

# **A Guide to Getting Started in Affordable Housing**

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## Part 1: Introduction

Thank you for picking up this handbook on how to get started in affordable housing work in your community. It is our prayer that the vision and passion God has given you, and your church/organization, for this work will create the potential for amazing Kingdom fruit in your neighborhood and city. What's more, we pray along with you that God will use your faith to step into this challenging work in the lives of your friends and neighbors who call your community home as well. And we pray that this handbook will equip your team for starting this work well.

It is important to note from the outset that there is no way for this handbook to be exhaustive and comprehensive. The variables for this kind of work are many and dynamics change depending on the context of your work and the scope of the project you envision. To that end, this handbook should not be considered a substitute for excellent due diligence; particularly in terms of legal and financial considerations. Love Mercy Do Justice would relish the opportunity to help your group envision this project and help discern critical areas for outside professional consultation, but we begin by strongly encouraging you to have a working relationship with the appropriate legal and financial professionals to ensure that whatever structures you create are as lightweight and legal as possible.

This handbook is designed to give you a general overview of affordable housing projects like we have begun in places like Dolton, IL. Additionally, this handbook provides an in-depth look at the 'work before the work' that is crucial to building toward the long-term sustainability for housing initiatives. At the outset, we want to encourage your team to properly measure the effort this pre-work will require of you. Long term success in ventures like this will depend on the good preparatory work done by your team amongst your constituents (in your church, leadership team, etc.) and in fostering relationships of trust with your neighbors and community leaders.

So, dive in! Let us know how we can help along the way. We are excited to partner with you in this work.

*(Special thanks to Bishop Lance Davis of New Zion Christian Fellowship for collaborating in the production of this resource. The work of New Zion and Kinsmen Development is exemplary as a model of 'seeking the shalom of the city'.)*

## **Why Affordable Housing?**

This is the essential first question. Why, given all the ways in which a church, organization, or individual might engage in seeking to make wrong things right in the world, would that group opt to engage in affordable housing projects in their community?

This is an important and needed question and one that will ultimately determine the success of the venture because the way this question gets answered will impact the vision of your congregation, the foundational values which undergird the project, and the measurable outcomes used to evaluate the effectiveness of your team's strategy.

With that in mind, here's how we begin to articulate the value of affordable housing projects.

### **Stable housing is an essential element to individual human flourishing.**

In some ways, this goes without saying, but a stable housing situation is a critical and basic human need. Every sociological spectrum of human health is going to include shelter as essential for life and aids in the development of individual's social, mental, emotional, etc. vitality. When a person has a place to call home, and that home is stable, safe and secure, it frees their emotional and mental energies up for considering other questions of life.

It may seem trivial, but the idea of being able to sleep through the night, uninterrupted, in your own bed, creates a much greater sense of personal well-being. We have stories of families who have found stable housing, whose kids, being used to sleeping in the car, commented on how the assurance of a bed that stays in one place overnight eases anxiety, stress and gives them a more positive outlook on life as a whole. Or, consider, the situation of a family of refugees who have come to this country fleeing situations of deep poverty or war. Certainly, stepping foot in a new community, one of the first questions to ask is "Where will we sleep tonight?" This question can quickly lead to desperation and creates a situation of potential vulnerability as parents, unaccustomed to a new culture and community, need to find a place for their kids. It should not surprise us then when we discover that many families and neighbors who find themselves in that kind of a situation end up in highly toxic living environments in unsafe and insecure conditions who risk being taken advantage of by predatory landlords.

In both of these cases, the mere possibility of a '*clean, well-lighted place*', is startlingly good news. It strikes us that churches and Christian organizations ought to perk up their ears at the realization that something we often take for granted is heard by others as good news.

## **Stable housing is an essential element to neighborhood and community flourishing.**

Secondly, we maintain that stable housing is an essential element to the flourishing of a neighborhood or community. This part of the equation gets overlooked to our great regret. Sometimes, churches in the West concern themselves with the needs of an individual to the detriment of the community as a whole. (Certainly, this is not every church and, indeed, many church streams have a great sense of community vitality as part of their missional outlook)

We will consider the theological rationale for community flourishing below, but, here we will simply observe that an individual's development is ALWAYS dependent, in part, on the community in which they live. Too often, we assume that individual development happens in a vacuum but the reality is that our environment shapes us, regardless of the particulars of that environment. Therefore, if we are working in an under resourced community, and we persist in an engagement strategy that fails to take into account the dynamics within the community that keep it from flourishing, we are limiting the impact of our investment and, ultimately, we do a disservice to anyone we engage with in the process.

In a neighborhood that is replete with abandoned homes, transitional housing, or with an intentionally high concentration of poverty, there are significant obstacles to individual human flourishing that cannot be addressed at a merely individual level. A targeted, strategic and thoughtful approach to neighborhood renewal then must include a commitment to secure and stable housing for all residents in a neighborhood (more on this later). Along with that, any commitment to affordable housing will also invite your team to consider the systemic issues that impact stable housing and call you to consider the ways in which those issues are engaged as well. We say that as an encouragement to continue to ask good questions about the nature of the project and what, if any, adjustments to the manner of your engagement should be made to further enhance the goal of community flourishing.

## **God is ultimately concerned for both individual and community flourishing.**

As Christians, we believe that, beyond sociological implications, a concern for both individual and community flourishing is primarily theological. That is, God is ultimately concerned for both individual and community flourishing so, then, we ought to be as well.

Jesus said, “I have come that they may have life, and have it to the full.” In other words, Jesus desires that everyone experience the fullness of life, abundant life...life as God intended. Certainly, that abundant life includes the spiritual reality of reconciliation with God through Christ. Spiritual renewal, in that specific sense, is inextricably connected to real human flourishing. It might seem obvious to say, but you cannot experience life as God intended, without being in relationship with God.

Human flourishing is critically “spiritual,” but it is never merely “spiritual.” Throughout the Scriptures, we see that God, in our very design, made us more than merely “spiritual” beings. God gave us the capacity for relationship because we are relational beings. We have physicality because there is a tangible side of us that was made to move, and work, and eat. We embody creativity to mirror God’s capacity for design and development, with a mandate to concern ourselves for the world God gave us charge over. Indeed, there are many layers to our humanity and, amazingly, God has concern for all of it. So, then, should we.

Historically, Christians have seen wholistic engagement with people as part of the gospel mandate. As we make disciples, we also demonstrate the love of Christ and model for the world the ethics of the Kingdom of God through proactively engaging the structures and structural effects of sin and brokenness in our world. Many Christians were leading advocates against many forms of social evil and proactively sacrificed their lives for the sake of others in this regard. This work of affordable housing is another expression of that same kind of concern for the whole lives of whole people created in the image of God.

This concern for individual human flourishing is reinforced, and further informed, by the critically important concern for community flourishing as well. There are many places throughout the Scriptures to which we could point as evidence for God’s concern for community flourishing, but, perhaps the starkest and most compelling example is found in Jeremiah 29.

In this chapter, God’s people find themselves in exile in Babylon, far from their homes, their homeland, and, in some ways, far from God. They are cut off and disconnected and, we might imagine, wanted nothing more than to flee from Babylon, exacting revenge as they left, and to return back to their homes. Yet, God has another idea in mind. Rather than allowing Israel to mourn their exile God calls them to proactively seek the flourishing of the city they were in. God says....

“Build houses and settle down; plant gardens and eat what they produce....seek the peace and prosperity of the city to which I have carried you into exile. Pray to the Lord for it, because if it prospers, you too will prosper.” (Jeremiah 29:4-7)

Here we see several things pertinent to our discussion. First of all, God’s instructions are surprisingly ordinary...build, settle, plant, eat...these are profoundly normal human activities which lends credence to the claim that God sees all the layers of our humanity as important to abundant life. Beyond this then, those normal human activities are part of what God has in mind in picturing a city of ‘peace and prosperity’ (or wholeness and flourishing). In light of that vision, God commands Israel to intentionally work to see those ends manifested in the city of their exile.

This is surprising on a number of levels but we want to mention that this idea of seeking is linked to the language Jesus uses when commanding his followers to seek first the Kingdom of God. This notion of seeking is less about looking for something that is lost and is much more in line with a proactive, intentional pursuit of some kind of desired end. To seek the peace and prosperity (again these words are linked with the ideas of wholeness and flourishing more than some of our modern connotations might lead us to believe) of a city is to intentionally and purposefully work to see the reality of wholeness and flourishing take root in that community. This requires a way of engaging a city/community/neighborhood that takes into account the myriad factors that war against flourishing and wholeness.

Lastly, we want to highlight the interesting way in which God frames the potential outcome of this intentional peace pursuit. God says, seek peace because *if the city prospers, you too will prosper*. This is counter-intuitive to the normative Christian way of thinking about mission, and it also challenges the notion that individual development alone will create flourishing communities. Rather than the individual impacting the whole, in this case, we see that the health of the community will have a direct impact on the health of the individual. If the community is whole and flourishing, then it stands to reason that the individuals residing there will as well. However, if we ignore the health of the community, then we will also ensure that the residents of the community will fail to thrive as well.

In the end, we are advocating for an engagement strategy that includes a firm commitment to both individual and community flourishing. We would submit that engaging in affordable housing projects as part of that strategy naturally bridges that tension in that the work automatically aids in

individual and community flourishing at the same time and opens the door to a wide variety of possibilities for building meaningful relationships with people in the community.

## Core Values for Affordable Housing

### **Mutual- WITH, not FOR**

The primary value for affordable housing must be mutuality with the neighborhood. The importance of this core value cannot be overstated. For all of the incredible community development work churches have done in the US and around the world, one of the major blind spots that severely limits that development work has been the posture of paternalism. In essence, this posture exists when a ministry or engagement strategy is executed FOR a particular group of people that is separated by distance, culture, class, or some other barrier. The end result is the creation of a set of ‘answers’ for a particular community that were developed by people who are not in the community who have significant limitations to their understanding of the community in question.

This creates several major problems, not the least of which is that those answers might be for questions the community members are not even asking. Beyond this, externally created solutions run the risk of importing cultural values foreign to a particular neighborhood and also creates a relational dynamic that prevents authentic and mutual relationships of trust and partnership from developing.

The reason we stress this value first is that, even suggesting that affordable housing projects MIGHT be something that could be transferrable community to community, creates the potential for this problem from the beginning. Thus, our encouragement to consider affordable housing is not meant to suggest that we have discovered a ‘silver bullet’ for community transformation or to market these initiatives as the latest ministry engagement fad. Instead, we observe and are collaborating with churches who have long and deep roots in under resourced neighborhoods across the country articulating the issues they are facing in similar ways and housing is a common thread in almost every single one of these communities.

So we have even created this handbook with a degree of trepidation because we aren’t wanting a ‘handbook’ on how to do this kind of work to create the illusion that this kind of engagement is ‘one size fits all.’ Any approach to any community development strategy will require discernment, listening to and submitting to local voices and leadership and an honest and rigorous examination

of the values and motivations that are driving the project. If, as you proceed, you discover evidence that the initiative is creating relational dynamics that are not healthy, we encourage you to pause, reflect, **ASK FOR HELP!**, and realign the work to better ensure that the culture of the project is infused with the value of mutuality.

So what does mutuality look like? Here are a few of the ways that mutuality in mission shows up in practice...with some questions to ask yourself as you plan and evaluate.

- *Strategic Planning and Decision Making*
  - Are the project plans, strategies and outcomes determined in a way that excludes the people in the community? How do you know?
  - Who are the key leaders in the neighborhood who should be speaking into the project?
  - Who are the voices most likely to be overlooked by everyone and can you do the work to hear and prioritize their perspective?
  - How does the neighborhood make decisions for itself and are you willing to submit the project to that process? If not, why not?
  - Long term, who is on the team that evaluates progress and sets future goals? Is the neighborhood not just represented but mutually leading in community together?
- *Employment*
  - Who 'profits' off the project?
  - What might it say about the long-term value of a project where the dollars generated by the work in the neighborhood go to people, or organizations, outside the neighborhood?
  - So when thinking about hiring practices, both contracting with companies and filling out the staffing needs of day to day work, are people from the community increasingly being entrusted with that responsibility? If not, why not?
- *Quality (would you live there?)*
  - There will be a constant tension in this work that tempts you to pit sustainability and margin against the quality of the work. And while the redevelopment of housing does not need to be extravagant we want to encourage you to ask yourself "would I live here?" as a bit of a barometer on the quality of the housing you are producing.

- Too often, there is a subtle expectation that those in under resourced communities should be ‘happy with what they get’ and we want to resist that sentiment at, literally, all costs. When judging the kind and quality of the renovation and upkeep work needed for a home, it is important that we do not distance ourselves from our neighbors with hidden expectations of gratitude that would put people in homes we would not be willing to live in ourselves.

## **Wholistic- Comprehensive, yet targeted**

Even the best conceived project can fall prey to tunnel vision. If your team’s goal is to see your neighborhood restored and transformed, you cannot afford to have blinders up to the other issues around you. Community transformation is a ‘constellational’ venture. In other words, issues are interconnected and cannot be divided up at the expense of maintaining a view to the whole picture of the community.

Because of this, the affordable housing project must always be done with the whole community and with whole people in mind. Regular evaluation about the impact of your project on other issues in the community (looking for unintended consequences or even unexpected possibilities) is important and will often lead to new ways of partnering and collaborating with others in the community. In sum, housing is part of a larger conversation for human flourishing which will impact the way in which you do the work in your neighborhood.

With that in mind, it is important to remain focused on the specific goals of the affordable housing project. Even with the larger picture in mind, your impact in housing will be diminished if the objectives are not targeted and measurable. This does not mean you should ignore or disengage from other issues, but the housing objectives must be clear and concise otherwise you might put your team at risk for mission drift over time.

Admittedly this is a tension for anyone in any type of community development work. Essentially, we are advocating that your team spend regular, and significant, time thinking through the implications of a targeted transformation project and the larger web of issues a community faces.

## **Rooted- Neighbors and Communities**

Ideally, affordable housing is never done from the ‘outside-in,’ where a church or organization from outside the neighborhood imports an externally developed strategy. There are too many potential pitfalls for us to recommend this kind of approach. If you are interested in engaging affordable housing and your team is not connected with the community you have tentatively identified, we would recommend reconsidering and/or re-envisioning the project. Unless there is a way for the project to be done organically through the actual residents and stakeholders of a community the potential for long term harm is too great.

The way we encourage you to be thinking about this is through the concept of rootedness. Rootedness is a posture toward the place God has called you that, like God’s call in Jeremiah 29 outlines, invites people to see themselves (not as set apart from their community) but as mutual community members themselves, partnering with their neighbors for the flourishing of their place. This kind of intentional neighbor posture is impossible if you have to commute to your mission.

We want to emphasize that this is not a ‘strategy’ value. While this rooted posture will make the work more impactful and meaningful, this isn’t a value aimed at increasing some artificially determined benchmark. Instead, it is a character value; a faithful posture for engaging this kind of work and one that will ensure that God will be at work in your team; helping them identify areas of growth in themselves, in the team, and in the project plan/goals/etc.

In short, when we are truly rooted in the place, we can be more faithful to God with an enhanced ability to know and love the people around us.

## **What is affordable housing?**

There are organizations across the country engaged in the work of affordable housing who utilize different models and approaches for their projects. In some cases, these organizations use a model which gets transferred wholesale to each community in which they work. In other situations, the work is highly contextual with relatively little transferrable practice. Our hope is to build a model, and develop partnerships with local groups, that allow us to take the best of both of these approaches and which mitigates against the potential shortfalls of each.

It is going to be critical that as your group (the team rooted in a local context) develops an affordable housing strategy, that you think through exactly the kind of housing approaches best suited to your community.

- In some cases, this will be a straightforward single family affordable home ownership approach where you create the opportunity for families to own their own homes (perhaps for the first time).
- In other situations, your group may land on a mixed income neighborhood strategy that attempts to leverage the resources of folks from various economic situations in order to cultivate neighborhood resiliency.
- It could develop into a transitional housing situation which provides critical crisis housing for a population of neighbors that find themselves in vulnerable life situations.
- In many instances, some kind of combination of these three might be appropriate or even necessary.

In short, there are going to be many ways in which the housing initiative works itself out in practice. What we hope to outline here are some of the distinguishing characteristics of the model we are working out through our pilot project. While our model is not the only way to approach this kind of work, we have found these characteristics have aided the early success of our engagement.

## Partnership

We are firm believers in the common phrase “If you want to go fast, go alone. If you want to go far, go together.” We are thrilled your team is considering the work of affordable housing in your community, but don’t do the work as lone rangers. We invite you to invest yourselves relationally in your community and build significant relationships of trust with stakeholders in your city and neighborhood. Similarly, work with those who are doing similar work; sharing best practices and support.

Beyond this, we want you to consider developing strategic partnerships that can help ensure greater levels of sustainability long term. In our pilot project, we intentionally structured our project as a collaborative work between two for-profit entities, one national and another local. This strategic partnership capitalized on the strengths of both entities and together created a stronger project than either group could have created on our own.

*As you begin the process, who are the organizations and/or individuals that you can partner with in order to build a healthier project from the start?*

## Ongoing Relational Engagement

As you are thinking through potentially engaging in an affordable housing initiative, one of the key deciding factors should be the extent to which your larger community is committed to ongoing comprehensive engagement with your new neighbors. Meeting the need of providing an affordable living situation is a great idea, but where the good idea begins to reach its true potential is if, rather than just providing a house, people are being welcomed into a dynamic community of mutual dependence. As one of our practitioners puts it; *this work engages the lives of PEOPLE, not just brick and mortar.*

Engaging with folks through affordable housing creates a relationship of mutual responsibility that will require more of your team than mere landlord services. While we want to guard against creating a relationship of dependency and of assuming a posture of paternalism, we need to examine ourselves and ask if we are willing to walk with people through life, not merely solve problems. As we learn to see people as people, not a collection of problems, we are invited to invest our lives alongside of them in more ways than one. The best affordable housing projects will fill a niche within a larger web of ways that your team partners with your larger neighborhood in nurturing community flourishing.

## Strategic structure and relationship with local church

One of the biggest questions your team will face early on is how this initiative will be structured, specifically, what will its relationship be with the church community who has developed a vision/passion for this work?

We recommend that this kind of work be structured and governed by an entity separate the church. It can certainly (and we recommend it be this way) be deeply connected to a local church in terms of relationship and collaboration, however, there are simply too many potential problems to recommend structuring this as an ‘in house’ ministry of the church.

Beyond this, incorporating as a for-profit or non-profit entity will be a decision triggered by factors unique to your context and we would love to help in the process of discerning the best course of action for your group.

## **Priority on strong local leadership**

We cannot emphasize enough the value of building a healthy leadership team with a strong and capable primary leader. The work involved in affordable housing is precise and deals with a lot of administrative details that are essential functions of the work.

To that end, a concerted effort in this area is not something that can be done ‘on the side’ but rather requires capable leadership and administrative oversight from qualified people. As one of our practitioners put it, in this work I have to hire the best and brightest. The work in the community is too important to take lightly. (More on the critical skills needed later).

## **Dangers to avoid**

### **Profits over people**

Perhaps this goes without saying, since we have emphasized the relational priority in several places already but this is critically important to ensuring that affordable housing projects don’t lose sight of the overall redemptive intent. In the course of developing and launching this project, the financial bottom line will loom large over the minds of your leadership team. It doesn’t matter if the project is a raging success or if its struggling to get off the ground, money will likely be a consistent source of anxiety.

However, a focus on profitability, while essential on the one hand, can become an idol that will corrupt the core values of the project. We reject the idea that a business initiative like this cannot be **BOTH** intrinsically focused on people and profitable at the same time. But to prioritize profit over people will force bad decision making and will ultimately corrupt the character of the project, causing your team to view community members as potential assets and ascribing value to neighbors based on their presumptive net worth.

Of course, all of us, in the abstract would reject these ideas. But in the day to day of running this kind of business initiative, it becomes much more difficult to practice this work purely. To that end, we strongly recommend that the safeguards against this kind of corruptive potential be explicitly stated in your foundational documents, are the basis for an annual (or more frequent) review of all of your group’s practices, and inform the questions you ask your community members to reflect back to you in terms of how they are perceiving your team’s presence and work in the neighborhood.

## Gentrification and/or community abandonment

From a community development perspective, one of the biggest dangers of housing redevelopment projects is the danger of contributing to the gentrification of the neighborhood. In short, gentrification happens when economic and housing development transforms a neighborhood for the benefit of a new wave of residents (not for the long-time residents) who are, generally speaking, culturally different than the current residents of a community. The economic implications of such development (rising taxes, etc.) create an untenable situation for the existing community and many, or most/all, of the current residents are forced to look for affordable housing elsewhere as they are 'priced out' of their own community.

From the outside looking in, the movements of gentrification are often praised as stories of community renewal and 'neighborhoods on the rebound' but in most cases, it simply acts to relocate poverty and to further marginalize people experiencing various forms of vulnerability. While the particular space might not be plagued with the same degree of social problems, the story is really about relocating the pain/brokenness somewhere else rather than an actual transformation of the community in question.

We contend it is the **RESPONSIBILITY** of your group engaged in affordable housing work, to lay out a strategy to resist further economic marginalization in your neighborhood. Good intentions can often create bad outcomes and so extreme care and caution should be taken to ensure this is not happening in your community.

One of the ways your team can resist gentrification, is through proactively seeking to re-engage the disengaged resident. Neighborhoods become vulnerable to gentrification through rapid and widespread dis-investment and when current residents relocate to outside communities. A single pronged plan to redevelop housing will, in many cases, not be enough to resist the kind of real estate speculation that leads to gentrification. However, a targeted affordable housing strategy can act as a sign of hope to community stakeholders who might be considering relocating themselves. In fact, we have seen this born out in our work thus far. To that end, the base of residents engaged in working to rebuild their community and develop the resiliency of their neighborhood gets broader as more people come together in various ways around a common goal.

Resisting gentrification is a critical goal. There are many resources that your group can tap into on this subject, so while we aren't laying out a specific strategy for resisting gentrification, we are saying it is essential that you have an explicit plan to do so and that that plan is vetted by credible

sources from various cultural perspectives to ensure that, from the outset, the project aligns with the best practices of actual community transformation. This is an essential part of the development process, in particular, if your team is largely/entirely representative of majority culture folks or is, in any way, geographically/economically differentiated from the neighborhood in question. For those of us for whom that is true, outside perspectives can clue us in to dynamics we might miss, or dangers we might inadvertently perpetuate in seeking to do good in the community.

### **Getting lost in bureaucracy**

Lightweight and legal. These are important words! In creating your business entity, it is critical that you perform the due diligence required to comply with the various regulations in your community. However, we urge you to resist the temptation to build a bureaucratic structure that is too cumbersome to be nimble and efficient. The day to day decision making structure and oversight considerations should ensure that the work is done with excellence and credibility but at the same time it needs to serve the goals of the project not the other way around. As mentioned above, in many cases this will mean setting up structures and processes discernably different than the structures and processes of the church that births the idea in the first place.

## **Questions to Consider: Introduction**

As you explore and evaluate the possibility of beginning an affordable housing project in your community, we invite you to use these questions (based on the Introduction) to aid in the examination of the foundation of the initiative, even in the early stages of planning.

### **Why? (Motivation/vision questions)**

- What is driving the desire to create an affordable housing initiative?
- What are the factors that led to this?
- Why housing? (and not food insecurity, for example)?
- What are the theological/faith commitments driving this work?

### **How? (Method/values questions)**

- Who is on the team? Who is not on the team?
- Who are your leaders? How were they identified?
- What are the relational connections between your core team and your identified community?
  - How are those connections being broadened and strengthened?
- How are you demonstrating a commitment to people over profit?
- What is your strategy for wholistic engagement with the neighborhood? How, and by whom, are the other issues community members face addressed?
- How are you fostering community trust and mutuality in the development of this work?
- What are your strategies for resisting gentrification and community abandonment?
- How will your team cultivate ongoing relationships with people engaged through housing?

## **Resources**

- *Community: The Power of Belonging* - Peter Block
- *Seeking Shalom* (A video curriculum)- [luptoncenter.org](http://luptoncenter.org)
- *Poverty, Inc.* (Documentary)- Netflix, iTunes, Amazon

## Part 2: The Work Before the Work

### Developing Vision and Consensus

Perhaps it goes without saying but the work of affordable housing is not something that a person can do in isolation. It requires broad levels of consensus and collaboration in order to ensure even the initial, to say nothing of the long-term, success of the project. This consensus will need to exist at the leadership team level, within your broader congregation, and in the community (both neighbors and community leaders).

In the excitement of planning and launching a new initiative like this, the temptation will likely be to overestimate the amount of true consensus around the idea and to underestimate the amount of ‘work before the work’ is needed to gather people around the project in a way that can sustain under the difficult and, sometimes, tedious work ahead. To that end, the first step in a project like this is to develop, and implement, a long-term strategy for building vision and consensus. This work is really never done, but in the time before the project commences, concerted efforts in this area are essential.

### **Congregational Discernment and Imagination for Justice**

- **Teaching on essential justice themes**

One of the primary ways that you will be able to build congregational consensus toward an affordable housing project is by ensuring that the themes of justice, and more specifically, explicitly teaching around the intersection of theology and housing (see Part 1), find concrete expression in the various public venues in the life of your congregation. Widespread commitment to these themes is aimed at creating conversation and developing common language within the congregation.

Preaching/teaching about justice will not suffice as the only strategy for building consensus but it is an essential component. Because language helps to create culture, consistent attention to these issues ‘from the front’ will aid in developing a congregational imagination active enough to embrace the work. Additionally, this demonstrates a ‘whole church’ commitment to this work rather than it being merely a marginal ministry within the life of the church.

- **Developing leaders**

Larger than merely building a leadership team for the project itself, an essential component of building congregational consensus is by intentionally integrating justice into the leadership development within the church.

As you think about essential competencies needed for leadership within the congregation, a leadership base that is increasingly articulate and thoughtful regarding issues of justice and community development would be a critical metric for evaluating congregational readiness for a project like this.

Ultimately, it will be this broad group of leaders in your congregation who will have to discern together the movement into affordable housing and it will be this group who will have to lead the congregation in process of embracing, supporting and sustaining the work in the community. Overlooking the importance of an increasingly developed/engaged leadership team will significantly impact the long-term health of the project.

- **Immersive experiences**

As is the case with everything in life, people who immerse themselves in a new situation or experience will be the most likely to shift perspectives, priorities and passions. To that end, we recommend that your leadership team create pathways for people in your congregation to encounter the work of affordable housing in person. As you develop partnerships within the community and network with others doing the work of affordable housing, look for opportunities to plan site visits that couple seeing the work in action with learning from these experienced practitioners about the work and the value of engaging in these types of project. We would be happy to help you locate potential locations for such an experience.

In addition to this, we recommend looking for ways to really connect your congregation with the life of the community. Create opportunities for people to spend meaningful time with their neighbors and community leaders listening and learning in order to develop relationships and also to aid congregation members in listening for God's direction.

## **Community Assessment**

Alongside of developing your congregational capacity for the work, equally important is a thorough and in-depth assessment of the community. Too often, community development projects are planned without an understanding of the community needs and opportunities. We

recommend a focused and intentional strategy of gathering data and demographics that will contribute to your understanding of the scope and potential impact of an affordable housing initiative.

It might be helpful to divide this into two general buckets of needed information; assets and opportunities.

- **Assets**

First and foremost, it is critical to recognize that the answers needed to address the community issues are very likely already present in the neighborhood. This is an important value that shapes the posture of engagement for any group seeking to see an under resourced community renewed. It changes the nature of the work from seeing it primarily as bringing help to a community without potential to identifying the capacities and untapped potential of a neighborhood and finding ways to aid in unleashing those gifts/skills/talents to the benefit of the larger community.

To that end, asset mapping is a critical skill and essential component of any data collection strategy. As you engage in the community, work to identify the assets present in the community that can be built on to achieve the goals. Identifying and cataloguing the assets of a neighborhood also creates the opportunity for meaningful intra-neighborhood collaboration and resists the notion that there is no meaningful work happening in the neighborhood already. We would be happy to consult with you further on effective ways of mapping the assets and potential in your community.

We encourage you to explore the Asset Based Community Development (ABCD) Institute for more resources related to this manner of community engagement and learning.

<https://resources.depaul.edu/abcd-institute/Pages/default.aspx>

- **Opportunities**

In *Community: The Structure of Belonging*, Peter Block identifies the tendency to define communities by their problems as one of the primary obstacles to meaningful community transformation. This tension is always present, and is, quite often, very hard to navigate. However, the intention behind that insight is worth thinking through even as you begin to identify the particular areas of struggle for your community. The various issues that might cause us to see a community as a problem are, in fact, the opportunity points for meaningful engagement.

It will be important when tracking this data, to be very precise in your understanding of the specific ways in which poverty or economic dis-investment has impacted your community. Data, of course, can be construed to mean many things, so digging into the numbers to understand the

impact (and cross checking your conclusions with other long-time community members/leaders) on the community will be important.

- Important data to collect

- Current conditions (and historical trends) related to blight and disinvestment, abandoned homes, etc.
- Statistical data from organizations dealing with transitional housing, homelessness, subsidized housing, etc.
- Poverty statistics, employment trends, and the historical ‘movement’ of poverty in your larger community.
- Economic conditions with accompanying forecasts for the ‘price to play’ in your targeted community. Before beginning the work, you will need to assess the feasibility of the project based on the cost of purchase and renovation. Our pilot project identified a window of \$50-60,000 as the window in which we could rehab a home and feel generally secure in the investment. Going above that amount puts the economic feasibility of the project at risk. This is important work that fills out a business plan.

- **Developing “Bi-focals” in your community**

Community leader and pastor Jonathan Brooks often says Christians need “bi-focals” when engaging with their community. This is a dual lens approach to seeing your community. At one level, we see the challenges of a community, observing those opportunities for development toward flourishing. But at another level, we see and celebrate the potential and existing beauty of our place in all of its forms. While not an easy balance to strike, it is essential in the work of meaningful community development.

One helpful practice for focusing those bi-focals is something you might call *Pray and Break Bread*. Organized around the Lord’s Prayer, you create regular and consistent space for groups of people to prayer walk through the neighborhood (asking God to give them glimpses of the Kingdom ‘on earth as it is in heaven’) This happens when we learn to observe the beauty of God and His Kingdom already present in the people and place we call home AND as we learn to dream together about what might be different about our community if God’s Kingdom took full root in this place. As you walk, pray and discern through the neighborhood, finish your time by

gathering at a local restaurant to eat and reflect together about the things God is teaching you through these times together.

- **How do we gather the information?**

There are many ways to gather information and it is important to think through ways of gathering information in a way that **ALSO** enables your team to build relationships within the community.

Certainly, you can use information you access online through census data or through sophisticated tools like MissionInSite, but in addition to this, set up meetings with city officials in housing and human services departments. Come to those meetings prepared with information you gathered online/observationally, and ask thoughtful questions that will help you dig deeper into the implications of the information you have gathered and will demonstrate credibility and commitment to those community leaders.

Develop systems of organizing information but also look for ways to creatively curate that information in tangible/visual ways for congregation and community members to engage with. We would be happy to consult with you on best practices and additional resources for meaningful data collection in your community.

## **Congregational Understanding**

- **In-House Assets and Opportunities**

In much the same way that your team gathered information in your community, it is important to understand your congregation related to assets and opportunities. No doubt as your team begins to talk about and explore the possibility of affordable housing work within your congregation, you will discover that both are present and in need of attention.

Your congregation is replete with assets that will aid in the work of affordable housing. Taking time to access those skills, many of them might be hidden!, will help you build a leadership team with the raw material necessary for a successful project. Asset mapping your congregation is a valuable tool for many reasons and, if you haven't done so already, a focused effort toward that end will prove helpful on many fronts. Once you have that information you can move forward in the process of building out your leadership team.

At the same time, as you explore the work of affordable housing with your congregation you will identify opportunities for growth in your congregation and will be able to see the potential

'in-house' obstacles to overcome before launching this kind of project. Getting this information assembled in a thoughtful way will prove invaluable throughout the life of this initiative.

- **Develop your congregational narrative**

Every congregation has a story. Who in your church knows that story? More importantly, what kind of ideas/insights/opportunities for meaningful ministry are opened up when that story is told and celebrated?

As you think about building congregational consensus, look for touchpoints in the history of your church as building blocks for that consensus. Stories shape the identity of a group so when you use that story you hone in on the cultural identity of the people as an impetus for continued, and deepened faithfulness to God in the future.

- **Vision Casting**

Compelling stories about personal and community transformation because of housing initiatives will give people a picture of what is possible with an initiative like affordable housing. Stories represent the impact beyond the theory and so give people vision, even in their telling, that will far surpass the potential impact of theory/statistical driven motivations.

Beyond relating direct stories of affordable housing, it will prove helpful to incorporate the larger story of God's redemption and renewal into the vision of affordable housing. Housing redevelopment is a parable of new creation. Finding ways to unpack that helps to imbibe the project with theological depth and meaning. See an example of this kind of vision casting [here](#).

- **Integrate with Discipleship**

Before using the language of mission to cast vision for an affordable housing project, it is critically important that your congregation understand that, first and foremost, justice (and its specific expressions) is a matter of discipleship. Seeking the wholeness and flourishing of your community is what faithfulness to God looks like. To that end, a people called to obedience to God and alignment with his Kingdom values must see this kind of work as an expression of that obedience.

Beyond this, engaging in this kind of work will help expose areas of our lives, and our life together, that might be in need of reshaping/forming. Our own opportunities for growth, if you will. Pastorally, your leadership team should be prepared to engage with people about the ways in which God uses this kind of work to root out their own brokenness and to carve out pathways for

spiritual growth. While this is difficult work, it is worthy of celebration and a positive recognition that God is at work and this is all part of the process of our formation as Kingdom citizens.

- **Talk about mission**

Abstracted love is not really the love of Christ. Jesus demonstrated the love of God in overwhelmingly sacrificial, personal and tangible ways. Recognizing this, demonstrating the love of Christ must cost us something and if it does not hurt at some level it is likely a protracted version of the love of Christ. Giving people vision to see the ways an affordable housing project is a tangible way of loving others will be critical. In casting vision around a project like this, and anticipating the potential objections within a congregation, take care in crafting vision that invites people to see the real and tangible impact of these ideas/strategies.

There has been a long term disconnect in many churches between the applauded development work in global settings and the need/viability of those same strategies applied in a domestic context. It may be that the need exists for your team to help people in your congregation connect the dots and embrace a wholistic picture of the gospel and what that comprehensively good news means practically on the ground in your local community.

- **Re-engaging disillusioned Christians with a compelling vision for the life of faith**

The data is well documented regarding the trending development of younger generations of Christians feeling disconnected, if not disillusioned, by the church. It seems that it is not so much a rejection of God but a critical posture toward a way of faith that seems disconnected from issues close to their heart.

We contend that helping older generations within your congregation embrace an initiative like affordable housing, not only because of its missional impact on the community, but also for its potential to re-engage emerging generations of Christians is a worthwhile conversation. As one of our leaders put it, “Grandmas will get behind something that engages their grandchildren.”

Certainly, this is not the primary reason WHY you engage in affordable housing, or similar justice projects. However, it does give your congregation an opportunity to pause ask what we might stand to learn about the gospel and God’s Kingdom mission if we take seriously the questions/concerns/passions of younger generations.

## Team building 1: Developing leaders

Perhaps the most essential part of the project, and the central determining factor of the initiative's success, will be the quality, depth and commitment of the central leadership team. We want to encourage you, from the outset, to spend as much time as it takes building a core leadership team that will be able to provide passionate, competent and steady oversight and direction.

Later in the handbook, we will discuss the role of paid staff, so this section, while broadly applicable in both cases, is focused largely on the initial formation of a volunteer leadership team, from within the congregation, that will be tasked with getting the project off the ground. This volunteer leadership team will be invaluable to you as you do the work of building consensus within the larger congregation, engage in demographic work in the community, meet and build partnerships with city officials and other community partners. To that end, this leadership team requires a collection of high capacity leaders who have served in various roles with significant responsibility inside and outside the church. Because the work will involve issues of real estate, finance, project management, contracting, etc. not to mention discipleship, evangelism and the like; this is a critically important team to build well from the very beginning.

As you think about assembling your leadership team, consider the gifts and skills present in your network (either in your congregation or in the larger community) and the people who would not only contribute to the mission, but would also thrive in such a role. Are there urban planners in your network? Realtors or general contractors? Legal, finance, social services? Think through the various potential dimensions of your team and the central types of expertise you'd hope to utilize and go find those people! Additionally, leaders in an affordable housing project will need to be comfortable, and even eager, to interface with a broad array of constituents and will need to possess an ability to work collaboratively with community leaders, some of whom may not share common vision, values or commitment to community transformation. Understanding your leaders' comfort with these interactions early on will prove critically important over the life of the project.

In building this team, it will become obvious very quickly the way inviting people to use their gifts and passions in a straightforwardly Kingdom oriented way will ignite the excitement of a swath of your congregation that perhaps haven't been engaged previously. Remember, you are building a team that represents a wide range of skills and fields of expertise. To that end, it is critical that you release these leaders to do what they have the skills and experience to do.

Certainly, as the central leader, you will want to guard the whole team from mission drift etc. but if you have done your job of building a strong group of leaders then you should trust that work, and the work they will produce, and allow them to lead out in the areas in which they are gifted. This will produce at least two helpful benefits. First of all, the rest of the work you are tasked with will not suffer as you labor to get a fairly intense project off the ground. Secondly, the project will be ‘owned’ by a team of leaders (and by proxy a larger group of community stakeholders, in and outside the congregation). The benefit of having a team like this lead out is that it does not rest on the charisma or margin of the central leader alone to make it happen. It ensures greater potential success over the long haul if the whole community is bought in at the ‘ownership’ level.

One potential danger to guard against is building a leadership team that is too large. Certainly, you want to build a team with an array of gifts and perspectives, however, if a team gets too large it will constantly trend toward inaction and group think. To that end, 3-4 carefully selected leaders (in addition to yourself as the primary leader) is a good starting point. This is a large enough team to shoulder the responsibilities required, and represent a diverse set of gifts and ideas, but it is still small enough to ensure accountability for project tasks and efficient decision making along the way.

As the project plan grows, and your team begins to cast vision and build consensus within the congregation, it is likely a large group of new potential leaders or volunteers will indicate significant interest in having a leadership stake in the initiative. As a leadership team, it will be critically important that you think through these offers for help with a great level of discernment. Unlike many ministries within the church, which are designed to incorporate large numbers of volunteers in specific ways, affordable housing projects are not necessarily set up to empower a large number of volunteers. The precise, and technical, nature of the work requires a relatively small number of people working out of specific fields of expertise, a dynamic not entirely suited to large pools of volunteers. This is not to say that volunteers won’t be needed at all, or that there might not be really wonderful and creative ways for the entire congregation to involve themselves in the lives of folks engaged through the affordable housing project; it is simply a caution against losing your effective edge through a large, thus blunted, volunteer force.

## **Team building 2: Developing partners**

Beyond developing a team of ‘in house’ leaders who can provide necessary leadership to the launch of the project, your team will also need to foster relationships with various partner constituencies and organizations in the larger community. It goes without saying, perhaps, but the work you are doing in the community is not being done in a vacuum. Working to revitalize your neighborhood started before your work did and will continue after your team is done. Good ideas have been tried, and some bad ideas have failed in the very place you want to work. Organizations have gained ground on particular issues and are finding the ‘constellational’ points of impact long before you will. All of that information is available to your team through the development of meaningful, mutual and collaborative partnerships within the larger community.

First of all, as a stakeholder in the community, you need to build trust and confidence with city leadership. In some cases, this might be the mayor’s office, in other situations it could be your city councilperson or equivalent. It will also likely include the office of housing and urban development. In developing relationships with those leaders, be sure to practice the posture of listening servant. Your agenda is not at issue in those meetings, rather, the good of the city, and more specifically your neighborhood is. That is something that everyone can get behind! Ask as many questions as you can think of in order to unearth insight into the history, legacy, political/social/economic dynamics that will influence your work. Understand the nature of collaborative partnerships and be willing to participate with your city official(s) in broader scope initiatives that demonstrate your trustworthiness and credibility.

With all that in mind, and with the honest goal of fostering healthy partnerships at the center of your interactions, recognize that it is likely the case that you will not have a perfect relationship with every city leader. Agendas might conflict, and issues arise that create conflict or tension within the city structures. Thus, it is really important to develop a plan for building relationships within the city structures. As you understand the path of housing and better learn how to navigate the political process in your community, it will become clear those people with whom a relationship is essential and the people to potentially work around in order to maintain good partnerships and accomplish the mission.

Secondly, you will need to build collaborative partnerships with organizations in the community. Primarily here, working alongside the neighborhood association, in a humble and submissive posture, is essential to doing this work the right way. Interestingly, in many

communities where transition is happening, there may be competing neighborhood associations; between established long term residents and residents new to the community. Often times this happens in a situation where gentrification is threatening a community and the newer neighborhood association represents the interests of people who are, even unknowingly, contributing the further economic and social marginalization of the more vulnerable people in your community. With that in mind, it is critical that your team build relationships with the people who have been long time community stakeholders and who stand to benefit from your work, and who might stand to be hurt by a wave of gentrification. Submit to their interests in the neighborhood, represent their interests in your spheres of influence. This is so very important to building trust, credibility and having the long-term impact you desire.

Beyond the neighborhood associations, there are other non-profit initiatives working in and around your community. In the best situations, this web of non-profit support creates a web of nurture for under resourced and economically vulnerable neighborhoods. In this case, each community development entity fills a specific niche within the larger goal of community transformation. While this is not always the case (and non-profits sometimes compete with each other rather than collaborate), we want to encourage your team to do the difficult work of nurturing collaborative relationships within the community development network with the goal of collaboration and the avoidance of reduplication of efforts. There are many potential benefits to building these partnerships and we are confident it will prove valuable to your work in the community over the long haul.

Lastly for this section, you will also be working in collaborative partnership with a wide array of entities who make your project happen. We are here speaking, of course, of business leaders like general and sub-contractors, real estate professionals, etc. As you consider the manner of these partnerships, we want to encourage you think about those relationships as an extension of your church. Particularly in the case of your general contracting partner, assuming you work with a single contractor primarily, that business leader is going to be the face of your church to the community through the affordable housing project. With that in mind, it is important to work hard to vet potential business partners for consistency and excellence in terms of both ethics and results. Have extensive conversation with these partners about the nature of your work, and its goals, to discern the real degree of resonance between their business and your mission. In the long run,

there is incredible potential fruit that can be born out of a relationship like this if you do the long, and sometimes tedious, work of developing common vision with these vital partners.

In the end, you cannot do the work alone and these are the three major groups of people with whom healthy collaborative partnerships will need to be developed. It, likely, seems a daunting task to develop these relationships but if you are just now starting to build these partnerships then we want to encourage you to use your leadership team to work together on this aspect. Perhaps one person is tasked with building partnership with city officials, another non-profit organizations, other neighborhood associations and so on. The time your team spends building these relationships will greatly increase the potential impact down the road, so we encourage you to not overlook the importance of this phase of developing your project.

## Questions to Consider: The Work Before the Work

### **Developing Consensus and Vision**

- What is your strategic plan for building consensus in your congregation? Does it address areas of teaching/preaching, leadership development, discipleship and mission experiences?
- How are you assessing your targeted neighborhood? What tools and methods are you employing to gather data? What relationships are you building to help you learn about your community?
- What assets and opportunities are present in your community? How are you helping your team develop 'bi-focals' to see both in tension with each other?
- What gifts, skills and passions reside in your congregation that might prove helpful as you build your strategic plan?

### **Building Leadership Teams and Community Partners**

- What key skills and competencies are represented on your leadership team? What might you need to go to an outside source to gain added expertise?
- How are you balancing the tension between guarding the vision/plan and empowering the people around you? Would the work continue, and thrive, if you were not around?
- How are you creating meaningful, and appropriate, ways for your congregation to get involved? What kind of 'wrap around' projects might be good ways to engage larger numbers of concerned people?
- What is your strategic plan for developing collaborative partnerships with city officials, organizations, and neighborhood associations? How are you ensuring the developing of wise, discerning and healthy relationships on this front?
- What is your process for establishing working partnerships with contractors, realtors, etc.? How will you ensure that, irrespective of their religious affiliation, they are committed to the goals, values and processes your team has/is establishing?
- Whose voices are represented at the leadership level? In other words, who is being valued in this process? Who is being left out of speaking into the direction?

## Resources

- [www.census.gov](http://www.census.gov)
- [www.missioninsite.com](http://www.missioninsite.com)
- <https://resources.depaul.edu/abcd-institute/Pages/default.aspx>
- *Missional Map-Making: Skills for Leading in Times of Transition*- Alan Roxburgh
- *The Power of Asset Mapping: How Your Congregation Can Act on its Gifts*- Luther K. Snow
- *The Practice of Adaptive Leadership*- Heifetz, Grashow, and Linsky
- *Failure of Nerve: Leadership in the Age of the Quick Fix*- Edwin Friedman

## Part 3: The Work itself

### Building the plan

- **Formation of the business entity**

One of the primary ways in which you will mitigate liability, for your church/leadership etc, is through the creation of an LLC which creates a legal firewall between the housing project and your church. The benefit of such an entity is that it is still ‘owned’ by some kind of parent entity (church/non-profit/person) so there is still a significant amount of directional control while, at the same time, creating an entity that is nimble enough to work well in this kind of initiative.

An alternative possibility for structure would be an entirely new entity (corporation, 501c3 etc.) This might be a way forward in some cases but it should be noted that this process is significantly longer than creating a subsidiary and will delay your engagement.

We would be happy to answer questions about the process of the formation of the legal entity but would recommend that you have local legal counsel draft, review and submit documentation.

- **Developing a business plan**

Next you will want to begin the process of developing a business plan. More than a straightforward assessment of financial viability, your business plan can, and should, also include the vision, strategy, and anticipated outcomes (both financial and ‘ministry’) of the project.

To that end, your business plan, while it can be tailored to suit whatever audience you are sharing with, but should, in its basic form, give people a picture of Why you are doing this, how you are doing it, and what the results will be.

Financially, your business plan should include an assessment of the current real estate market in your community, projections on the cost of purchase/renovations and the rental/purchase market value on the home. In essence, you will need to demonstrate that your project is financially viable. In doing so, please make sure to remember that you are giving potential partners vision for why this project has value that goes well beyond money. For example, when speaking with potential donors, a business plan can help them see the way in which their donation will have a dramatically increased impact in the community because dollars donated will continue to circulate through the project being used to perpetuate the project over time. This is a significant benefit to

this kind of business model approach to community transformation and should not be ignored as you develop your strategy and cast vision along the way.

A business plan will also help you to refine the scope of your work. At the beginning, your team may want to manage the entire process of affordable housing from acquiring properties, redevelopment, property management, resident relationships, etc. However, as you project out the needed resources to accomplish that vision (financial and human capital) you may observe that one or more aspects of the big idea might need to be delegated to a new partner organization in the community. These are refining moments for your team and, while it will hurt to take bits away from the big idea, it will prove invaluable over time as you think through the scope of what is possible for your team.

As you work through business planning, we would be happy to consult with your team to help give shape and definition to your strategic plan.

## **Board and staffing structures**

- **Board and advisors**

Thinking through the board structure will be of critical importance for the long-term health of your venture. Ideally, your project leadership team can transition into board leadership roles as you launch the project.

Outside of this, your team will want to consider the balance between board members who are directly connected to your congregation and those within the larger community who might share the passion/vision who might also bring a level of expertise needed on a particular subject. The balance of board composition will have a direct impact on the long-term connection with your church. Your team should be Thinking through these issues deeply because the board will be charged with ensuring that the project stays focused on its mission and are entrusted with the broad financial/legal oversight.

If not present on the board, you will need to have a strong relationship with local legal counsel who can advise you, not only on the best way to structure your entity and ways to mitigate liability from the beginning, but also will serve as an invaluable resource as you make adjustments to your strategies down the road. Beyond this, many states require legal representation for real estate closings so having a good working relationship with a lawyer, or firm, in your community is essential.

Depending again on the makeup of your leadership team/board, developing a strong working relationship with a real estate professional may prove helpful in the process of identifying properties and in providing guidance throughout the acquisition process.

- **Staff**

At some point, as the project takes root, it will most likely become necessary to hire staff to manage the day to day operations. Particularly if your initiative involves several layers of work (rehab, management, etc.) you will want to consider administrative and operational support.

The reason for this is that initially it is possible to create something like this with a team of people for whom affordable housing is a passion but who have other priorities grasping for their attention. At some point in the process, this project will demand more attention than a team like that can provide. At this point, staffing which addresses this issue will become essential. Even though it creates an additional financial burden, the long-term success of this venture will be ensuring that it doesn't move to the back burner of priorities for an already busy leadership team/board.

We would be happy to work with your team as you think through specific roles and hiring strategies.

## **Running the business**

- **Investing in people**

We've said this in other places already, but it bears repeating; you are creating a business to invest in the lives of people. You will discover that there many ways in which this kind of initiative creates space for you, your team, your church etc. to invest in the lives of the people around you. What a tragedy it would be to allow the project to get so focused on money and profits that the people all around us become clients rather than friends, neighbors, collaborators, etc.

- **Relationship with tenants**

The most obvious iteration of this investment in people is going to come through your relationship with tenants. Even in referring to them as tenants we run the risk of losing sight of the larger goal of enfolding people into a vibrant community of mutuality, resiliency and trust. In various ways, and at various points in the process, your team will have an opportunity to build

meaningful relationships, develop capacities, and cultivate untapped potential in the people engaging with you through rentals, purchases etc.

Taking time at the outset to outline some of the ways in which your team/board will make sure to keep relationship front and center will be helpful along the way and will prove a useful evaluation matrix as you gauge your effectiveness.

- **Selection process**

To be sure, you will need to develop a thoughtful process for selecting families to live in the homes you develop. The tension in affordable housing is that many of the traditional markers for tenant selection (credit checks, etc.) might not prove useful as those criteria are often what leads to the need for affordable housing in the first place.

We would be happy to consult with you in developing a selection process that honors the humanity in each person you encounter, irrespective of life circumstances. As an example, Kinsmen Development LLC (in Dolton, IL) is based on a second chance framework (giving individuals a second chance at renting). Since that is the case, it is important for Kinsmen staff to develop significant relationships with people who apply. This is because simply reading an application is not going to give their team access to the kind of discernment you will need to make decisions in alignment with values. This means that the priority is on time spent in conversation. Kinsmen gets to know their story and seeks to understand how that story has impacted their current reality.

Certainly, there is a component of understanding if the potential tenant is able to afford the rent and still cover their other necessary expenses but this is really a pastoral kind of conversation as Kinsmen works to provide other resources for neighbors as well so if a gap is identified it is not an automatic disqualification, rather it becomes an area where more conversation is required.

- **Pastoral strategies in affordable housing programs/initiatives**

Once you start to engage with families you will have a wealth of opportunities for pastoral engagement. To be sure, your congregation should invest in these families and find ways to connect and encourage them in their process. At the same time, the particular dynamics of such a relationship is fraught with the possibility of creating a dynamic of paternalism and patronage that works against the value of mutuality.

In all of your relationships with tenants, the primary question should be; how do we move past ‘us’ and ‘them’ and become ‘we’? Honestly, rigorously and critically evaluating your actions

through the lens of this question will go to great lengths to develop meaningful and mutual relationships in the community.

With that in mind, it might be helpful to create some boundaries that protect these families from being overwhelmed by well-intentioned but perhaps misguided attempts at relationship. Your team would do well to think this through.

Pastorally speaking, you should be prepared to engage at a pastoral level even when talking about hot water heaters. In other words, this kind of ministry is going to gain you a degree of trust and access to the lives of people that you have likely not experienced in the same way before.

As you engage with folks, remember that they are people! They are more than a mere client or tenant and so enter interactions with a sense of awareness to what God might be up to in the particular situation. Perhaps there is more going on than just a leaky faucet and there is something of a work of God happening below the surface. Be prepared, and maintain the margin in your schedule, to be with people in the moment in an unhurried and attentive way.

- **Job creation/development strategies**

Beyond the relationship with tenant neighbors, there will be a great opportunity to use this project to create jobs in your community and to use that employment opportunity as a way to help under or unemployed neighbors in the community.

In our pilot project, around 50% of the labor used in redeveloping and managing properties is indigenous. This represents a concerted effort between church, LLC, and general contractor to prioritize giving neighbors vocational opportunities they might not have otherwise.

Creating that kind of employment impact will have to be intentional to start, but over time word will undoubtedly spread and you will likely find a significant opportunity to impact the level of unemployment through your strategies for vocational training and hiring.

For example, in addition to hiring people from the neighborhood to perform a specific task, the relationships you have with contractors might create an opportunity to provide certification training in various skilled trades (electrical, HVAC, etc.) This is one of the significant ways in which your impact will extend beyond a specific number of homes redeveloped.

- **Rehabbing properties/ Property management**

Since each home is really a business venture, it is important to have an idea of how much you want to spend on acquisition and then on rehab. The other cost considerations would be real estate taxes, insurance, security, utilities and ongoing maintenance/lawn care. Additionally, having good relationships and connections with the political leaders in your community will prove helpful as they often can help expedite projects or assist in navigating the bureaucratic processes associated with this work.

These costs can make or break your enterprise objectives. Therefore, knowing precisely what you're willing to pay for a home and how much you want to spend in rehabbing the home ("all in" cost) determines ultimately which home you eventually purchase.

Also, having a keen eye on property condition is vitally important. For example, if you purchase a home which on the surface looks good enough to fit your rehab expectations and budget and later find that there is structural damage in the basement or crawlspace, your budget is blown and your objectives not met. Another real estate "red flag" to look out for is the presence of mold. If there is any hint that there is mold present in the basement or crawlspace or anywhere along the lower parts of the walls, a thorough mold inspection cannot be stressed enough.

The larger point in these examples is to stress the importance of not underestimating the factors which could potentially hamstring your project financially. Don't push issues down the line and hope for the best, root out solutions to problems when you encounter them and it will help to mitigate financial constraints along the way.

Beyond this, it might prove helpful to inspect the properties at regular intervals to both monitor the condition of homes but also to aid in the long-term maintenance plan your team will have to manage.

## Questions to Consider: The Work Itself

- Who is helping form our business entity? Are we lightweight and legal?
- What information do we need to build the strongest possible business plan?
  - Who will help vet our business plan?
- How are we structuring our leadership? What role do we want board members to play?
- How will we choose and develop staff?
- What mechanisms/evaluation criteria do we have to ensure that we are properly valuing people over profit and that promotes relationships of trust that don't devolve into de-personalized bureaucratic exchanges?
- Is our selection process just? In other words, is our process marked by grace and redemptive ethics or is it unnecessarily cluttered with behavior metrics that disadvantage those who might most benefit from an opportunity like this?
- What are our job creation goals?

## Resources

- Board development resources
  - [www.faithandleadership.com](http://www.faithandleadership.com)
    - Explore the Alban Institute at Duke Divinity for a wealth of resources and information on developing boards, lay leadership, structures and strategies for community ministry.
- Business planning resources
  - *Business Model Generation*- Alexander Osterwalder and Yves Pigneur

## Part 4: Sustaining the Work

### Evaluation

*How do we know if we are hitting the mark?*

As we wrap up this handbook for getting started in affordable housing, we come to one of most critical issues; evaluation. There are too many layers to this work, and too must investment of time, relationships and resources to ignore the process of critical evaluation of the work your team is doing. But it is important to measure the right things.

After all, many times, the temptation can be to measure outcomes by tracking activity. In other words, we use the energy we are expending as the evidence of our effectiveness. However, there is nothing in activity itself that serves as a guarantor of transformation in a community.

To that end, it is vital that your team establish an evaluation matrix that can effectively track and evaluation outcomes. Realistically, the outcomes that need to be tracked will vary greatly from context to context, but, in general, we recommend creating evaluation criteria along multiple bottom lines with effectiveness evaluated accordingly...

- **Personal**
  - What markers of personal/family transformation are you noting in the lives of people working in the project, participating in the project, living in properties/engaging with developmental opportunities etc.?
  - Can you note a kind of continuum of development that people engaging the project find themselves on? How are those folks moving along that continuum?
- **Community**
  - Beyond the numbers of restored properties, and community projects undertaken (not an insignificant marker, but can merely be a reflection of activity and not transformation), are there ways to quantify the effect of your project in the larger community? What evidence of transformation ‘spreading’ can you point to showing that the community is catching a vision for collaborative partnerships toward community transformation?

- For example, are residents articulating the desire to stay and engage in the process of seeing the neighborhood turn around? Are they joining up or investigating new forms of engagement in the community? Etc.
- **Financial**
  - Review the financial impact of your work on the community. It is important to regularly evaluate the relationship between your work and factors which can lead to gentrification. This data will enable your team to investigate and prioritize new ways of resisting economic marginalization of long term residents and build a more resilient and whole community of neighbors.
  - Beyond this, is your model demonstrating sustainability (or a move toward this) or is it creating a dependency on outside sources of charitable donations in order to make it work? These questions will drive the long-term future of the project. We believe that sustainability is a key factor in determining the effectiveness of a project like this.

Evaluation should be done more frequently than annually, though a thorough annual review is essential. Beyond that, a monthly project ‘audit’ would be a source of invaluable information for your team.

In particular, community stakeholders (residents, community leaders, etc) will be excellent partners in the work of evaluating the impact of the work, and the posture of your team engaging in that work. Understanding (that is, really listening and adapting methods based on feedback) the community’s perceptions of your work is of inestimable worth to the long-range effectiveness of your work and, unfortunately, probably the aspect of evaluation most likely to be overlooked and downplayed because it will require time and intentionality to gather and digest the information. Having neighbors and community stakeholders on your board, directional team, staff, etc. will help in gaining access to those perceptions but it will be necessary to go beyond the natural connections you have in order to fish out a wide array of perspectives. We want to encourage you in that process by suggesting that you also consider that work of obtaining various voices as doing a kind of double duty as it will also help you build resiliency in the community, develop trust with neighbors and discover people with talents and experiences who can contribute meaningfully to the overall transformation goals in the neighborhood.

## Multiplying the movement

- **Scaling up sustainably: Building a business for the long haul**

As we built our pilot program, we aimed to create a model of 20 homes. At that point, we were confident that we would have enough data to hone our process, but at the same time, we were then working with enough capital/resources/raw material that we could set a sustainable pattern for years to come. In an ideal sense, after an initial 20 homes are completed and occupied, the initiative should be nearly, or entirely, self-sustaining.

We recognize that any distressed community is going to need far more than 20 homes redone, but that number has proven helpful for us as we learn from our mistakes and develop strategies for the future. The same will likely prove true for you. The number (20) is not exactly arbitrary but could be moved around a bit depending on the financial constraints and real estate realities in your neighborhood. However, the premise remains the same. Rather than create an initial strategic plan that forecasts abstractly out into the future (i.e. a model in perpetuity) we recommend creating an initial strategic plan that has concrete numerical goals and benchmarks, not as a way of touting your success, but rather as an attainable goal that will allow you to hone your process/methods/practices going into the future.

In considering a pilot of 20 homes, we were then able to think and strategize in sets of 20 homes. By grouping homes together, we discovered tremendous benefit in many arenas (financing, project management, families engaged, etc) that would not be the case if we had a home by home strategy. The long term strategic plan is then built on this strategic concept.

When we know what it costs to develop 20 units, and we understand the relational and ministry investment that engaging another 20 families takes, we are better able to make decisions on when to move into the next phase of re-development. The actual time and investment needed for 20 homes provides a significant opportunity and in the event of delaying a 'next phase' there is still plenty of work to be done on the business and relational sides of the initiative.

## As you begin to discern...

As we bring this handbook to a close, we want to encourage your team to lean into the questions and topics explored here. We do not suppose that this resource contains all the needed information or even understands the issues fully. We do pray that God uses the conversations and reflection stirred by this handbook to help in the shaping and implementation of your ministry project. We look forward to the way God will work in, through and around your congregation and we honored to serve as a resource to you along the way.

*“Unless the LORD builds the house, the builders labor in vain.” Psalm 127:1*