

WIND & RAIN

BY ANDY PARRISH

Wind & Rain, a private enterprise for-profit affordable home builder, has just completed its fifth single family house in West Coconut Grove. All four of its previous houses have been sold to low/moderate income families who had previously always rented. These are the first five houses built in the West Grove "on spec"—meaning not by government, or a not-for-profit organization, or by someone for their own use—in over thirty years.

Wind & Rain's concept is comprised of several simple ideas: Anybody who is working and trying to better themselves deserves a chance at the American Dream of owning their own home. And, at least in South Florida, where there are plenty of vacant lots going begging, that "home" should be a single family detached house where the family owns their own piece of dirt. The house needs to be good enough so that over time it will appreciate in value. Furthermore, the mortgage "package" put together for the new homeowner has to be approximately the equivalent of rent. And finally, the house should be built by private enterprise, the only engine big enough, and efficient enough, to rebuild our inner cities.

Why the single family home? Because it is tried and true. It's what built the American middle class. Beginning with William J. Levitt, who in 1949 bought a 1,500 acre potato field in Long Island's Nassau County upon which he invented the first Levittown (which now, unfortunately, has taken on a pejorative meaning), the single family home has provided the first wealth for just about every middle class family in the country.

The single family home functions on several levels. It provides shelter. It provides the pride of ownership. It provides a sense of community and neighborhood because its value, present and future, depends on its neighbors. It provides a forced savings account, because of the paydown of the mortgage. The mortgage itself requires and therefore generates discipline. And it provides wealth to the family who owns it because, eventually, the mortgage is paid off and a family that started off assetless has joined the middle class.

Levitt saw all this plus a way to make a few millions for himself. The vets coming back from WWII were generally poor and in need of homes for their families. Thankfully, Levitt didn't come up with the idea of "Section 8" housing instead! The GI Bill provided the financing and Levitt provided the homes and the rest is history.

But somewhere between the GI Bill

and the Great Society, and between helping white vets and "helping" black working class folks, the country took a wrong turn which we've been paying for ever since, in higher crime, higher dependency, increased racial tension

and poverty. That wrong turn was the half-baked idea of "affordable housing"—meaning apartments instead of houses, rent instead of ownership.



Why did this change in direction occur? Was it racism? Shortsightedness? Lack of resources? Or lack of will? Why has government basically spent the last forty years building, and through its policies encouraging others to build, at great expense, the wrong type of shelter for the bulk of the families that need it? The answer lies in that old truism: "The road to hell is paved with good intentions." The politicians basically saw a huge need for housing and said to themselves "We can build apartments for more people a lot faster and cheaper than we can single family homes. Everybody will get a roof over their head." Undoubtedly there were also many civic minded caring citizens who found it intolerable that families were without roofs over their heads and thought this was the way to provide them with shelter.

Originally I believe builders of the HUD apartment buildings throughout the black communities thought they were providing merely "temporary" homes—way stations for families on their way to something better—instead of horribly permanent residences for generations of the same families. If these apartment buildings were "good" for the families living there nobody would care that they are "permanent," least of all the families themselves.

I have spoken personally with residents of HUD apartments and by and large the people I spoke to wanted out, even if it was to "Section 8" rental subsidized apartments. But nobody wants to have no roof at all over one's head, and it has always been considered more equitable and economical to build as many units as possible. Hence the explosion of government apartment units over the years—even though the most notorious in places like Chicago and Baltimore are now being razed because of the pathological environment created in them.

What would the United States be like today if for every four of the thousands, perhaps millions, of apartment units that the government has built, or has encouraged the private sector to build through its various programs such as Section 8, it had instead built or induced the building of one single family house to be owned by the family living in it? Would one fourth of today's "subsidized" families be much better off while three fourths would be homeless? I don't think so.

If the single family home creates wealth by its very nature, the country would be wealthier and better able to build more houses. Furthermore, if the single family home tends to create good citizens and good neighborhoods under the "stake in society" theory, society as a whole would have less social costs, measurable in actual dollars and cents, from crime and poverty. And then there is government's ongoing maintenance cost of apartments versus the self-maintenance of home ownership.

In other words, while apartments may cost less than houses to build, these other costs have to be included. In hindsight, the massive apartment building programs should never have

been undertaken. Apartments have their place, but only for those sections of the populace who by their nature may not want or who can't undertake the responsibilities of ownership—the elderly, the disabled, and young people who aren't sure where they want to live because of jobs, marital status or just inclination. Providing apartments for everyone else who can't, without assistance, buy a house has truly been a case of "Something for everybody" turning out to be "nothing for nobody."

So, is production of millions of units of the "Single Family Home" the cure-all for our inner cities? It very well may be, but you don't build millions of houses all at once. Where you start is probably the most important decision that any developer, and the country as a whole, has to make.

The Urban Land Institute Research Paper Infill Housing: Opportunities and strategies for Inner-City Neighborhoods, June 1996, states: "...in economically desirable areas, infill housing will take place spontaneously. In depressed areas, infill development cannot begin in the middle of the neighborhood; it must start at the edges and work in." This is the key to rebuilding our inner cities and "infill" areas, and West Coconut Grove is a prime example of an area that will benefit from new houses being created.

To date, Wind & Rain's decision to start in the West Grove has been proved right, five times, and without one penny of taxpayer money or subsidy other than the low interest second mortgage financing provided to the home buyer through the City's federal "HOME" funds.