

# Many Roads Lead to an Affordable Community

*Tom Connaughton and Leslie Scally stand on the porch of their new house on Page Street in Charlottesville.*



SCOTT F. SMITH

**An amazing thing** has happened in cities across the United States. REALTORS® and city officials, despite their economic stresses, have made up their minds to get more working people into affordable homes. And they are succeeding.

The National Association of REALTORS® and the U.S. Conference of Mayors first joined forces in 2003. Their objective was to promote home ownership and affordable housing opportunities for all segments of the market. REALTORS® already considered themselves ambassadors for cities, neighborhoods, and communities. For new residents or potential homeowners, they often serve as the first point of contact to the city's residential districts.

Mayors saw a chance for their cities to benefit from what REALTORS® do naturally, and the new program took off. Each year, exemplary REALTOR® associations and cities receive Ambassador for Cities designations and **\$5,000 awards** to foster their initiatives. NAR and

the U.S. Conference of Mayors use their organizations as platforms for promoting affordable housing, which helps the successful associations gain public recognition and stature in their communities. As of 2008, 29 REALTOR® associations have been recognized (see the listing of winners on page 36).

Stories of eight particularly successful Ambassador cities follow. They illustrate only a few of the diverse programs that REALTORS® and mayors have launched. Some seek to help families transition from renting to owning a home, as in **Iowa City**, or to reduce persistently high foreclosure rates, as in **Memphis**. In **Orlando** and **Boulder**, associations have actually helped to build affordable properties. In **Cincinnati**, REALTORS® are raising awareness of affordable housing stock that is already available. To enable essential service providers to live closer to the communities they serve, **Charlottesville** and **San Diego** have established low-interest loan and small grant programs for first-time buyers. →



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*Affordable housing in the Uptown neighborhood of Memphis.*

Ambassador associations all work in tandem with local partners in the public sector, and some bring on additional private sector partners. In **Baltimore**, REALTORS® teamed with a local economic development foundation to promote a market-driven approach to make vacant city-owned properties more available and attractive to interested buyers.

Ambassadors find various ways to launch joint efforts. Some have joined civic task forces or initiated them in order to assess community needs. Many are working closely with local government and other community partners to bring about improvements in local housing policies.

### Getting There Is High Priority for All

One thing all of these associations have in common is a determination to alleviate the suffering of residents who cannot afford a decent place to live. A surprising number of people fit that description.

“Affordable housing,” according to the U.S. Department of Housing and Urban Development (HUD), is housing that costs no more than 30 percent of a family’s annual earnings. A family paying more than 30 percent is



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**When housing costs are within the reach of the workforce, neighborhoods grow stronger and more marketable. When public service employees are close to their jobs, government performance improves.**

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considered “cost burdened.” It may have difficulty affording necessities such as food, clothing, transportation, and medical care.<sup>1</sup>

*The State of the Nation’s Housing 2008*, published by Harvard University’s Joint Center on Housing Studies, reports that 18 million families spend more than 50 percent of their income on rent or mortgages. Millions more spend between 30 and 50 percent. The number is increasing the fastest among homeowners. In an April 2008 survey conducted by the National League of Cities, 62 percent of city officials said that in the past year it had become difficult for low-income families to become homeowners in their communities.

The effects of the housing crunch ripple across society. Public servants—firefighters, police officers, teachers, nurses—can no longer live in the communities they serve. When housing is unaffordable, employees can’t find decent, affordable housing options near their jobs, so employers lose the ability to attract and retain workers. As business revenues fall, so do municipal tax revenues: one-third of city officials expect to end 2008 worse off than 2007. Local economies suffer.

For most Americans, home ownership is the single most critical step in wealth creation. Typically, when a home remains out of reach, so does a college education. Retirement security evaporates.

Conversely, when housing costs are within the reach of the workforce, neighborhoods grow stronger and more marketable. When public service employees are close to their jobs, government performance improves.

This is why Ambassadors for Cities are winning the support and admiration of civic leaders across the country. Ambassadors’ programs seldom bring about overnight success. Public-private partnerships typically require lengthy negotiations, often with public review. Similarly, turning a family’s credit score around means a long-haul commitment. But by reaching out to serve low- and moderate-income home buyers, REALTORS® gain visibility as effective advocates for all segments of the community.

The REALTOR® associations in Ambassador cities all stand ready to share their formulas for success with other associations. Interested in learning more? Get in touch. [\[E\]](#)

1. Department of Housing and Urban Development (HUD), “Affordable Housing,” <http://www.hud.gov/offices/cpd/affordablehousing/>.