



# Building Innovation in Affordable Design

CENTER  
FOR ACTIVE  
DESIGN

Joanna Frank  
Center for Active Design  
Executive Director

Citi Community Capital

Mark Dean  
Citi Community Capital  
National Production Manager

# Your Webinar Host

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Mark Dean

Citi Community Capital, National Production Manager

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Mr. Dean has over 27 years of experience providing investment banking and mortgage banking services to real estate developers and corporate sponsors. He specializes in financing multifamily housing using Private Activity Bonds, both enhanced and unenhanced, for public housing authorities, affordable housing developers, and senior housing providers. Mr. Dean works with both for-profit and not-for-profit organizations to finance projects such as affordable housing developments, senior living facilities, and market rate housing.

Mr. Dean has provided acquisition, construction and permanent financing for a wide variety of multifamily housing, senior housing, not-for-profit facilities. In addition to these types of financing Mr. Dean has executed current, advance and taxable refundings of existing bond and real estate debt. His experience includes both public offerings and private placements. His broad range of experience with loan products and debt credit enhancements includes conventional financing vehicles as well as bond insurance, contingent loan agreements, FHA mortgage insurance programs, GNMA MBS, Fannie Mae MBS, letters of credit, and collateral pledges. In addition, Mr. Dean is an expert on the use of low-income housing tax credits to finance multifamily apartments.

Citi Community Capital

# From Center for Active Design

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Joanna Frank

Executive Director

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Joanna Frank is the founding Executive Director of the Center for Active Design. With a breadth of experience running multi-sector programs, Ms. Frank has orchestrated the integration of Active Design into national affordable housing portfolios. Previously as the Director of New York City's Active Design Program, Ms. Frank directed initiatives amongst multiple agencies, including the Departments of Health, Transportation, Design, and Planning. Ms. Frank was a Partner at Bright City Development, LLC where she was responsible for the development of sustainably built, mixed-use residential buildings. Ms. Frank is a member of the American Heart Association, Workplace Health Steering Committee.





# BUILDING INNOVATION IN AFFORDABLE HOUSING



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Joanna Frank  
Center for Active Design

**Why do we focus on health in  
affordable housing?**

Because there is significant evidence that the design of where you live has a significant impact on all aspects of health.



Photo courtesy of Space to Grow/MWRD



## For market differentiation.

Companies who identified early with sustainability principles improved their bottom line. Active Design is the new opportunity.





## Because health expenses compete with housing costs.

Lower-income adults who suffer from high rates of chronic disease have the greatest difficulty affording insurance-related costs.

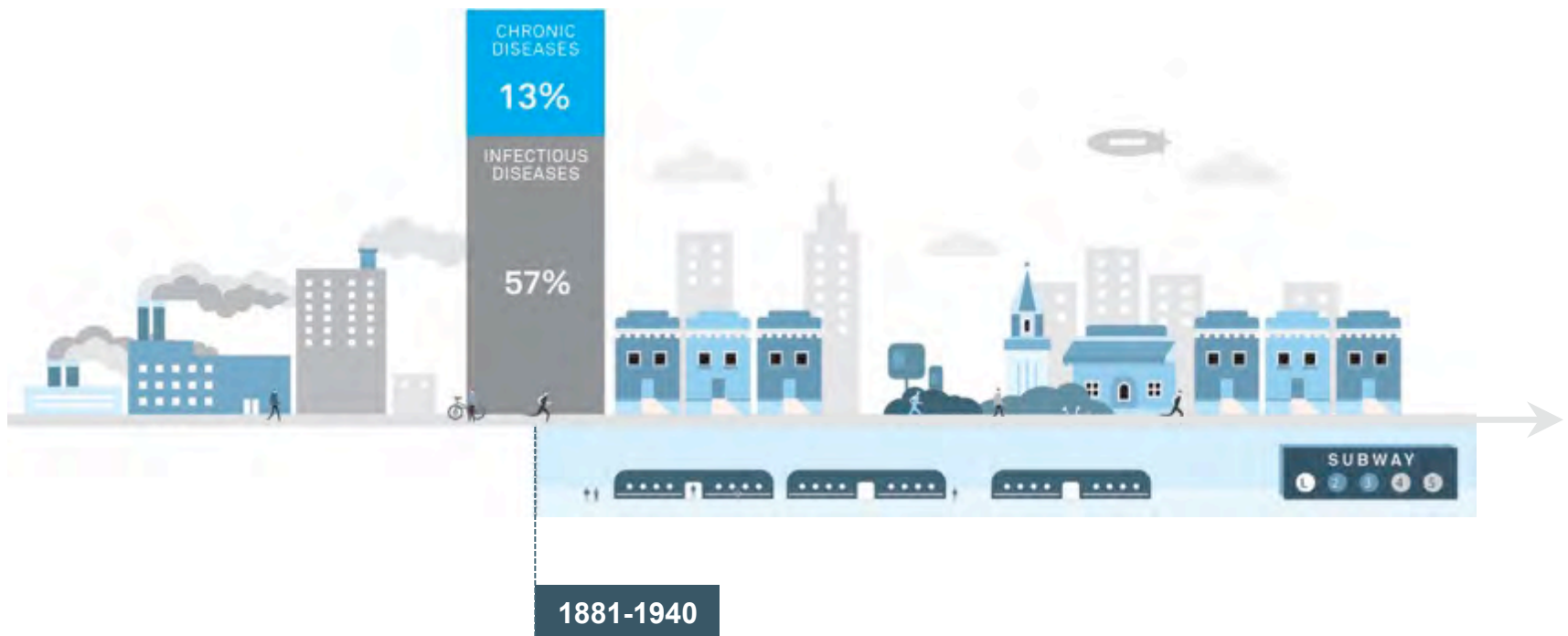




## Design can impact health.

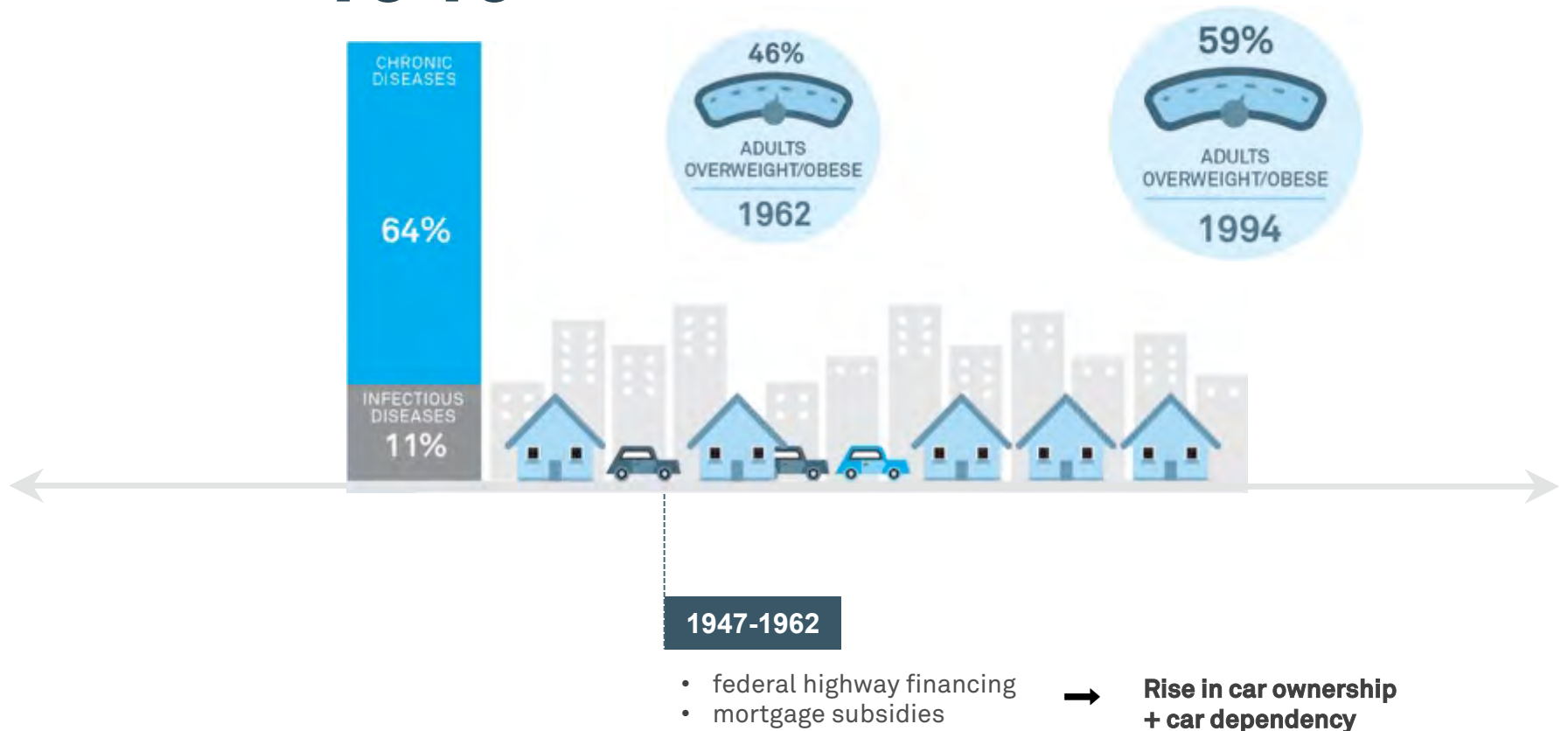
Proof: Design strategies were used to effectively address the health crisis in the 1800's.

# 1800



Designing our neighborhoods and cities to prioritize car use led to a massive drop-off in walking and biking.

# 1940



Physical inactivity has now replaced smoking as the leading cause of preventable death in the world.

# 2005



PRESENT DAY



Today's children are expected to be the first generation to have a shorter life expectancy than their parents.

2030

If trends continue, 86% of U.S. adults will be overweight or obese.

86%

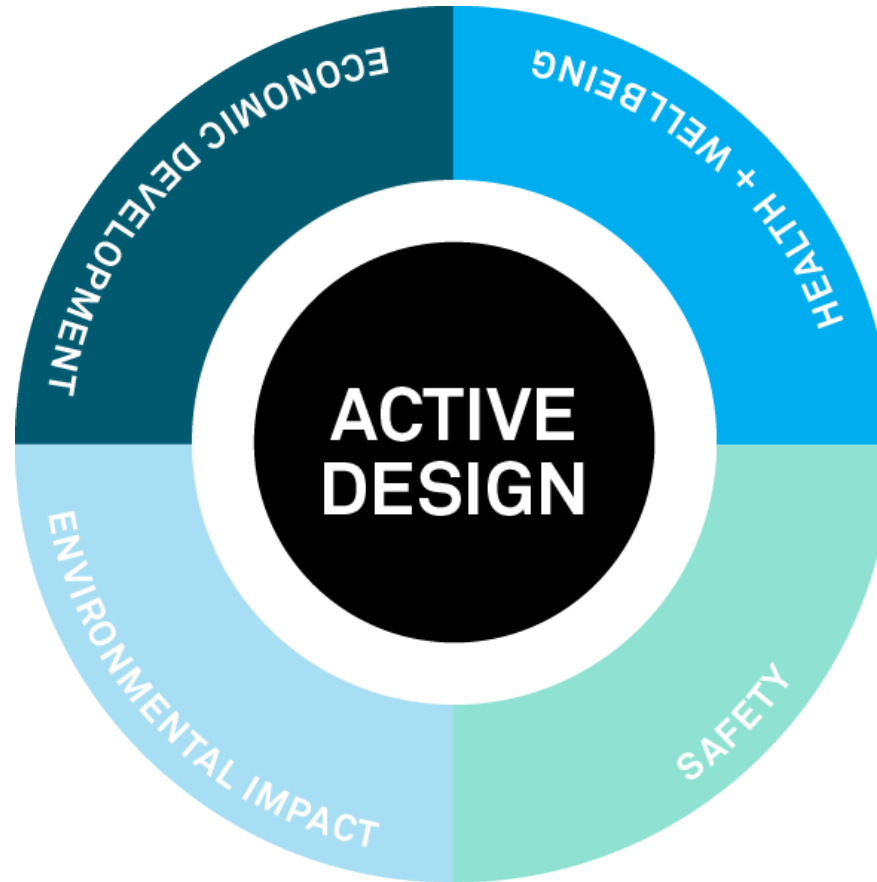


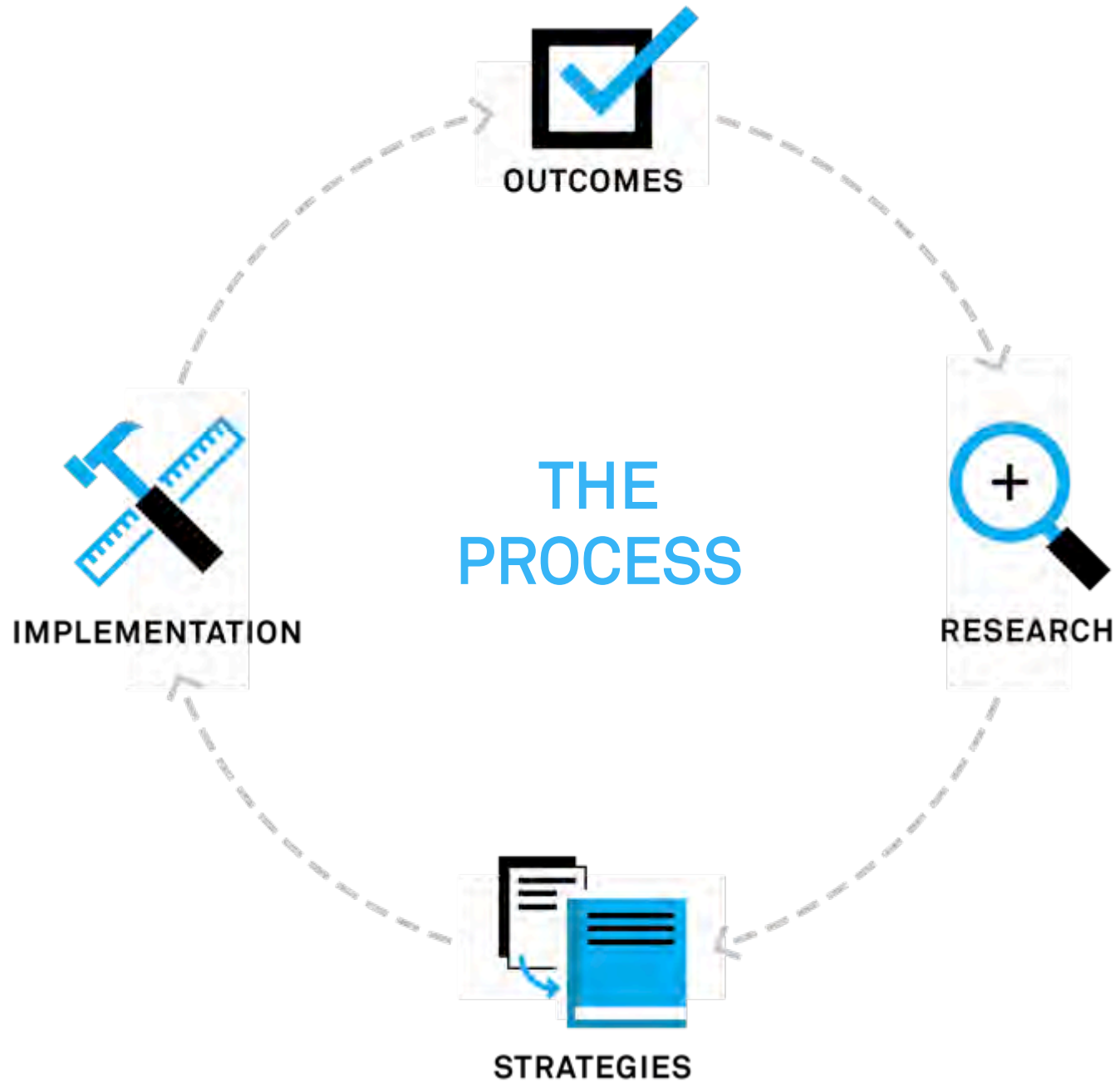
ADULTS  
OVERWEIGHT/OBESE

2030

IT'S TIME TO REVERSE COURSE.

Active Design is an outcomes-based process, translating proven results into practical strategies.









## Strategies

Design strategies that are low- or no-cost, selected specifically for affordable housing





# NEIGHBORHOOD SCALE IMPLEMENTATION







## Outcomes

Analyze existing conditions to set outcomes for your project

Park Lake Homes 1943



Photo courtesy of GGLO





## Outcomes

Inform outcomes with community priorities





## Outcomes

Inform outcomes with community priorities

- Walkable, mixed-use community
- Multigenerational opportunities for recreation
- Economic development







## Strategies

Translate the evidence base into practical design strategies to address outcomes

### ACTIVE TRANSPORTATION



Photo: NYC Department of Transportation

### ACTIVE RECREATION



Photo: Space to Grow/MWRD

### FOOD ACCESS



Photo: Emily Young

### ACTIVE BUILDINGS



Photo: Tom Daly





## Strategies

Identify evidence based design strategies at the outset of the project

- Active Transportation
- Active Recreation
- Food Access







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Community gardening

Playscape

Trail network

Flexible lawn





## Implementation

Active transportation strategies inform the overall master plan







## Implementation

Identifying the design elements that support walkable communities





**“We expect [walkable communities] will be the first to recover ... with house prices here to rise by up to 5% a year between 2014 and 2017.”**

*U.S. Conference Board, “The Shifting Nature of U.S. Housing Demand”*





## Implementation

Creation of pocket parks to support multi-generational recreation





A 2014 study in Los Angeles, CA showed that pocket parks were **cost-effective solutions to increasing moderate to vigorous physical activity**. They also served as **safe, attractive destinations that encouraged walking**.

*U.S. Conference Board, "The Shifting Nature of U.S. Housing Demand"*





## Implementation

Use of community gardens to support food access and multi-generational sense of community







**56% of community gardeners met national recommendations to consume fruits and vegetables at least 5 times per day, compared to 25% of non-gardeners.**

*National Policy & Legal Analysis Network to Prevent Childhood Obesity and ChangeLab Solutions, "Seeding the City: Land Use Policies to Promote Urban Agriculture"*

# BUILDING SCALE IMPLEMENTATION







## Outcomes

Analyze existing conditions to set outcomes for your project



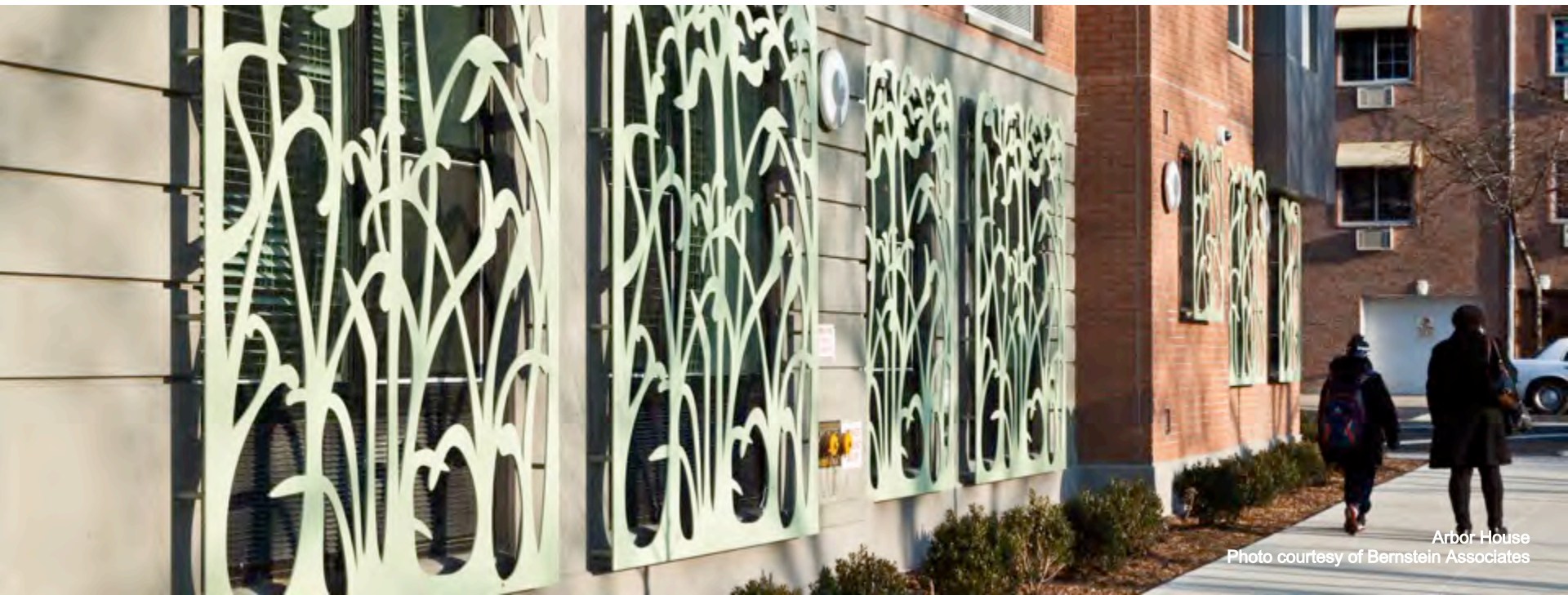




## Outcomes

Inform outcomes with existing priorities

- Market differentiation: Addressing community's health and funder priorities
- Renovation of public realm to support safety
- Long-term financial viability





## Strategies

Translate the evidence base into practical design strategies to address outcomes

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Photo: NYC Department of Transportation

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- Active Transportation
- Active Recreation
- Food Access
- Active Buildings



Rooftop hydroponic farm

Vibrant stairwells

Outdoor exercise equipment

Art elements + plantings





## Implementation

Using the design of the building to support active transportation





Increasing median walking and bicycling from 4 to 22 minutes **decreased greenhouse gas emissions by 14%.**

*American Journal of Public Health, April 2013, "Health co-benefits and transportation-related reductions in greenhouse gas emissions in the San Francisco Bay area."*

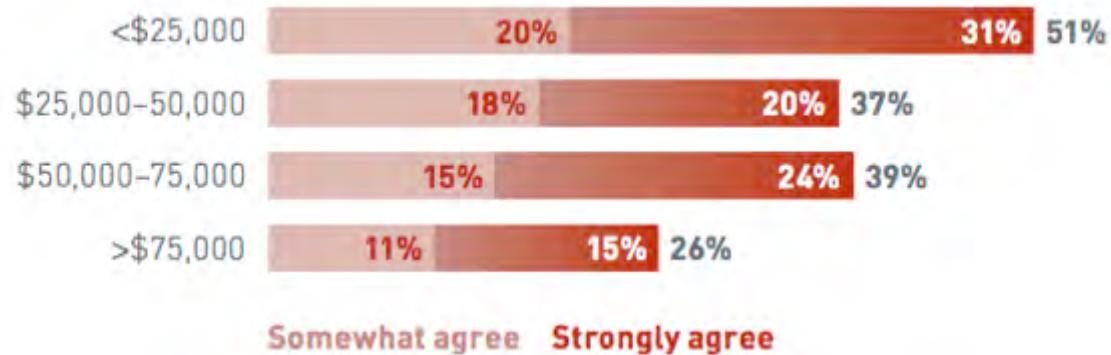




## Implementation

Indoor and outdoor space for physical activity that is visible, inviting, and suitable for both adults and children





51% of people with incomes < \$25,000 say they **do not have access to outside exercise space**—twice as many as those with incomes < \$75,000 per year.

*America in 2015: A ULI Survey of Views on Housing, Transportation, and Community*





## Implementation

Space designated for gardening to increase stewardship and maintenance by residents



Photo courtesy of Vitus



Philips House  
Photo courtesy of Blue Sea Development Co.



Private property near gardens are **better maintained** than those near vacant lots.

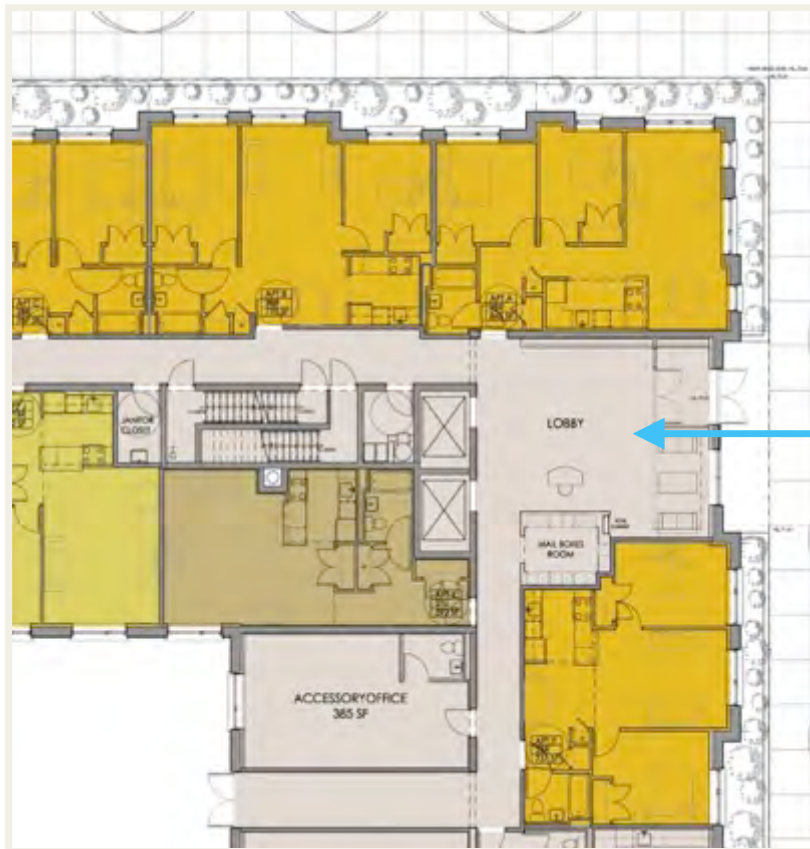
*Landscape and Urban Planning, April 2015, "The effects of produce gardens on neighborhoods: A test of the greening hypothesis in a post-industrial city"*





## Implementation

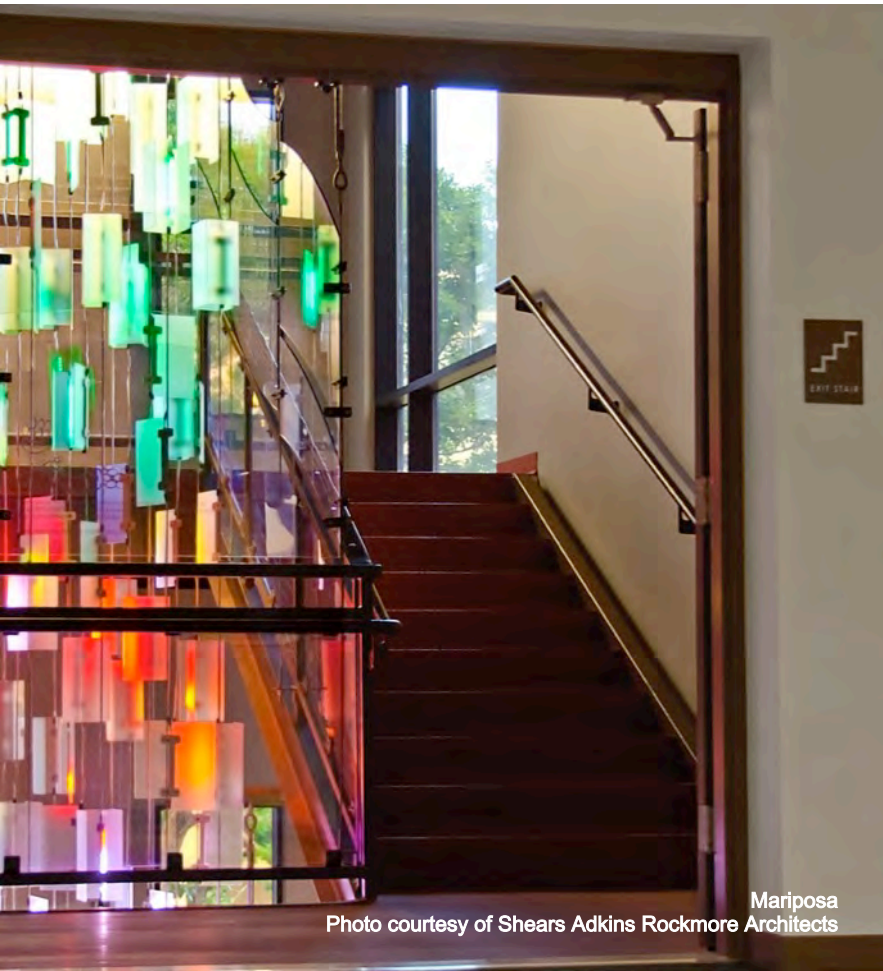
Stairwells are highly visible, conveniently located, appealing, and comfortable to encourage everyday use





## Implementation

Property owners do not face any greater liability in opening stairwells for regular use.







**A post-occupancy survey of Arbor House residents showed that 58% of residents reported an increase in the number of flights of stairs climbed per week.**

**Studies show that stair use can result in a 12-20% reduction in the death rate from any cause.**



## Implementation

Additional costs of implementing Active Design kept at a minimum

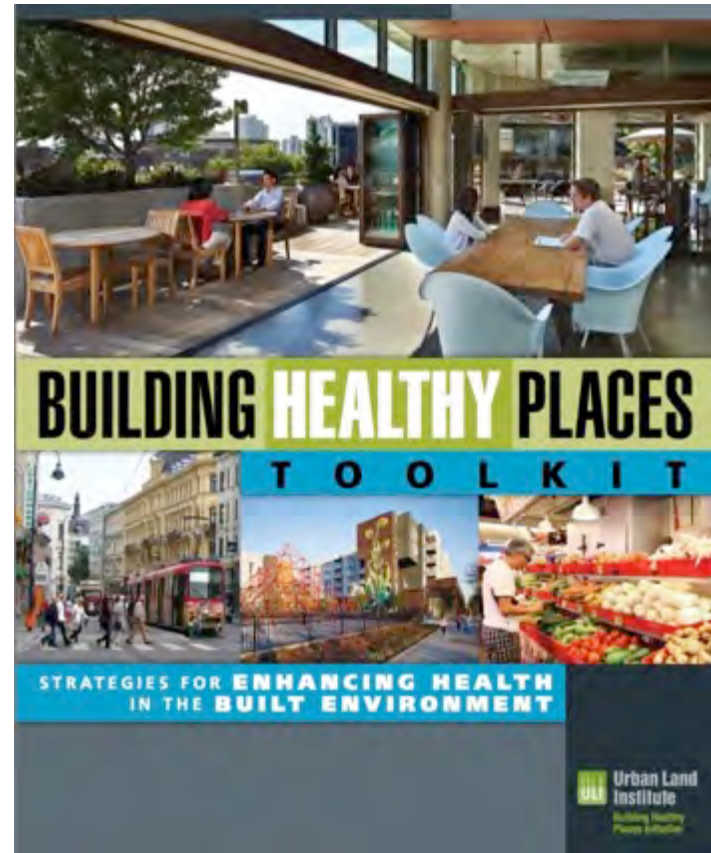
Description	Cost
Locate Elevators Away from Lobby/Reduce Speed	\$0
Outdoor Activity/Fitness Area/Landscaping	<del>\$110,000</del> \$283,652
Large Fire Rated Glass Stairwell Doors	\$32,000
Enhanced Stairwell Lighting	\$4,000
Stairwell Music and Artwork	\$20,000
Indoor Activity/Fitness Room	<del>\$80,000</del> \$85,720
Signage	<del>\$2,000</del> \$1,350
Bicycle Storage	\$15,000
Security Cameras	<del>\$70,000</del> \$62,750
Total	<del>\$333,000</del> \$504,472
Total Hard Costs	\$27,448,260
<i>Active Design Guidelines</i> as percentage of hard costs	<del>1.2%</del> 1.8%



# NEXT STEPS HOW TO GET STARTED



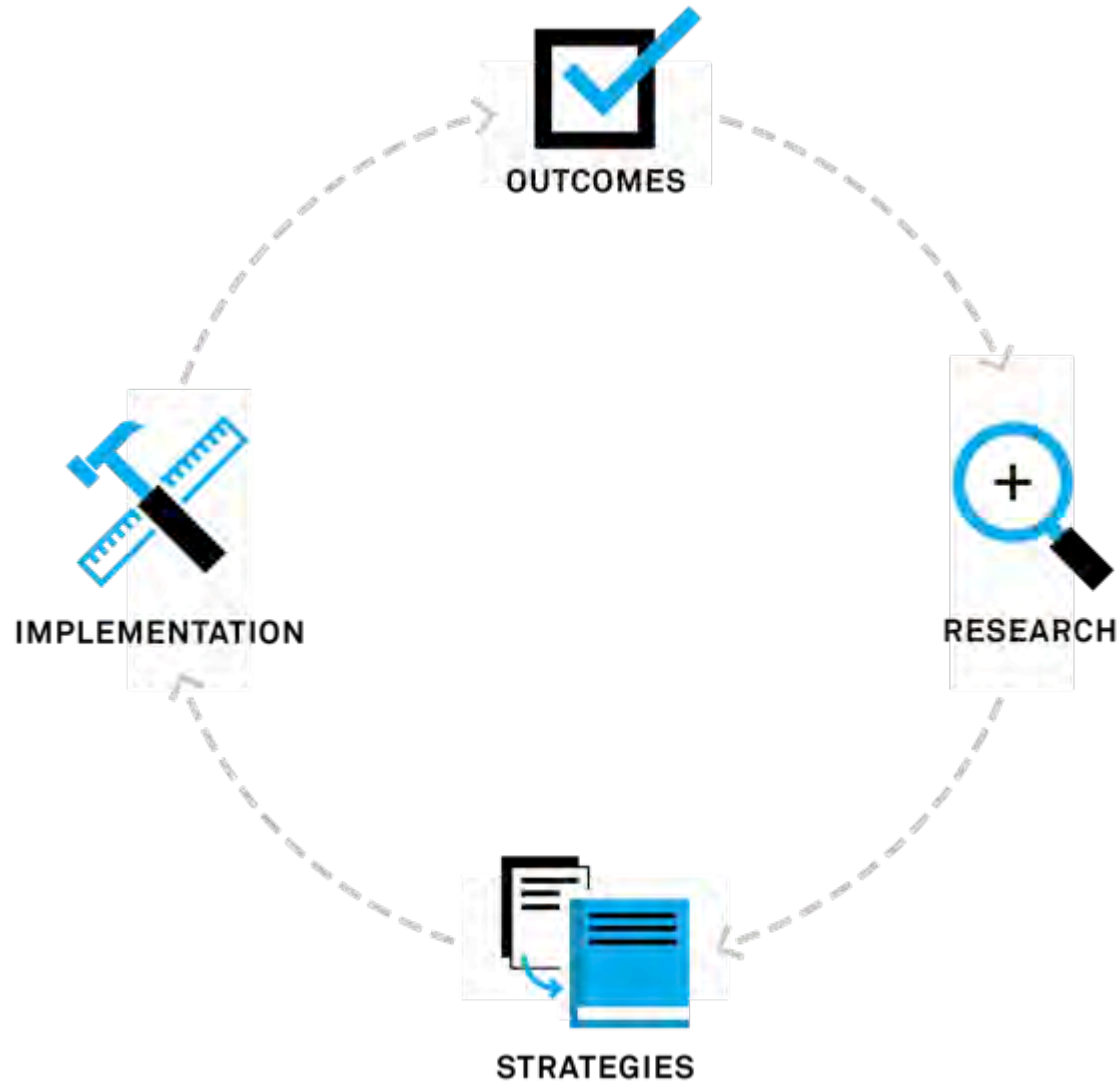
For more information on design strategies, download existing resources.



[www.centerforactivedesign.org](http://www.centerforactivedesign.org)



Work with the Center for Active Design to address your company's needs.



**Elevate your efforts by committing to Active Design Verified.**

Receive a custom set of strategies for your portfolio, verification of progress, and recognition of success.



**PARTNERSHIP FOR A HEALTHIER AMERICA  
+ CENTER FOR ACTIVE DESIGN**



## Gain public recognition with your commitment.

May 18-20, 2016: Building a Healthier Future Summit



# Gain credibility with nationally-recognized standards.



“We know intuitively what the right components of what a healthy community is, but to have a real framework and real criteria is **incredibly helpful,**” says Cassie Wright, project manager with Urban Ventures.

Having to be accountable to third parties like PHA and the Center tells a prospective buyer, **‘These guys are legit.’ It gives us more credibility.**”

—“*ULI Housing Leaders Join Partnership for a Healthier America, a Coalition of Industries Fighting Obesity*”



# Gain recognition through *Excellence Awards*.

Developer: Settlement Housing Fund



New Settlement Community Campus  
Photo: Esto Photography



Developer: Blue Sea Development Co.



The Melody  
Photo courtesy of Blue Sea Development Co.

Developer: Romero Rose, LLC/Yes Housing Inc.



Casitas de Colores  
Photo: Patrick Coulie



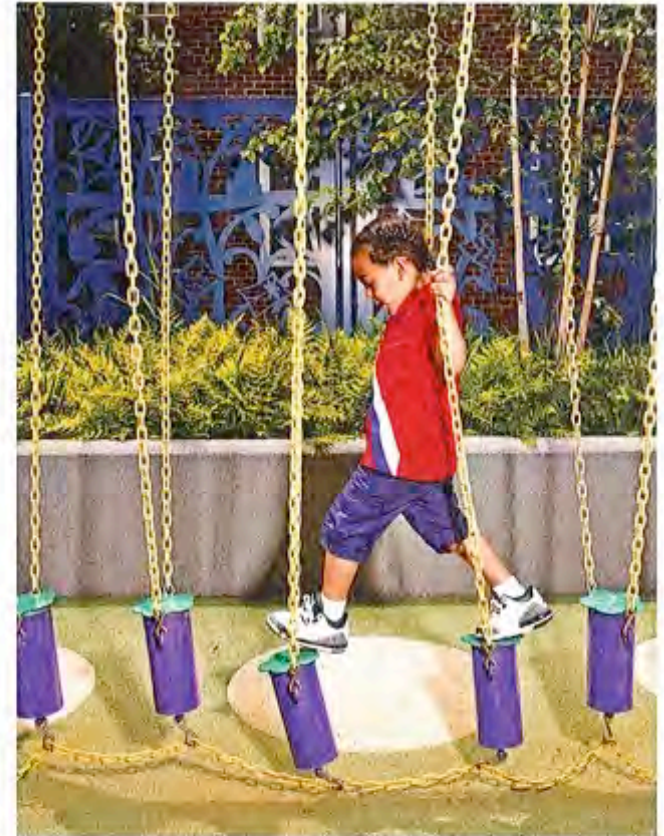
# Gain recognition through press.



## LUIS GIURIA'S ACTIVE HOME

BRONX

Like many other people living in America's poorest neighborhoods, Giuria, a South Bronx native, grew up at risk for obesity. He ate junk food (it was cheap) and avoided playgrounds (the equipment was under-maintained and dangerous) and gyms (he was never taught the importance of exercise). By the time he was 27, he weighed almost 400 lb. (180 kg). "It was awful," he says. "I sprained my ankles, I couldn't buy clothes, and I didn't sleep well." His brother eventually took him to a nearby fitness center, where he learned to use the elliptical. ("It was so weird—I did it backward for a while.") But to really get healthy, Giuria knew he needed a lifestyle makeover. That's when he learned about Arbor House, a \$37.7 million, 120,000-sq.-ft. (11,150 sq m) low-income housing project going up a few blocks from his then residence. The new site emphasized active design, an increasingly popular style of architecture that's meant to encourage physical activity. (Think visible stairwells and bright, inviting indoor-outdoor gyms.) He immediately applied for residency and moved in last June. Now 30, Giuria has continued to lose weight—he's almost down to 200 lb. (90 kg)—by running and playing alongside his wife and three kids (including Xzavier, right). "This will make it second nature to them to be healthy," he says. "It won't be foreign to them like it was for me." —A.S.



### KIDDIE GYM

Playground apparatuses like swing blocks, above, are meant to get kids excited about exercise—even if they don't know they're doing it.

# Gain recognition through press.



AFFORDABLE HOUSING FINANCE

## Vitus Group Makes Active Design a Priority

Stephen Whyte discusses how and why his firm is encouraging healthier behaviors.

By [Stephen Whyte](#)

Since the end of the Second World War, the United States has seen unparalleled innovation, growth in productivity, and arguably the greatest collective standard of living in all of human history. But there have been significant costs associated with this growth, one of which has been a more sedentary lifestyle.



Stephen Whyte

Obesity rates have increased across all ages, in large part due to insufficient physical activity and poor nutrition. With one in three children and two-thirds of adults considered overweight or obese, the problem is a significant public health crisis. Obesity is the leading cause of preventable death, and the associated medical care costs are an estimated \$147 billion per year.

Studies have shown that these health issues are of particular concern for lower-income populations, such as those that live in Vitus Group's affordable housing properties. Children living in low-income neighborhoods are up to 60% more likely to be overweight than their middle- and higher-income counterparts.



**“I'm here and I'm in this beautiful building.  
I want to do something even better for  
myself. Now I want to eat better. Now I want  
to exercise. That's the feeling that I got.”**

*Arbor House resident*

Joanna Frank  
[joanna@centerforactivedesign.org](mailto:joanna@centerforactivedesign.org)



# Thank you for your participation

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- To ask a question
  - email [AskCitiCommunityCapital@citi.com](mailto:AskCitiCommunityCapital@citi.com)
  - Follow instructions from the Operator - Press \*1 for the operator to open your line. This will enter you into the queue to ask a question
- The recording will be available within the next 24 hours at [http://www.citibank.com/icg/sa/citicommunitycapital/resource\\_center.jsp](http://www.citibank.com/icg/sa/citicommunitycapital/resource_center.jsp)
- Resources
  - Center for Active Design - <http://centerforactivedesign.org/>
  - Partnership for a Healthier America – <http://ahealthieramerica.org/>
  - Citi Community Capital – [www.citicommunitycapital.com](http://www.citicommunitycapital.com)



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Citi believes that sustainability is good business practice. We work closely with our clients, peer financial institutions, NGOs and other partners to finance solutions to climate change, develop industry standards, reduce our own environmental footprint, and engage with stakeholders to advance shared learning and solutions. Highlights of Citi's unique role in promoting sustainability include: (a) releasing in 2007 a Climate Change Position Statement, the first US financial institution to do so; (b) targeting \$50 billion over 10 years to address global climate change: includes significant increases in investment and financing of renewable energy, clean technology, and other carbon-emission reduction activities; (c) committing to an absolute reduction in GHG emissions of all Citi owned and leased properties around the world by 10% by 2011; (d) purchasing more than 234,000 MWh of carbon neutral power for our operations over the last three years; (e) establishing in 2008 the Carbon Principles; a framework for banks and their U.S. power clients to evaluate and address carbon risks in the financing of electric power projects; (f) producing equity research related to climate issues that helps to inform investors on risks and opportunities associated with the issue; and (g) engaging with a broad range of stakeholders on the issue of climate change to help advance understanding and solutions.

Citi works with its clients in greenhouse gas intensive industries to evaluate emerging risks from climate change and, where appropriate, to mitigate those risks.

efficiency, renewable energy and mitigation

