

Data Collection to Inform State and Local Preservation Strategies: What Has Been Learned from These Efforts So Far?

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This working paper focuses on how the assembly and analysis of inventories of subsidized housing developments can help to inform state and local rental housing preservation strategies. Specifically, we reviewed efforts to compile a “preservation inventory” in four localities — Florida, New Jersey, Cook County, Illinois and New York City — as well as available information on preservation initiatives in other communities to learn how data are being used to facilitate the identification of properties at risk of loss from the affordable housing stock. While each of these data collection efforts is at a different stage of implementation, together, they offer some initial lessons about how such analyses can be conducted and the ways in which preservation inventories can be used.

In brief, we found that:

1. Localities are focusing primarily on **properties at risk of loss through “opting out”**¹ of rent-restricted subsidy programs. While deterioration also threatens the continued availability of affordable rental homes, data related to physical condition are less readily accessible and collection of this information tends to be on an ad hoc basis.
2. Most inventories **do not yet include properties that operate without government subsidies but are nevertheless affordable**, although several localities have identified inclusion of this segment of the rental stock as an eventual goal.
3. Database administrators face similar **challenges when merging datasets** from multiple sources and have developed creative ways of working around these obstacles.
4. While all preservation inventories enable identification of at-risk properties, the specific **ways in which preservation inventories are used vary**. Some efforts are structured to facilitate the preservation of individual properties, while others have been used primarily to educate the public and policymakers about the extent of the problem.

The paper is organized into sections addressing, in turn, each of the following questions:

- Why is it important to focus on rental housing preservation?
- How can the collection and analysis of data be helpful in crafting rental housing preservation strategies?
- What approaches have been used to compile inventories of subsidized housing?
- What challenges do database administrators face when compiling inventories of subsidized housing?
- How are inventories used to advance preservation initiatives?

¹ As used here, this term describes properties that leave the assisted housing stock when their affordability period ends, generally through prepayment of mortgages, non-renewal of expiring affordability contracts or termination of affordability upon expiration of use agreements.

- What steps have been taken to analyze the unsubsidized rental stock?
- What data collection and analysis efforts are underway at the national level?
- How have these data collection and analysis efforts affected the development of policy?
- What has been learned from these efforts so far?

Why is it important to focus on rental housing preservation?

Rental housing provides an affordable home to millions of families across the country. Some of these homes have below-market rents attributable to government subsidies, while others are unsubsidized properties that are nevertheless affordable. As states and communities are increasingly recognizing, however, much of this affordable rental stock is at risk of being lost. On the subsidized side, the risk comes from owners' decisions to leave the government subsidy programs and charge higher rents, as well as from the deterioration of aging structures that renders the housing inadequate for occupancy. Physical inadequacy threatens the unsubsidized stock as well, as owners may need to charge higher rents to afford the financing needed to renovate these developments. Changing market conditions also may cause owners to increase rents or convert rental units to condominiums. Since new market-rate construction is unaffordable to many working families as well as elderly and disabled households with moderate incomes, these losses have a significant negative impact on the availability of affordable homes.

By focusing on preserving the existing stock of affordable rental housing, state and local officials can begin to identify opportunities for early — and cost-effective — interventions to prevent the loss of affordable homes that may never be replaced. Practitioners report that preservation is often much less costly than new construction and also much faster, since it short-circuits the lengthy land assembly and approvals process required of new construction. Preservation also helps the existing residents maintain stable homes and strengthens the neighborhood fabric by improving the quality and appearance of the existing housing stock.

How can the collection and analysis of data be helpful in crafting rental housing preservation strategies?

In the short term, a comprehensive understanding of the existing inventory of affordable rental housing, and threats to the maintenance of that inventory, allows communities to identify the properties that are most likely to be lost from the affordable stock and craft intervention strategies to reduce these losses. Over the long-term, when kept up-to-date these data can help communities develop policies and programs that reduce the risk of loss and improve stability for the many families who live in these homes.

Specifically:

- Lists of subsidized properties that are at a higher risk of loss can be used to **prioritize outreach efforts to owners** and to identify properties that may need to be acquired and transferred to a mission-driven nonprofit. This approach is being used in Cook County, IL, where an initial analysis has helped to winnow down a list of 400 subsidized properties to a more manageable inventory of fewer than 100 at-risk properties that can be addressed on an individual basis.

- Analysis of the characteristics of properties most likely to be lost as a result of decisions to leave housing subsidy programs (i.e., opt-outs) can be helpful in **developing the most appropriate solutions** to effectively preserve quality rental housing opportunities. In New York City, this analysis has been linked to a mapping application that allows identification of specific neighborhoods where the risk of housing loss is greatest and a wider neighborhood-level approach to preservation may be appropriate.
- Collection of data that indicate properties' physical or financial condition can be used to identify developments at risk of loss through deterioration and **implement targeted interventions** to improve housing quality, such as offers of refinancing to generate funds for upgrades and efforts to facilitate transfer of ownership to entities that are capable of and committed to the required upkeep.
- By quantifying the extent of the problem, data collection and analysis efforts can help **galvanize policymakers** and their constituents to adopt rental housing preservation strategies. In Florida, the attention and focus on preservation as well as the availability of data to demonstrate the need informed analysis of the issue by a Governor-appointed study panel² and contributed to several legislative efforts, including the creation of a set-aside of valuable federal housing tax credits for rental housing preservation as part of the state's administration of the Low-Income Housing Tax Credit (LIHTC) program. In 2007, for the first time, \$4 million in LIHTCs were reserved for use in preservation-related projects. A similar set-aside was established in New Jersey in 2007, resulting in \$3 million in LIHTCs used for preservation to date.
- While point-in-time data can be useful for informing policy development, longitudinal accounting of the affordable housing stock allows program administrators to **track trends** in the inventory and evaluate the effectiveness of preservation initiatives. But this is only possible if housing databases are maintained and kept current over the long term.

² See A Preservation Strategy for Florida's Affordable Multifamily Housing. 2006. Final Report. The Affordable Housing Study Commission. Available at: <http://www.floridahousing.org/NR/rdonlyres/63332252-F3EA-486A-9F59-B95E7F6CDE56/0/AHSCFinalReport2006.pdf>; and The Affordable Housing Study Commission Final Report. 2005. Available at: <http://www.floridahousing.org/NR/rdonlyres/3416C64D-613A-407D-A230-3CC338F4B10F/0/AHSCFinalReport2005.pdf>.

What approaches have been used to compile inventories of subsidized housing?

To get a handle on the extent of their preservation challenges, some communities are developing “preservation inventories” that describe the basic characteristics of the subsidized housing portfolio and facilitate the identification of at-risk properties and other opportunities for intervention or action.

These data may include, but are not limited to:

- Project name
- Address
- Housing type or target population (senior, family, special needs)
- Total number of units
- Number of affordable units
- Year affordability restriction begins (year built or placed in service)
- Year(s) restrictions expire or the property becomes eligible for prepayment
- Funding sources (primary, secondary, other)
- Physical condition of the property

Generally, this information is drawn from multiple existing sources that are not compiled into a single easy-to-use inventory. The nature and extent of the data collected depend primarily on the geographic focus of the preservation database (i.e., national, state or local), the availability of the necessary data and the ways in which the database will be used. The needed data are not always easy to come by, with availability dependent on such factors as the level of record-keeping at the local level, the quality of responses from federal agencies to Freedom of Information Act (FOIA) requests, and the relationships of the organization or agency collecting the data with the funding sources such as the local or state HUD office, the regional USDA Rural Development office, the state housing finance agency and any local entities that can facilitate necessary access to data. Currently, very few inventories are comprehensive, available to the public and supported by a long-term commitment to maintain and regularly update property and program information.

The following table summarizes the types of rental housing data included in five initiatives to develop preservation inventories. In general, these initiatives make heavy use of HUD data, which appears to be typical of such efforts.³ In addition, jurisdictions tend not to include properties that lack federal or state subsidies as well as those whose subsidies consist entirely of locally controlled funding — items for which data may be scarce.

³ An informal survey of 15 agencies administering subsidized housing databases found that all included HUD data. See Keith Wardrip. 2006. *An Exploration of State- and Local-Level Subsidized Housing Catalogs: Initial Findings*. National Low Income Housing Coalition Research Note #06-03.

<p>Florida Housing Data Clearinghouse (available at http://flhousingdata.shimberg.ufl.edu/)</p>	<ul style="list-style-type: none"> • Contains data from federal sources, including HUD and USDA Rural Development • Contains data from state sources, including low-income housing tax credits, state HOME and other state programs (state bonds, housing trust fund, etc.) • Contains data on projects funded with local bonds, but has experienced difficulty obtaining information on local HOME properties • In separate databases, contains data on HUD prepayments, opt-outs, potential opt-outs, refinanced mortgages and Mark-to-Market properties since 2005⁴ • Does not include unassisted properties
<p>New Jersey Data Warehouse</p>	<ul style="list-style-type: none"> • Contains data from federal sources, including HUD and the LIHTC database; does not contain data from USDA Rural Development • Contains data on some (but not all) properties that receive funding from state programs; data are not collected specifically for state HOME properties, but HOME properties that receive funding from other sources are included in the inventory • Does not include data on properties funded through local programs or unassisted properties
<p>District of Columbia Preservation Catalog (available at http://www.nlihc.org/doc/dc/preservationcatalog.pdf)</p>	<ul style="list-style-type: none"> • Contains data from federal sources, including HUD and the LIHTC database • Contains data on state HOME properties as well as properties funded through other local programs, including DC public housing and the Affordable Housing Pipeline • Does not include data on unassisted properties
<p>Cook County, IL data clearinghouse</p>	<ul style="list-style-type: none"> • A preliminary report by Recapitalization Advisors assesses the existing affordable rental housing stock, including a program-specific review of assisted properties and evaluation of risks to unassisted affordable rental homes⁵

⁴ In a separate database, the Florida Housing Data Clearinghouse also contains data on public housing agencies, public housing developments and Housing Choice Vouchers.

⁵ See Existing Affordable Multifamily Housing in Cook County. 2002. Prepared by Recapitalization Advisors, Inc. Available at: www.recapadvisors.com/pdf/cookcounty.pdf.

<p>New York City consolidated database</p>	<ul style="list-style-type: none"> • Creation of an affordable housing clearinghouse is in development • The clearinghouse will include data from federal, state and local sources • Data on unassisted properties are planned for inclusion through use of records from the County assessor’s office, private management companies and other sources • Preliminary research examines the spatial distribution of existing assisted properties as well as the risk of loss and actual housing loss in NYC neighborhoods • Development of an affordable housing consolidated database is still in the planning stages • The database will include data on HUD-assisted properties, LIHTC properties and properties in New York’s Mitchell-Lama (a state housing program) portfolio
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Despite differences in programs included, there is considerable overlap in the data elements each inventory contains. Florida, New Jersey and the District of Columbia all include the project name, address, number of total and assisted units, year built or funded and year affordability restrictions end. Researchers in Florida and DC also document the property ownership type, while Florida is unique in its inclusion of bedroom mix and target population for each entry and DC’s catalog includes fields for the property manager, recent physical inspection scores and other notes.

What challenges do database administrators face when compiling inventories of subsidized housing?

As suggested by the experience of project staff we interviewed, there are many challenges and obstacles involved in assembling a subsidized housing inventory. This section presents an overview of some commonly encountered problems and approaches to resolving them.

Challenges associated with data gathering

- *Gaps in existing datasets* — Most existing datasets of subsidized properties are not perfectly maintained and may lack critical information or have substantial data gaps. For example, in compiling a preservation catalog for the District of Columbia, researchers were unable to determine the tenure type of some projects (i.e., whether the building is a rental, limited equity co-op, condo or other) and essential financing details — including the affordability

period — for others. Researchers have “red-flagged” for follow-up those properties for which these variables are unknown.⁶

- *Inadequate resources* — The creation and maintenance of a preservation inventory require considerable dedication of staff time and, potentially, other resources such as database software or funding to secure proprietary data. Onsite visits or personal interviews could help resolve some data inconsistencies, but most state and local preservation catalog efforts lack the resources to undertake this level of analysis. In New Jersey, Home and Mortgage Finance Agency staff have made substantial progress in compiling preservation data and have plans to use the information to raise awareness of the high demand for preservation projects and to demonstrate the need to allocate resources for preservation purposes.

*Challenges associated with combining data from multiple sources*⁷

- *Data inconsistencies* — In many cases, different sources of data provide conflicting information on a single project, even for seemingly basic attributes such as the property name, address or number of units receiving rent subsidies. Database administrators in Florida created numerous business rules to resolve these inconsistencies. Their preservation inventory draws from multiple datasets supplied by each of the four types of sources. Matching and merging of all data is a time-intensive and detail-oriented process that relies on the expertise of in-house database and housing experts. One example of a business rule that is applied to match and merge many of the general property data fields is that each data source has been ranked in descending order of reliability and completeness: HUD, Florida Housing Finance Corporation, USDA Rural Development and local housing finance agencies. When minor variations are reported, administrators assume the figure from HUD is correct, as it has been identified as the most reliable source. Major discrepancies are resolved on a case-by-case basis before data are added to the inventory, typically through follow-up phone calls or Internet searches.
- *Non-standardized data collection* — In general, data used in preservation databases are gathered by multiple agencies for a variety of purposes. As such, for a single project there may be wide variation in the data elements collected, the manner in which the information is presented and the software programs used to store the data; this can make efforts to combine datasets difficult and time-consuming. In New Jersey, these differences were resolved by limiting the sources from which data are drawn to those with compatible data-collection standards.
- *Lack of a unique identifier* — Many properties receive subsidies through multiple sources and programs, each carrying its own expiration date and set of use restrictions. Without a unique identifier, sorting out the various layers of subsidy on a single project and removing duplicate records can be challenging. Efforts to establish a national preservation inventory may help to alleviate this challenge by assigning a unique identifier to each property that receives assistance from HUD or USDA Rural Development.

⁶ Preservation Catalog for the District of Columbia. 2007. National Low Income Housing Coalition, p. 2. Available at: <http://www.nlihc.org/doc/dcpreservationcatalog.pdf>.

⁷ For a more detailed discussion of problems associated with database integration and data quality and suggested workarounds, see Keith Wardrip. 2007. Untitled article at <http://www.nlihc.org/doc/DatasetIntegrationArticle.pdf>.

- Other challenges encountered during data collection include those associated with handling information available only in hard copy and integrating datasets that are not up-to-date or updated irregularly.

Challenges associated with unavailable or hard-to-find data

- *Market data* — Some of the most sought-after data variables— particularly, the rents charged for neighboring market-rate units—are not typically collected by any agency or department. In Minnesota, a market analyst uses data from a local real estate research firm to fill these gaps,⁸ while database administrators in New Jersey have contracted with a private community development finance firm to complete a point-in-time market analysis.
- *Protected data* — In some cases, needed information is not readily available to researchers compiling a preservation inventory. The Connecticut Housing Finance Agency has submitted FOIA requests to obtain information that has been collected but not made available to other agencies, such as REAC scores (used to assess physical conditions of the properties) assigned by HUD.⁹ While FOIA requests may be the only way to obtain certain data, they can also, in some cases, strain relationships with the responding agency and slow down the process of obtaining data by triggering a formal FOIA response process.
- *Local program data* — Groups compiling preservation inventories report persistent difficulties obtaining information on properties funded by local HOME and CDGB jurisdictions. One reason is that these programs grant a high degree of discretion on the local use of program funds. These and other local program data may also be difficult to secure as local agencies may also be understaffed or motivated by competing priorities, or may not maintain data in a format that can readily be shared. Of the 15 agencies informally interviewed by the National Low Income Housing Coalition, only six collect complete and up-to-date information on locally-funded units.¹⁰

While the above list is not a complete account of all challenges encountered during the creation of a subsidized housing inventory, it provides a general indication of complexity of this work. Nevertheless, creative approaches have been developed to resolve these obstacles, and as more states and localities become involved in preservation initiatives and refine their data collection processes, it is likely that wider cooperation will help resolve some of these difficulties.

⁸ Affordable Housing Preservation: Building A National Data Infrastructure. 2007. By Anne Ray. Shimberg Center for Affordable Housing at the University of Florida, p. 16. Available at: http://preservation.shimberg.ufl.edu/pdf/Preservation_Data_Infrastructure.pdf.

⁹ An Exploration of State- and Local-Level Subsidized Housing Catalogs: Initial Findings. By Keith Wardrip. Research Note #06-03. 2006. National Low Income Housing Coalition, p. 3. Available at: <http://nlihc.org/doc/06-03.pdf>.

¹⁰ An Exploration of State- and Local-Level Subsidized Housing Catalogs: Initial Findings. By Keith Wardrip. Research Note #06-03. 2006. National Low Income Housing Coalition, p. 2. Available at: <http://nlihc.org/doc/06-03.pdf>.

How are inventories used to advance preservation initiatives?

Once information on the full portfolio of subsidized housing has been collected, state and local agencies typically focus attention on a subset of properties that appear to be at elevated risk of loss from the affordable housing stock. This process generally involves two steps: (1) Establishing criteria for identifying high-risk properties; and (2) Collecting project-specific data elements for high-risk properties. Properties may be lost from the affordable stock as a result of owners' decisions to cease participation in rent-restricted subsidy programs ("opting out") or because the buildings deteriorate to the point of becoming uninhabitable. By analyzing these data, agencies can determine the need for further action to keep units in the affordable housing inventory.

1. Establishing criteria for identifying high-risk properties

Identifying properties at high risk of loss due to "opting out" — The most basic criteria for assessing risk of loss from the affordable housing portfolio through opting out is whether a property is approaching the end of its use-restriction requirements due to contract expiration, bond or mortgage maturity and/or eligibility for prepayment. Agencies vary in how they define the class of properties on which to focus attention. Boston's Community Economic Development Assistance Corporation focuses on properties at risk of loss by 2010,¹¹ while researchers in Florida highlight properties set to expire by 2015 and the District of Columbia flags those with affordability requirements that end within the next calendar year.¹²

In addition to the date at which use restrictions may be terminated, some practitioners further narrow the list of priority properties to those that have characteristics associated with an increased risk of loss from the affordable housing portfolio. Such characteristics, identified through a national study of properties that opted out of affordable housing programs,¹³ include:

- *Project rent levels that are substantially lower than local market rents* — Researchers found that properties with rent levels below 80 percent of the local Fair Market Rent (FMR) were more likely to opt out of subsidy programs than those with rents comparable to the FMR.
- *Family occupancy* — Properties occupied by families, or with a greater share of two- and three-bedroom units, are more likely to opt out than those housing elderly or disabled households. To narrow down the list of properties needing extra attention, Cook County's Interagency Council's at-risk list does not include buildings subsidized through the Section 202 and 811 programs, which provide affordable supportive housing for the elderly and those with disabilities and are generally run by nonprofits, because such units are less likely to leave the subsidized inventory.

¹¹ Creation of a National Preservation Data Infrastructure Final Report. 2007. Prepared by the Florida Housing Finance Corporation and The Shimberg Center for Affordable Housing, pp. 4-5. Available at: http://preservation.shimberg.ufl.edu/pdf/national_preservation_data_infrastructure_report.pdf.

¹² Preservation Catalog for the District of Columbia. 2007. National Low Income Housing Coalition, p. 2. Available at: <http://www.nlihc.org/doc/dcpreservationcatalog.pdf>.

¹³ These three characteristics are identified as primary risk factors in Multifamily Properties: Opting In, Opting Out and Remaining Affordable. 2006. Prepared by Econometrica, Inc. and Abt Associates, Inc. for the U.S. Department of Housing and Urban Development Office of Policy Development and Research.

- *For-profit ownership* — Non-profit owners are mission-driven and more likely to renew subsidy contracts or continue participation in rent-restricted programs. The California Housing Partnership Corporation assigns each property in its inventory to one of three risk categories based on the likelihood of conversion to market-rate housing. Non-profit ownership automatically reduces the assigned risk by one level.

Researchers in Florida used similar criteria in their 2007 Rental Market Study to identify for the first time assisted properties at imminent risk of loss.¹⁴ One of the risk profiles that was created includes properties that have an expiration date of 2015 or sooner, for-profit ownership and occupancy by families, rather than the elderly or persons with a disability.

Identifying properties at high-risk of loss due to deterioration — Data available to assess the risk of loss as a result of deterioration are much more limited. When available, practitioners may choose to examine REAC scores issued by HUD, which rate the physical and financial condition of subsidized properties.¹⁵ Database administrators report that access to these data tends to be limited, however, and may require submission of a FOIA request. The age of the building or date when it was placed in service can also provide an indication of the likelihood that a property may be in need of improvements or upgrades, although age alone does not account for rehabilitation efforts that may have taken place. Inspection scores and other locally-gathered data can also be used to supplement existing datasets.¹⁶ For example, in Cook County efforts to compile an inventory of affordable, unassisted units will include condition surveys completed through an on-site data collection component in certain neighborhoods, as well as data from the City's Troubled Buildings Initiative, a multi-departmental program intended to address hazardous neighborhood and building conditions and prevent property abandonment.

2. Collecting project-specific data — In New Jersey, the Preservation Division of the Housing and Mortgage Finance Agency currently learns about properties experiencing financial trouble or other distress through informal reports from the Property Management Division. When complete, the subsidized housing inventory will be used to enhance this referral system. In Cook County, members of the Interagency Council, comprised of relevant State, City, Federal and County housing entities, are discussing an outreach strategy for owners of at-risk properties and a market-driven process that facilitates preservation and, where appropriate, transfer of ownership to agencies that will keep them affordable for the long-term. In general, database administrators need to decide whether the entire inventory, or a subset of high-risk properties, will be made available to other interested parties. A survey of housing-related agencies conducted by the Shimberg Center indicated that half of the respondents place limits on access to data by the public or outside agencies.¹⁷

¹⁴ 2007 Rental Market Study. Prepared by Shimberg Center for Affordable Housing for the Florida Housing Finance Corporation. Available at: <http://www.floridahousing.org/Home/Newsroom/Publications/2007MarketStudy.htm>.

¹⁵ See, for example, Affordable Housing Preservation: Building a National Data Infrastructure. 2007. By Anne Ray. Shimberg Center for Affordable Housing, p. 6.

¹⁶ Locally-gathered data may be especially helpful in cases where REAC scores are found to be unreliable indicators of physical condition. Moreover, FOIA requests may only be used to secure a REAC score for a specific property; when seeking information on a long list of properties, alternative data sources may be needed.

¹⁷ Affordable Housing Preservation: Building a National Data Infrastructure. 2007. By Anne Ray. Shimberg Center for Affordable Housing, p. 7.

Once the overall portfolio has been reduced to a manageable list of properties at risk of loss, practitioners can begin to collect detailed information about each property, assess the actual risk of loss and begin taking preventive action. Among the issues to consider when prioritizing properties for preservation efforts is whether to focus on preservation of housing in high-opportunity, higher-income neighborhoods or in low-income neighborhoods facing disinvestment. Another key decision to be made in the face of limited resources is whether to try to preserve properties located in very expensive or gentrifying districts, which may be expensive to preserve but at the highest risk of loss, or to use limited funds for the preservation of a larger number of units in other stable, but more affordable markets.

What steps have been taken to analyze the unsubsidized rental stock?

While analysis of data on broader rental housing market trends is less common among preservation practitioners, many have expressed an interest in collecting this level of information to enable identification of markets that are “heating up” and thus prime locations for opt-outs from the subsidized inventory.¹⁸ The early identification of such markets would also seem to be critical to preventing the loss of unsubsidized affordable rental housing units to condo conversion and substantial rent increases. In addition, identification of unsubsidized rental units in cities that have weak markets or an older housing stock can help prevent the deterioration and loss of units in need of capital investment when accompanied by outreach from the local housing finance agency or other organization equipped to offer a refinancing package or broker a transfer of ownership.

In most places, the scarcity of project-level information on the unsubsidized stock limits comprehensive data collection and analysis of this part of the market. While this review did not uncover any existing inventory of the unsubsidized rental stock for purposes of preservation, data collection projects are in development in New York City and Cook County. Both efforts propose to overcome data shortages through the creative use of information collected for other purposes. Researchers in Cook County plan to build an unsubsidized inventory by combining information from a variety of public and private sources, including the County Assessor’s office, real estate brokers and management companies. In New York City, a contractor, Abt Associates, has been engaged to compile an inventory of existing data about the subsidized stock and make recommendations about other data elements – and sources of that data – that ought to be included. As part of this effort, they will also consider ways to incorporate market data on the stock.

What data collection and analysis efforts are underway at the national level?

In addition to the state and local inventories noted above, efforts to develop a national preservation inventory of subsidized properties are underway. When complete, the inventory will enhance the compatibility of preservation-related data from the state and national levels, allowing policy-makers, researchers, practitioners and other interested parties to access more

¹⁸ Multifamily Properties: Opting In, Opting Out and Remaining Affordable. 2006. Prepared by Econometrica, Inc. and Abt Associates, Inc. for the U.S. Department of Housing and Urban Development Office of Policy Development and Research.

complete information on subsidized housing in the U.S. While the exact structure of the inventory and sequencing of foundational steps has yet to be determined, anticipated outcomes include:

- *Development of standards* so that all data collected and maintained by HUD, USDA Rural Development and state and local agencies (on a voluntary basis) conform to consistent criteria that allow them to be easily integrated
- *Assignment of a unique identification number* for each subsidized property to prevent duplication of records and to allow for efficient matching and merging of data files
- *Identification of an entity or entities to maintain* and update data standards as needed and/or aggregate datasets from local, state and national sources

Among preliminary proposals related to the entity responsible for managing the national preservation inventory, options include: (1) establishing a Congressionally-funded, value-neutral entity to maintain data standards and/or a national preservation inventory, (2) securing private funding to establish an advocacy-oriented entity charged with maintaining the inventory, or (3) broadening data collection and maintenance efforts within HUD to include the preservation inventory. Next steps will rely on development of consensus-based data standards and be driven in part by the Congressional schedule to mandate use of these standards at the national level for federally-assisted programs.¹⁹

As the timeline for establishment of a national preservation inventory is still unclear, state and local agencies that wish to get an immediate handle on the extent of the problem in their state or locality are likely to proceed with their own efforts. In any event, because local housing programs vary so much from state to state and locality to locality, any national inventory will require direct input from a state or local preservation inventory effort in order to include locally-assisted properties.

How have these data collection and analysis efforts affected the development of policy?

Many of the preservation efforts mentioned above have been initiated within the past five years—some only within the past five months—and have not yet achieved any direct policy outcomes, while some of the more established efforts have started to make inroads and influence legislative efforts. The following are some of the desired effects of data collection and analysis on the development of policy:

- *Increased awareness of the at-risk affordable housing stock* — Decision-makers may be able to better understand the need for preservation-related initiatives when presented with a comprehensive database containing the number of subsidized housing units and the number

¹⁹ For more information on proceedings from an early planning meeting, see Creation of a National Preservation Data Infrastructure Final Report. 2007. Prepared by the Florida Housing Finance Corporation and The Shimberg Center for Affordable Housing. Available at: http://preservation.shimberg.ufl.edu/pdf/national_preservation_data_infrastructure_report.pdf

due to expire in the near future. In Florida, the availability of these data has helped to inform the policy and regulatory recommendations of a governor-appointed study panel and support state-level legislative efforts, including development of a preservation bridge loan program and a successful campaign for the creation of a set-aside for Low Income Housing Tax Credit preservation deals.

- *Increased support for a comprehensive housing strategy* — Many jurisdictions have adopted comprehensive housing strategies that address the spectrum of housing needs, including preservation. Both Mayor Bloomberg in New York City and Governor Corzine in New Jersey have implemented broad affordable housing plans that include goals related to housing preservation. Development of an assisted housing inventory can help to achieve city- and state-wide housing goals.
- *Increased capacity and resources for preservation initiatives* — In addition to creating a consolidated database of assisted properties, researchers in New York City will also assess the existing capacity of local housing organizations to manage preservation activities and determine the need for an independent preservation entity.
- *More sophisticated policies and systems to facilitate transfer of ownership* — Non-profits and other mission-driven organizations may have difficulty assembling adequate funds on a very short timeline, but with adequate notification properties have a better chance of being successfully transferred to an owner that is vested in preserving affordability. The Interagency Council in Cook County is developing an outreach system that will enable agency staff to contact the owners of high-risk subsidized properties and, when appropriate, refer potential deals to preservation-minded organizations.

Over time, subsidized housing inventories may also help researchers and advocates better understand the effectiveness of various methods of housing assistance in providing durable and sustainable affordable housing opportunities as well the effectiveness of different preservation strategies. Through a clear and comprehensive account of the outcomes related to various preservation programs, policymakers can make better-informed decisions about the design and re-design of new and existing programs.

What has been learned from these efforts so far?

Assembling a preservation inventory is not an end in and of itself, but rather a means to the policy end of preserving and maintaining affordable rental housing. For this reason, preservation databases need not contain a comprehensive account of all project characteristics, but rather a limited number of variables informed primarily by the anticipated uses of the data and the level of information needed to accomplish those goals. Ultimately, the real potential of these data collection and analysis efforts is to help communities take stock of their preservation challenges and to prioritize where action is needed, both at the project level – “What properties need to be contacted and offered incentives to remain affordable? – and at the community-level– “In what neighborhoods do we need to target efforts to preserve affordable rental housing?”

Towards this end, a number of questions need to be considered before embarking on a data collection effort, including:

- What agency or organization will be responsible for compiling and maintaining the database?
- What geographic area will the inventory cover?
- Which subsidy programs will be included? Are non-subsidized rental units included as well?
- What data elements will be included? From what source(s) will these data be obtained?
- What methods will be used to resolve missing/conflicting/duplicate data issues?
- How frequently will the inventory be updated?
- Will the inventory be made available to the public and, if so, how?

Many states and communities have already grappled with these questions and can provide guidance to others interested in creating an affordable housing inventory. The following list identifies resources²⁰ that may be useful to help researchers avoid pitfalls and benefit from lessons already learned.

The **Shimberg Center for Affordable Housing** at the University of Florida has compiled a comprehensive collection of resources, all of which are available at <http://preservation.shimberg.ufl.edu/ResearchAndReports.html>. Selected documents include:

- Creation of a National Preservation Data Infrastructure Final Report. 2007. Prepared by the Florida Housing Finance Corporation and The Shimberg Center for Affordable Housing. — Reports on the proceedings of a meeting in May 2007 on the creation of a national preservation data infrastructure. Findings include lists of key uses of data and barriers to accessing and analyzing data for preservation.
- Affordable Housing Preservation: Building a National Data Infrastructure. 2007. Prepared by Anne Ray. Shimberg Center for Affordable Housing. — Summarizes responses to a survey on the state of preservation-related data collection completed by housing-related organizations.
- Closing the Door 2007: The Shape of Subsidized Housing Loss in New York City. 2007. Prepared by Tom Waters and Victor Bach. Community Service Society Policy Brief. — Documents the subsidized housing portfolio in New York City and losses to the stock.

The introduction page to the Assisted Housing Inventory of the Shimberg Center's Florida Housing Data Clearinghouse can be accessed at http://flhousingdata.shimberg.ufl.edu/AHI_introduction.html.

The **National Low Income Housing Coalition** is researching the feasibility of creating a national database of subsidized rental properties, and has undertaken case studies in 4 states to inform this research. Reports below are available at www.PreservationCatalog.org.

²⁰ Support from the John D. and Catherine T. MacArthur Foundation has supported research conducted at the Shimberg Center for Affordable Housing at the University of Florida and the National Low Income Housing Coalition, as well as the Recapitalization Advisors report cited below.

- An Exploration of State- and Local-Level Subsidized Housing Catalogs: Initial Findings. 2006. Prepared by Keith Wardrip. National Low Income Housing Coalition Research Note #06-03. — Presents responses to interviews with 15 organizations involved in the creation and/or maintenance of a subsidized housing catalog.
- *Untitled Report*. (no date). Prepared by Keith Wardrip. — Presents barriers to the collection and integration of data from multiple datasets, and suggested workarounds.
- The Preservation Catalog: Findings from Two Case Studies. (no date). Prepared by Keith Wardrip. National Low Income Housing Coalition. — Compares efforts to assemble a preservation catalog in the District of Columbia and Florida, including lessons learned.

Other sources:

- Existing Affordable Multifamily Housing in Cook County. 2002. Prepared by Recapitalization Advisors, Inc. Available at: www.recapadvisors.com/pdf/cookcounty.pdf. — Presents a comprehensive look at the affordable housing stock in Cook County, including detailed descriptions of property types and owner motivation.
- Multifamily Properties: Opting In, Opting Out and Remaining Affordable. 2006. Prepared by Econometrica Inc. and Abt Associates, Inc. for the U.S. Department of Housing and Urban Development Office of Policy Development and Research. Available at: www.huduser.org/Publications/pdf/opting_in.pdf. — Comprehensive comparison of properties that leave the assisted housing stock and those that remain in HUD programs, and identification of factors that indicate a high risk of opting out.

Acknowledgements

The authors would like to thank William O'Dell, Anne Ray and Patricia Roset-Zuppa of the Shimberg Center for Affordable Housing at the University of Florida; Marc Smith and Stacie Young of the DePaul University Real Estate Center; Maura McManimon Fennessy and Ali Vetrاند of the New Jersey Housing and Mortgage Finance Agency; Becky Koepnick of the New York City Department of Housing Preservation and Development; Meryl Finkel of Abt Associates; and Ingrid Gould Ellen of the Furman Center for Real Estate and Urban Policy at New York University.