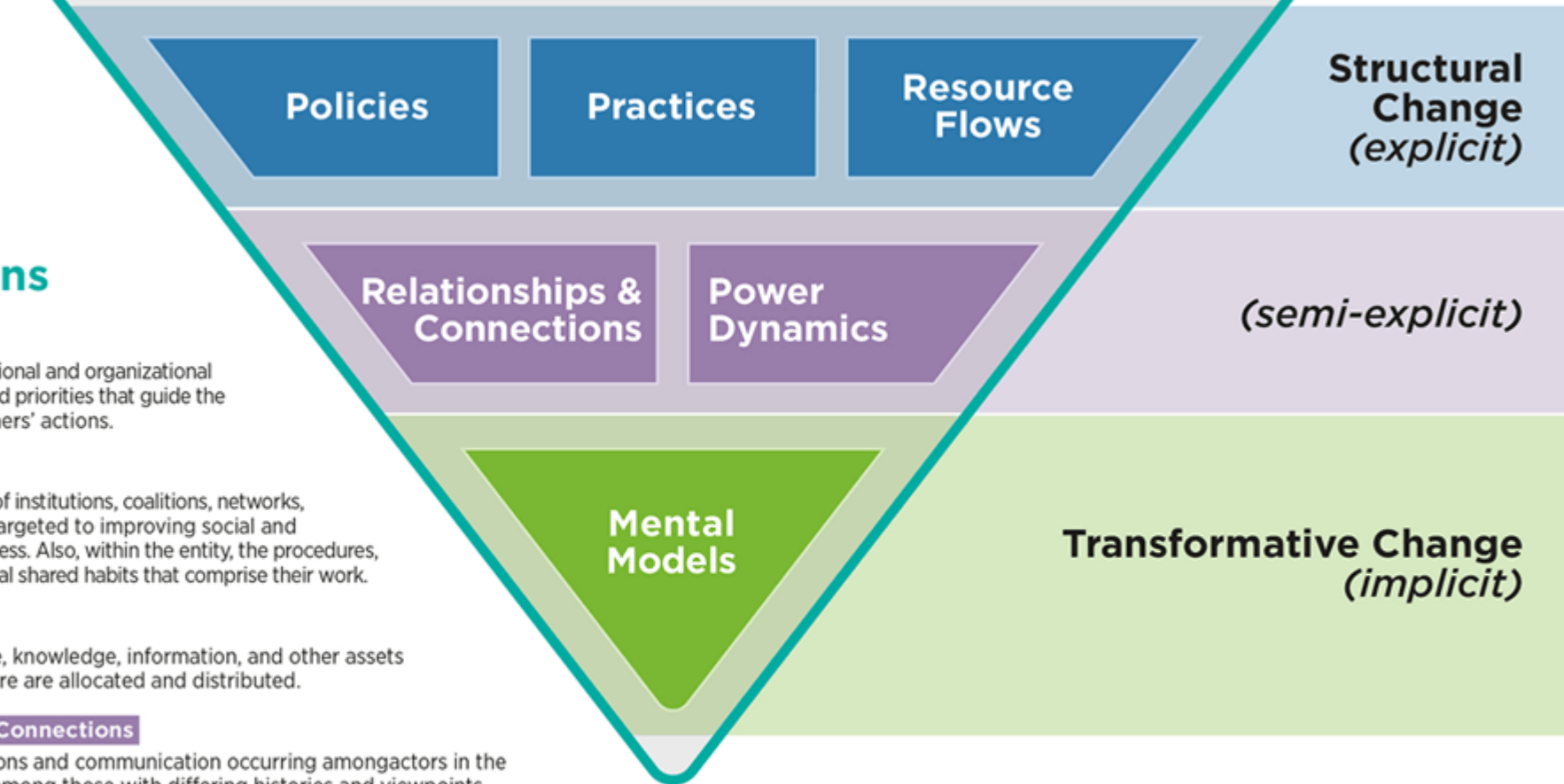
Relational Change via Convening

- **SALSA** – Successful Aging and Living in San Antonio (ongoing)
- ***Leading to Change***: Building Equity in community by supporting Emerging BIPOC & Women CDC Leaders 2021/2023
- Transfer on Death Deed (**TODD**) Clinic (May 2022)

Transformational Change via Mental Models

- Opportunity to live into moment – *shifting the way we think and talk about critical issues*
 - Partnering Frameworks Institute
 - Using strategic frame analysis allowed for research-based recommendations
 - Started with Successful Aging 2021
 - Beginning conversations reframe affordable housing

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Mark Carmona

Chief Housing Officer

City of San Antonio

- Strategic Housing Implementation Plan**
- SHIP Homeownership Strategies**



BIPOC Homeownership & The Strategic Housing Implementation Plan

What is the SHIP?

A shared vision to stabilize households most at risk for housing instability through:

- A new definition of affordability
- New production & preservation targets focused on households with the lowest incomes
- A 10-year funding outlook
- 36 strategies sourced from many different plans & initiatives



Our Community



Over 80 people drafted the SHIP, including:

- Community leaders & people with lived experience of housing instability
- Housing Commissioners
- Community-based non-profit organizations
- Housing developers
- Homelessness Service providers
- And more!

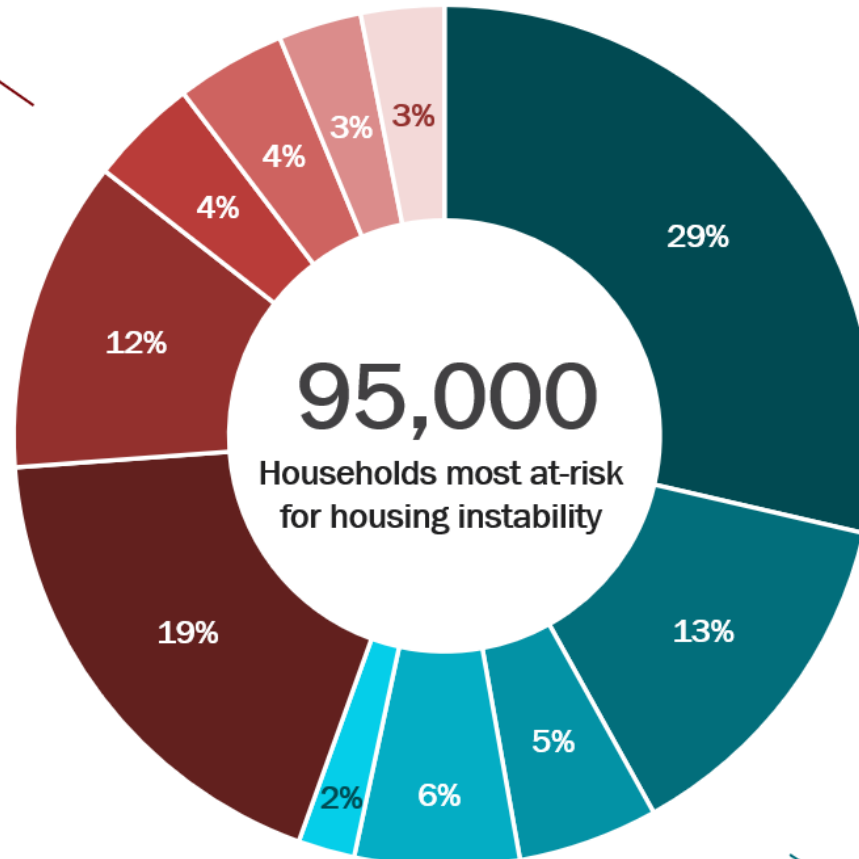


Households most at-risk by Area Median Income (AMI)

Homeowners

45% of overall need

- 0-30% AMI | \$ 20,010
17,470 Households
- 31-50% AMI | \$33,350
11,150 Households
- 51-60% AMI | \$40,020
3,896 Households
- 61-80% AMI | \$53,360
3,926 Households
- 81-100% AMI | \$66,700
2,974 Households
- 101-120% AMI | \$80,040
2,974 Households



- 0-30% AMI | \$ 20,010
27,264 Households
- 31-50% AMI | \$33,350
12,665 Households
- 51-60% AMI | \$40,020
5,014 Households
- 61-80% AMI | \$53,360
5,886 Households
- 81-100% AMI | \$66,700
2,024 Households

Renters

55% of overall need

New Affordable Production & Preservation Targets FY 22-31

- Greater focus on households with the lowest incomes and preservation

Household AMI	HOMEOWNERSHIP		RENTAL	
	Production	Preservation	Production	Preservation
0-30% AMI	0	5,786	6,897*	909
31-50% AMI	0	3,200	2,653	1,137
51-60% AMI	0	1,000	1,061	455
61-80% AMI	650	500	0**	2,046
81-100% AMI	650	250	0	0
101-120% AMI	650	250	0	0
Sub Totals	1,950	10,986	10,611	4,547
	12,936		15,158	
Grand Total	28,094			

- Includes 1,000 units of Permanent Supportive Housing
- ** Production at 61-80% AMI will be tracked for informational purposes, but not counted towards the City's targets

Increase City Investment in Housing: Strategy 3



Associated Plans:
Opportunity at Risk
ForEveryoneHome
HUD Consolidated Plan

Possible Funding Sources:
Affordable Housing Fund,
Bond Program, HOME/
CDBG

Lead Partners:
NHSD, DSD, OHP

Target AMI: Up to 120%

Preserve single-family housing through expanding funding for preservation and rehabilitation programs

Goal: Prevent displacement and stabilize neighborhoods by investing in single-family home preservation programs.

The City and our partners should establish funds focused on preserving existing affordable single-family homes to prevent or mitigate issues with code compliance, demolition orders, or to meet accessibility standards. The fund could receive monies from higher demolition permit fees or a fee in lieu program, fines for non-compliance with vacant building requirements, special purpose grants from HUD, philanthropy, or fees for services.

A Home Repair Revolving Loan Fund for older, affordable housing could be used to acquire, stabilize, and resell or rent vacant property as affordable housing. Recapitalized funds and returns from low-interest rates can be used to help more households.

This strategy could also include other incentives to would promote the preservation of existing affordable homes.

Increase City Investment in Housing: Strategy 5



Establish a land banking program to acquire land for future affordable housing projects

Associated Plans:

SA Tomorrow
ForEveryoneHome
Keep SA Moving

Possible Funding Sources:

Bond Program, HUD
Financing programs

Lead Partner: SAHT, OHP

Goal: Preserve more land for affordable housing near community assets and the reduction of development costs to create deeper levels of affordability.

This strategy will involve both establishing a land banking program and exploring ways to prioritize locations and land sources. It is recommended that the programs prioritize acquiring land in difficult development areas as defined by HUD, HUD qualified census tracts, and along transit corridors.

Increase City Investment in Housing: Strategy 7



Associated Plans:

ForEveryoneHome
Housing Policy
Framework

Possible Funding Sources:

Bond, SAHT, LISC, Private
Mortgage Lenders

Lead Partners: NHSD,
SAHT

Target AMI: Up to 120%
AMI for ownership

Establish a Community Land Trust

Goal: Establish a new non-profit or empower an existing organization to launch and operate a Community Land Trust.

Community Land Trusts (CLTs) are organizational structures which facilitate collective ownership of the land and permanently restrict its resale value—ensuring lasting affordability for the homeowners who are part of the trust.

Establishing a community land trust will require either the creation of a new non-profit, or at least one existing non-profit to expand their mission. The City and our partners can support this model through operating funds, access to vacant land, advocating for appropriate appraisal methods, and connecting with down-payment assistance recipients.

Protect & Promote Neighborhoods: Strategy 2



Associated Plans:

ForEveryoneHome
Opportunity at Risk
SA Poverty Report
SA Tomorrow
SA Climate Ready

Possible Funding Sources:

ARP, HOME, CDBG,
Bond, Philanthropy

Lead Partners: NHSD,
OHP

Support homeownership for families of modest means by improving relationships with code compliance and increasing funds for owner-occupied repair programs

Goal: Stabilize residents and preserve homes by increasing repair funds related to code enforcement programs

This strategy is to identify new sources of funding for home repair and link those resources specifically to code enforcement activity much sooner than demolition orders.

The focus of this strategy is to keep homes safe, healthy, and in the hands of community.

Develop a Coordinated Housing System: Strategy 6



Associated Plans:

Housing Policy Framework
ForEveryoneHome

Possible Funding Sources: TBD

Lead Partners:
NHSD

Target AMI: Up to 80% AMI

Expand land title remediation programs

Goal: Increase the overall number of clear-title homes in San Antonio

Homeowners who do not have clear title struggle to access services like repair programs or financial products to maintain their housing. The City currently operates a title remediation program in partnership with UTSA which could be expanded to include proactive outreach, leverage pro bono attorney efforts, and increase access to related services such as wills and transfer on death deeds.

Ways to engage

Help develop a strategy:

Sign up today & staff will reach out when policy development begins

<https://saspeakup.com/hub/Subscriptions/2641?topicId=33848>



John Laycock

Researcher

- **Market Information**
- **BIPOC Homeownership**

State of the Market

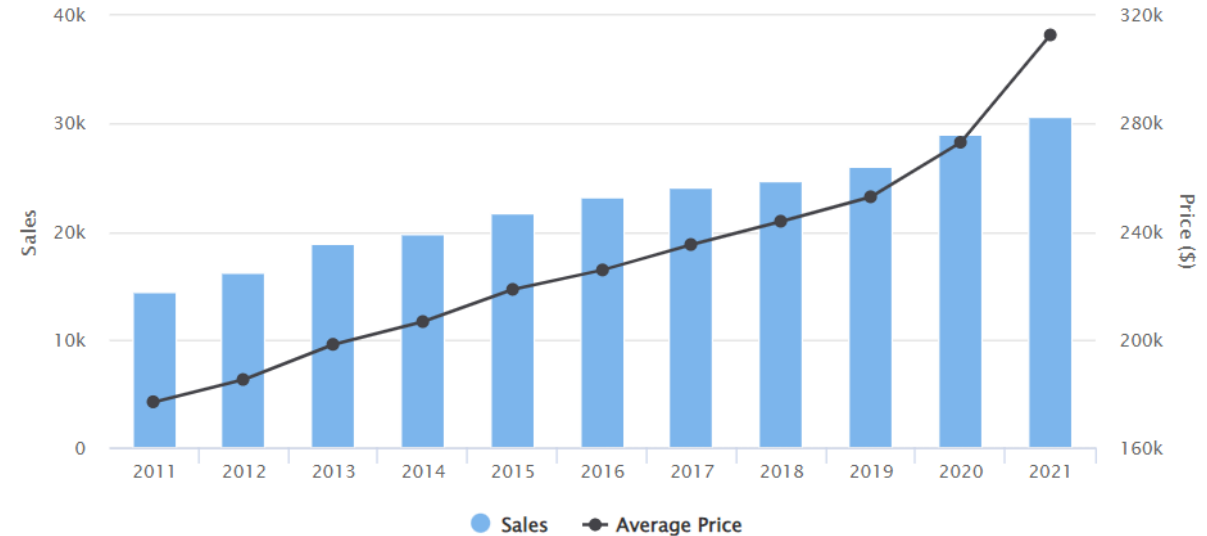
- 30,000 homes sold in Bexar County
- Median home price increased 14% in Bexar County to \$312,000
- Less than 2 months of inventory

KEY FIGURE

\$39,000

Increase in Median Home Sale Price in San Antonio from 2020 to 2021

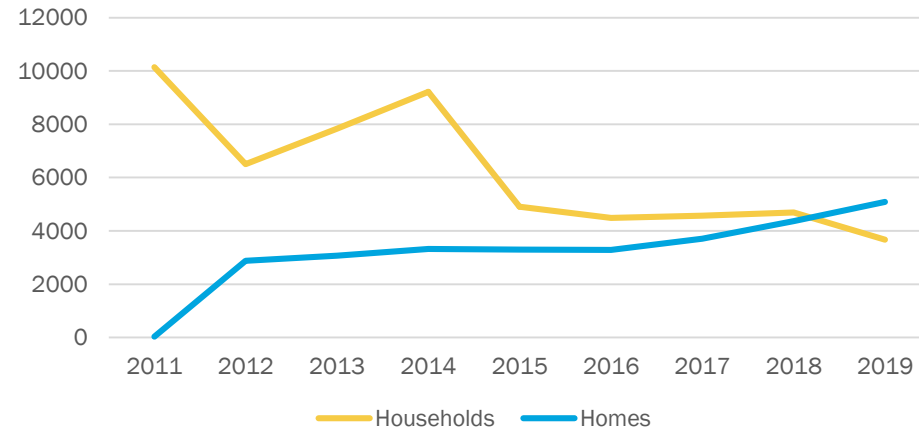
Bexar County
Home Sales and Average Price



Supply and Demand

- In the 2010s, the region added households faster than it could add homes to keep up.
- Great recession cratered home building but NOT Household Growth
- From 2011 to 2019 Bexar County added 6,244 new households per year, while issuing only 3,493 single family home permits
- Labor shortages, supply chain issues, make it harder to increase production
- Zoning inhibits supply, forces least affordable options

Additional Households vs. New Home Permits, Bexar County



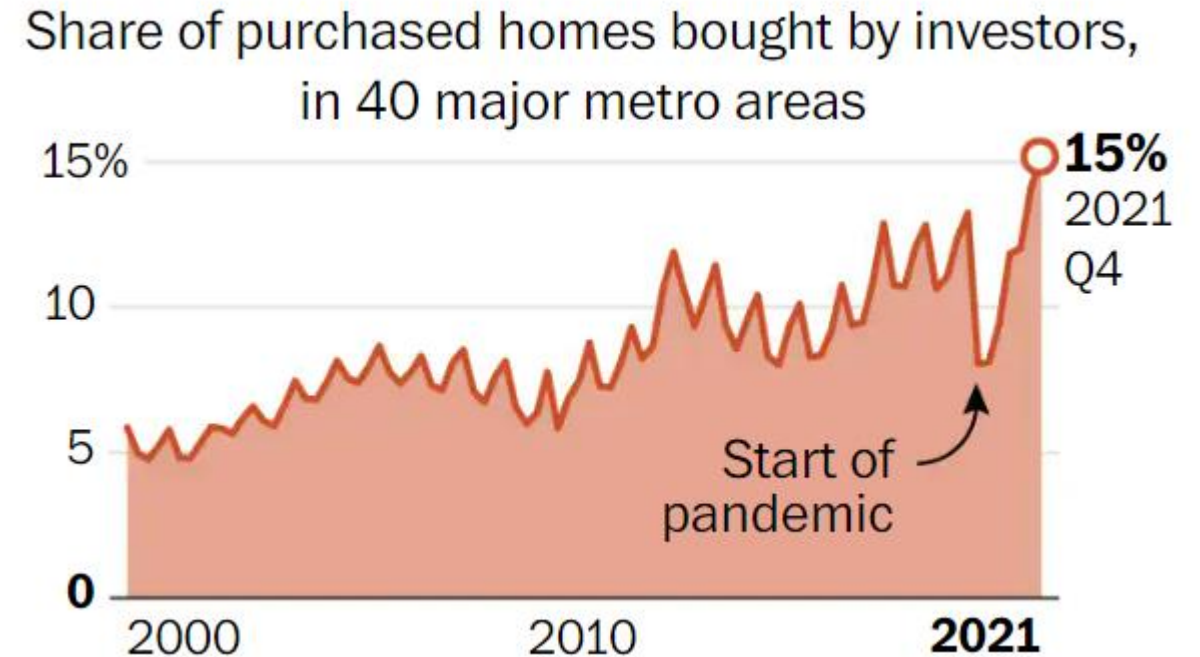
KEY FIGURE

28,192

More new households than SF homes in Bexar and Guadalupe Counties Combined

Investor Purchases

- Investors, both small and institutional, have entered the single-family market at unprecedented rates
- In 2021, 15% of homes sold nationwide were to investors
 - 30% in BIPOC neighborhoods
 - More than 50% in some zip codes in Atlanta
- In parts of Central San Antonio 1 in 6 homes are owned by LLCs
- Increases prices overall
- Cash offers outbid even well-qualified buyers



State of BIPOC Homeownership

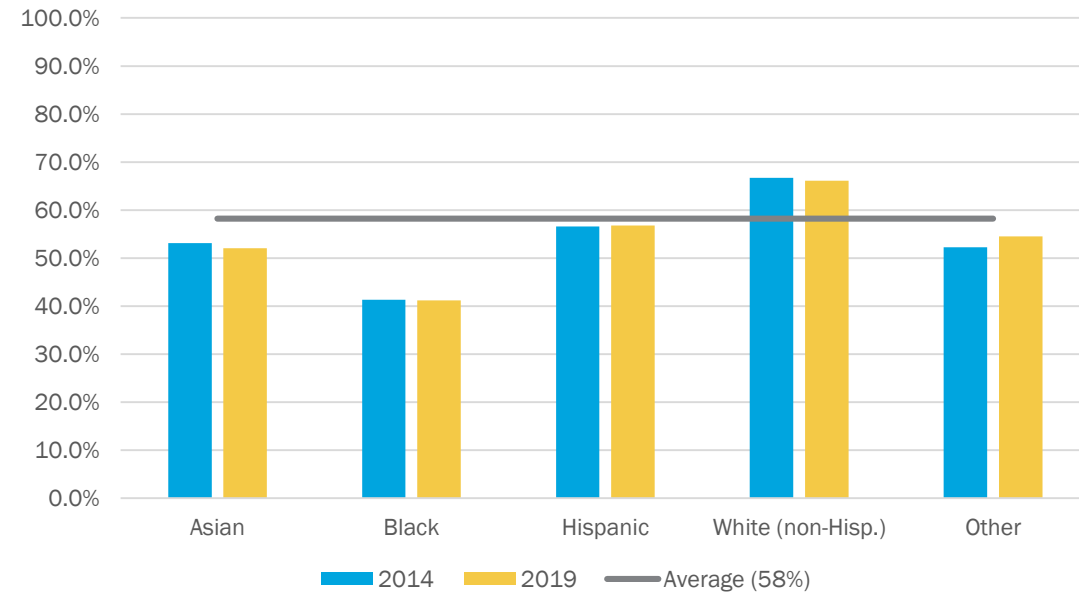
- Non-Hispanic Whites are substantially more likely than BIPOC households to own their own homes.
- Homeownership is declining; rates are down 1-2% for most race/ethnicity categories
- **Age of Householders:** 78.1% of households over 65 own a home vs 40% of households under 44, a larger gap than the race gap.

KEY FIGURE

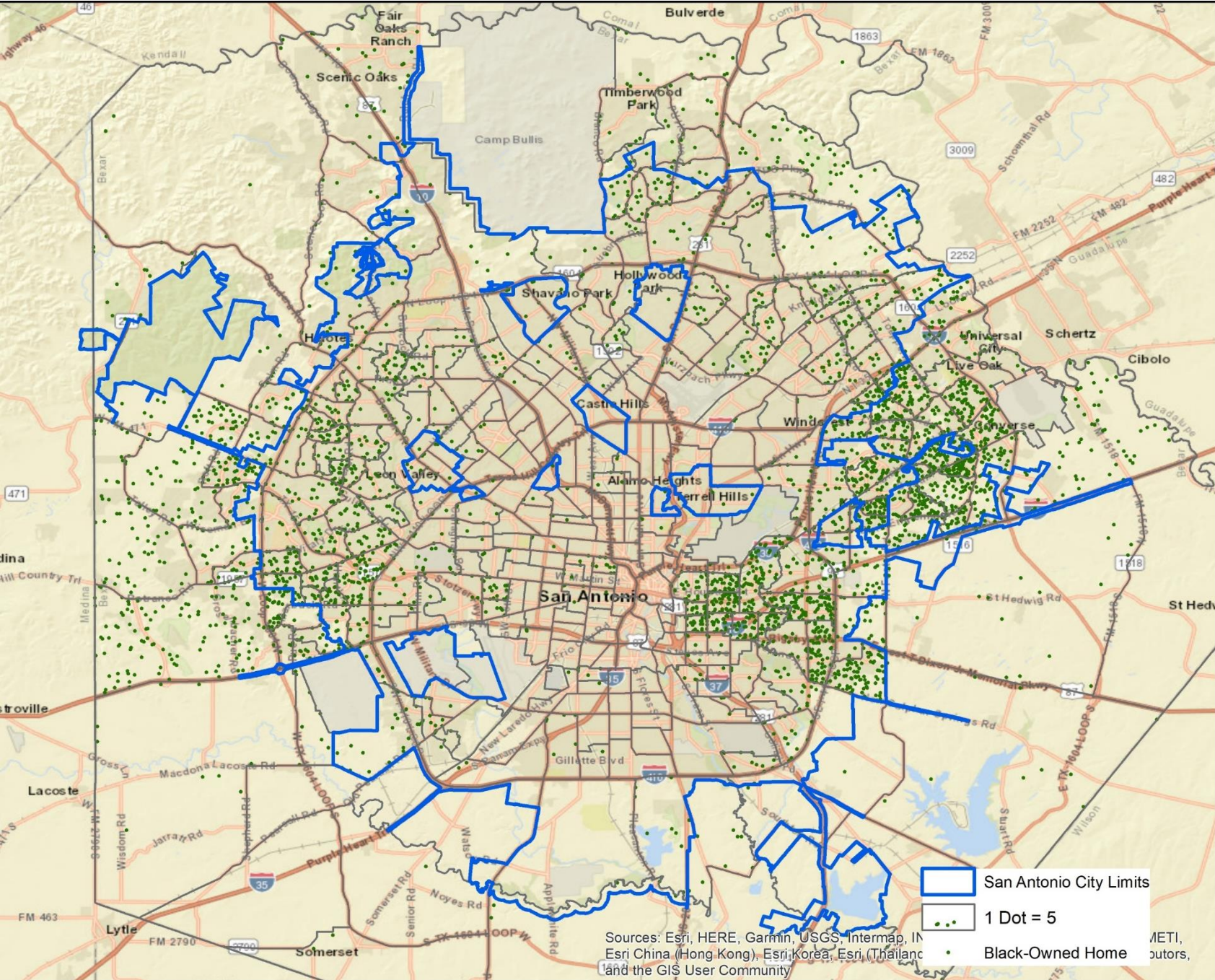
25%

Homeownership Gap Between White and Black Households in Bexar County

Homeownership Rates by Race and Ethnicity, Bexar County



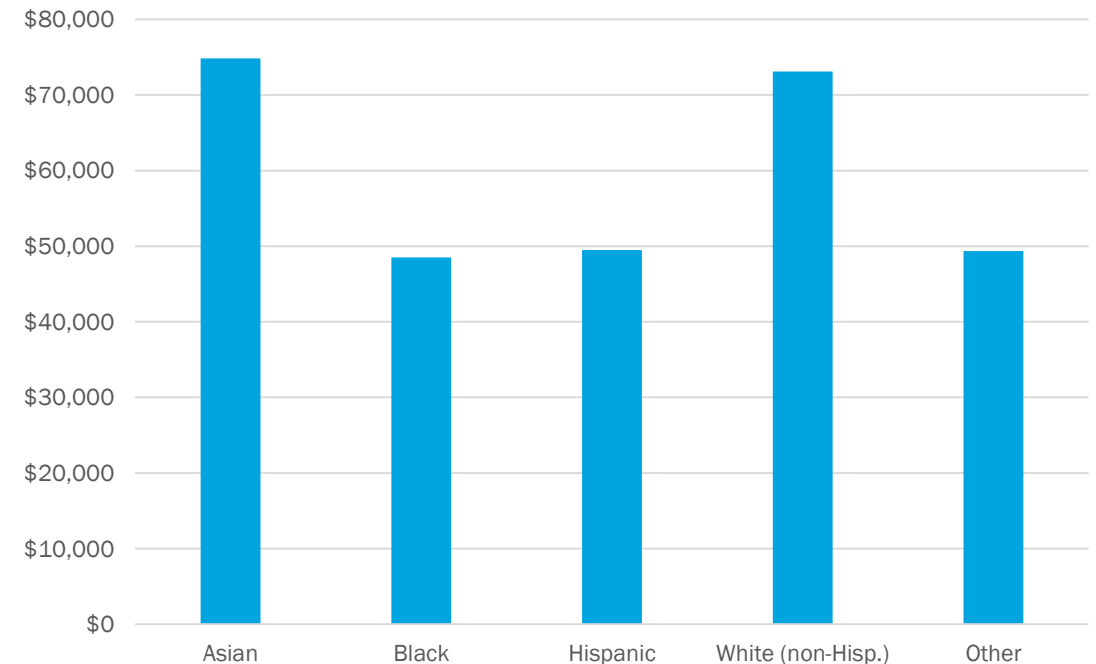
Distribution of BIPOC Homeowners in Bexar County



BIPOC Households and Finances

- BIPOC Households have lower incomes than Non-Hispanic White Households
 - \$73-74,000 for White and Asian households
 - \$48,000-\$50,000 for Black, Hispanic, and Other households
- Black and Hispanic Households experience rejection for loans at twice the rate as N-H White Households
 - White households: 21.4%
 - Hispanic Households: 43%
 - Black Households: 37.3%
- BIPOC HHs are almost twice as likely to be in poverty: 17.5% vs 9.2%.
- More likely to have debt in delinquency: 49% vs 20%
- Unbanked or Underbanked households are less likely to have cash reserves and more likely to use predatory lending products, e.g. payday loans

Median Household Income, Bexar County



Homeowner Retention

- Existing BIPOC households must be stabilized to ensure the homeownership does not fall
- Threats:
 - Age of householder
 - Age of House
 - Limited Resources – “Liquid Asset Poor”
- Risk Map shows hundreds of homes at risk

Population - 4786
% BIPOC - 94.6%
% Own Their Homes - 39.3%
Number of BIPOC Homeowners - 589

Total Homes - 1796
Homes Older than 70 years - 1105
Homeowners older than 65 years - 215

Legend

- House older than 70 years
- Homeowner older than 65 years
- Both

Source: Esri, Maxar, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community, Esri, HERE, Garmin, (c) OpenStreetMap contributors, and the GIS user community

Veteran Homeownership

The Veteran Administration provides large benefits to help veterans attain homeownership:

- No down payment
- No mortgage insurance (saves \$190/month on a \$250,000 house)
- Lower Interest Rates (saves \$134/month on a \$250,000 house)
- Lower credit score cutoffs

San Antonio is home to 95,000 veterans, approximately 9% of the civilian population over the age of 18.

19% of Black adults in Bexar County are veterans, the most of any ethnicity, compared to 6% of Hispanic adults and 16% of white, non-Hispanic adults.

San Antonio was the 10th highest city for VA loans in 2019, with 10,000 total loans.

Leilah Powell

Executive Director

LISC San Antonio

–Planning Process

–BIPOC Homeownership Strategies

Closing Racial & Ethnic Opportunity Gaps



- During the past three years, the median price of a single-family home in Bexar County has risen by one-third
- Our community, the majority of which identifies as Black, Indigenous, or persons of color (BIPOC), was severely impacted by job loss, underemployment, limited digital access, and other impacts of the COVID-19 pandemic
- The result is a housing crisis caused by the complex interplay of economic, social, and demographic factors, including persistent inequality

Partnering on Strategies to Build BIPOC Wealth

- 1. Equitable Housing Access: Financial and Housing Counseling Collaborative**
- 2. Employer Assisted Housing**
- 3. Title Clearance**
- 4. Affordable Single-Family Predevelopment, Acquisition, and Construction Loan Pool**
- 5. Construction, Trades, and Small Business Development**
- 6. Accessory Dwelling Units (ADUs)**
- 7. Manufactured Housing and Mobile Home Stabilization**
- 8. Nonprofit and Community Ownership Models**
- 9. Advocacy and Implementation**

Equitable Housing Access: Financial and Housing Counseling Collaborative

- Financial Empowerment Counseling scan, to be completed summer 2022
- Creation of Housing and Financial Counseling Collaborative
- Coordinate recruitment, training, support, especially BIPOC counselors
- Jointly create culturally appropriate housing roadmaps
- Integrate workforce development, military transition

Employer Assisted Housing

- Analyze successful elements of existing EAH programs in San Antonio, including HOPE
- Collaborate with other public and private sector employers with a moderate salary, BIPOC workforce to structure programs including:
 - Worksite counseling
 - Homebuyer education, including maintenance classes
 - Down payment assistance

Title Clearance

- Only 20% of BIPOC individuals over 55 have a will
- When a homeowner dies intestate, an heirs property dispute can tie up the family's most valuable asset for years, resulting in loss of home
- New tools and opportunities for resolving and preventing heirs property disputes
- Support and expand strong existing coalition of non-profit organizations, City of San Antonio (COSA)

Affordable Single-Family Predevelopment, Acquisition, and Construction Loan Pool

- Very strong seller's market for both developable land and single-family homes
- Non-profit developers and low and moderate-income buyers are competing with investors who can purchase with cash
- Need affordable source of funding for less liquid BIPOC buyers:
 - Pre-qualification speeds up closing process
 - Incorporate technical assistance

Construction, Trades, and Small Business Development

- National and global issues have impacted local supply chains and labor supply
- I-35 corridor is one of the fastest growing in the country
- Support and expand trend toward incorporation of construction and skilled trades into workforce development and job training strategies
- Avenue for post-COVID BIPOC-owned small business growth

Accessory Dwelling Units (ADUs)

- ADUs provide rental income for low and moderate-income homeowners, aging in place for older homeowners
- Establish prevalence, barriers
- Establish incentive program in conjunction with COSA
- Collaborate with mortgage and other lenders to develop products that allow easier financing of ADUs
- Revise Unified Development Code
- Outreach campaign

Manufactured Housing and Mobile Home Stabilization

- MH represents an affordable housing option but challenges with financing and stability, especially for BIPOC homeowners
- Conversion of rental parks into ownership models through nonprofit or co-op purchase, creation
- Collaborate with existing MH lenders, CDFIs to develop purchase and refi loan products
- Repair, maintenance courses

Nonprofit and Community Ownership Models

- Ownership of land, buildings is first step toward preventing displacement, building wealth
- Community Land Trusts (CLTs) and co-op models are more common in other parts of the country
- Non-profit or co-op contractors can reduce costs of affordable housing construction, rehab
- May include self-help component

Advocacy and Implementation

- Ongoing support in the form of coordinating partners
- Aligning existing and advocating for new programming
- Raising and investing funds
- Tracking research and best practices
- Securing and delivering technical assistance
- Measuring and promoting progress
- Communicating to partners and the general public



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