

Building Broad-Based Prosperity™

A Position Paper Calling for
an Evolution of Today's Housing Policies

Habitat for Humanity Greater Orlando & Osceola County



Habitat for Humanity Greater Orlando & Osceola County
4116 Silver Star Rd, Orlando FL 32808
407-440-6976
habitorlandoosceola.org



With this position paper, Habitat for Humanity Greater Orlando & Osceola County engages in our nation's affordable housing crisis more boldly than ever before, committed to helping and supporting others as we work together in response to the growing housing needs of hardworking Central Floridians.

The challenge of affordable housing can be overwhelming for Central Floridians struggling under the burden of skyrocketing housing costs and for our region's community organizations that are working relentlessly to address one of the most complex socioeconomic challenges imaginable. To this end, we pledge our steadfast support of the many groups operating in this civic arena, knowing they are deserving of our abiding respect and unbridled admiration.

For the benefit of the reader, this is the first in a series of position papers produced as a contribution to the growing momentum of broad-based prosperity—a critical goal for the overall health of Central Florida and our residents and, therefore, a top priority of Habitat for Humanity Greater Orlando & Osceola County and the Orlando Economic Partnership.

With this in mind, I want to extend my special thanks to Orlando Economic Partnership President Tim Giuliani, as well as expressing my appreciation to the Board of Directors and the many investors and supporters for the creation of the Orlando Prosperity Scorecard.

Additionally, I want to offer my special thanks to Peter C. Barr Jr., Chair, and all members of the Board of Directors of Habitat for Humanity Greater Orlando & Osceola County. I am incredibly appreciative of their significant support of this first-ever effort and their faithful, dedicated leadership, championing our mission and working together and with others in support of a better community for everyone.

I also want to thank our many supporters, funders, and volunteers who have given freely of their talent, time, and treasure. I am particularly proud of this year's celebration honoring the 35th anniversary of Habitat for Humanity Greater Orlando & Osceola County, and I'm very thankful for everyone who has contributed so generously, making possible our many years of service.

With service to others as our goal, we believe housing has a foundational role in the realization of broad-based prosperity, and in what may be received by some as shocking candor, we consider today's housing policies and their implementation an exemplar of a system in crisis.

It is time to acknowledge the limitations of our region's collective efforts to date. As a result, Habitat for Humanity Greater Orlando & Osceola County outlines here an audacious proposal for the work ahead, promising to redouble our own

efforts, publicly pledging to work closely with others in this common cause, and boosting the growing momentum of broad-based prosperity, knowing our goal is to spark dialogue and hearten progress toward more affordable housing—benefiting everyone living and working in Central Florida.

At Habitat for Humanity Greater Orlando & Osceola County, we acknowledge that the mitigation of the affordable housing crisis will be daunting absent a coalition of like-minded community, civic, business, government, faith, and neighborhood leaders, representing the private, public, and independent sectors, working together to advance a shared vision and joining the legions of national, state, regional, and local efforts to thwart the debilitating effects of rising housing costs that have destabilized the lives of many Central Floridians.

At Habitat for Humanity Greater Orlando & Osceola County, we are committed to helping our government, civic, and business leaders find ways to offer more affordable housing. We invite others to join our work, assisting us in finding ways to expand our positive impact. I am confident of the many benefits associated with safe, affordable housing, knowing it will improve both lives and communities for generations to come.



Catherine Steck McManus

A handwritten signature in blue ink that reads "Catherine".

President & CEO

Habitat for Humanity Greater Orlando & Osceola County

Join our mission to build broad-based prosperity and evolve today's housing policies.

Visit HabitatOrlando.org/BuildingProsperity to sign up to receive more information and future position papers.

Preamble

With this position paper, Habitat for Humanity Greater Orlando & Osceola County engages in our nation's affordable housing crisis more boldly than ever before, committed to helping and supporting others as we work together in response to the growing housing needs of hardworking Central Floridians.

The challenge of affordable housing can be overwhelming for Central Floridians struggling under the burden of skyrocketing housing costs and for our region's community organizations that are working relentlessly to address one of the most complex socioeconomic challenges imaginable.

To this end, we pledge our steadfast support of the many groups operating in this civic arena, knowing they are deserving of our abiding respect and unbridled admiration.

For the benefit of the reader, this is the first in a series of position papers produced as a contribution to the growing momentum of broad-based prosperity—a critical goal for the overall health of Central Florida and our residents and, therefore, a top priority of Habitat for Humanity Greater Orlando & Osceola County and the Orlando Economic Partnership.

Broad-Based Prosperity

We begin from the positive point of consensus with the Orlando Economic Partnership that “for prosperity to truly be broad-based, the region requires a reduction in, and eventual elimination of, differences in life outcomes corresponding to race and neighborhood.”¹ In its second release of the [Orlando Prosperity Scorecard](#), the Partnership unified both the theory and practice of economic and community development under the goal of broad-based prosperity™ and the discernment to measure what matters. Habitat for Humanity Greater Orlando & Osceola County echoes the call for an economy that creates opportunities for all. We see alignment in our work in removing barriers that limit access to opportunities and stunt the capabilities of our workforce to adapt to an evolving economy. As a result, Habitat for Humanity Greater Orlando & Osceola County strongly endorses and encourages the use of the Orlando Prosperity Scorecard.

As outlined in the recently published economic impact analysis “Beyond the House”, published by Habitat for Humanity, each year, “Habitat for Humanity helps hundreds of thousands of

people across our country achieve homeownership, repair their homes, and build stronger communities through our collective work in creating decent and affordable housing opportunities.”

Local affiliates, such as Habitat for Humanity Greater Orlando & Osceola County, partner with families and individuals to build or improve a place they can call home, knowing “stable housing has a tremendous impact on family and community health, improved education outcomes for children, increased financial stability, and increased economic opportunities; understanding the cascading effects of our shared work are far-reaching and transformational.”

The analysis in “Beyond the House,” goes on to say, “Housing is foundational to building stronger communities, and the ongoing work of Habitat for Humanity, in all 50 states and in 70 other countries, helps drive critical social and economic outcomes,” confirming our alignment with the Orlando Prosperity Scorecard.

1. Orlando Economic Partnership. Beyond the Baseline: Orlando Prosperity Scorecard. April 2021.

A Note from the Chair:

“As an Orlando native, I care deeply about our community and our diverse residents. Creating solutions that provide more safe, affordable housing options and more opportunities for home ownership are crucial to our collective prosperity as a growing region where people choose to live, work, and play. Habitat brings the necessary resources together not just to build homes and communities, but to change lives of Central Floridians for an even brighter future for our region.”

Peter C. Barr, Jr.

*President & CEO
& Barr*

Chair
Habitat for Humanity Greater Orlando
& Osceola County

An excerpt from the Partnership’s recent release of “Beyond the Baseline: Measuring What Matters” describes the broad-based prosperity framework:

“Three overarching lenses comprise the Orlando Economic Partnership’s framework for broad-based prosperity as one that reconnects economic development with community development. Each lens focuses attention on the requisite features of an economy built for social mobility: **Opportunities, Capabilities, and Access.**”

Opportunities represent the vibrancy of the economy leading to expanded options for Central Floridians to participate in the region’s growth.

Capabilities reflect the ability and capacity of the region’s talent supply to meet the demands of employers competing in a rapidly evolving economy.

Access reveals the presence or absence of barriers hindering full participation in the economy.”



This simple framework gives structure to the Orlando Prosperity Scorecard, which contains 43 indicators across 13 factors used to track progress toward broad-based prosperity. The 13 factors in Table 1 (below) appear at a greater magnification of the framework’s three lenses.

ORLANDO ECONOMIC SCORECARD FACTORS

OPPORTUNITIES	CAPABILITIES	ACCESS
<p>Economic Diversification</p> <p>Jobs</p> <p>Income</p> <p>Innovation and Entrepreneurship</p>	<p>Social Capital</p> <p>Individual Health</p> <p>K-12 Education</p> <p>Continued Education</p>	<p>Transportation</p> <p>Housing</p> <p>Food</p> <p>Digital Connectedness</p> <p>Child Care</p>

TABLE 1

Housing interacts most directly with the four factors nested within the Access lens and makes clear that geography matters. Options for food, internet access, and child care are determined by neighborhood. Transportation extends the reach to alternative providers and ranges of quality and price—hallmarks of a thriving market-based economy—giving households more options, as well as access to factors found in the Capabilities (i.e., education, healthcare, and social capital) and Opportunities (i.e., diversity in job offerings, entrepreneurship, and the income these factors create).

“Funding for affordable housing doesn’t just address a critical need. It also supports tens of thousands of jobs in Florida, pumps billions of dollars into the state’s economy, and adds tens of millions of dollars to state and local tax revenues.”

1000 Friends of Florida

“ The Florida Chamber believes that affordable workforce housing is an often-overlooked issue for Florida’s competitiveness. Throughout our research for the 2030 Project, the Florida Chamber heard the concern from business leaders across Florida that workforce housing was becoming too expensive for the talent they were seeking to attract and too difficult to build at the speed with which they were seeking to grow inside our state. ”

Florida Chamber of Commerce, “Where We Stand, 2021”

Table 1 illustrates the dynamic relationships operating at a layer beneath the three lenses of the Partnership’s broad-based prosperity framework.

By measuring what matters, the Orlando Prosperity Scorecard makes the broad-based prosperity framework actionable. And the data makes it clear: Central Florida has an affordable housing problem. According to the Orlando Prosperity Scorecard, Central Florida ranks 12th out of 13 in a ranking of affordable housing availability among a set of comparative metropolitan statistical areas (MSAs) based on similar populations and economic characteristics.

In Orange and Osceola Counties, nearly 58 percent of households—equal to nearly 226,000 households—are considered “cost burdened” and paying more than 30 percent of their earnings for housing. More than 27 percent are paying more than 50 percent of their wages.² Among the 20 MSAs in Florida, Orlando is tied for 19th with Tallahassee (trailing Miami-Dade) for the distinction of having the highest percentage of cost-burdened households.³ And the National Association of Home Builders Housing Opportunity Index ranks the Orlando MSA 196th as of the fourth quarter of 2020.⁴ A May 6, 2021, post on Bloomberg’s Quint featured the headline: “Covid Has

Made Orlando Less Affordable Than San Francisco.”⁵ The author’s research relied on the number of hours a median-wage worker in a large metropolitan area (population of 1 million or more) would have to labor to pay the average monthly rent on a two-bedroom apartment. Orlando required 75.5 hours per week to cover monthly rent, while San Francisco and Austin required 73.4 and 70.4 hours, respectively.

Habitat for Humanity Greater Orlando & Osceola County is neither new to this realization nor alone in working to address the issue. Two recent and comprehensive research projects have acknowledged affordable housing as a community imperative. Affordable housing emerged as a priority in results from all six research methods—from secondary data analysis to a broad community survey—that contributed to the 2019 Community Health Needs Assessment produced by the Central Florida Community Collaborative. Similarly, community input gleaned as part of the Central Florida Foundation’s Table Talk 2019 initiative⁶ placed housing-related issues as the highest priority. Of the 751 Table Talk participants who participated in both the in-person conversations and the follow-up survey, 66 percent placed “quality affordable housing” among the top three aspects of the community needing to be addressed.

2. Estimates and projections by Shimberg Center for Housing Studies, based on the U.S. Department of Housing Development, Comprehensive Housing Affordability Strategy dataset and population projections by the Bureau of Economic and Business Research, University of Florida. Unless otherwise noted, housing is referred to as affordable to a particular household if housing costs do not exceed 30 percent of household income.

3. The Florida Housing Coalition. Home Matters. 2021.

4. National Association of Home Builders. Housing Opportunity Index. 2021. <https://www.nahb.org/news-and-economics/housing-economics/indices/housing-opportunity-index>.

5. <https://www.bloombergquint.com/gadfly/covid-has-made-orlando-less-affordable-than-san-francisco>.

6. Central Florida Foundation. Table Talk 2019: Perspectives on Community and How to Effect Change. October/November 2019.

All Households, Cost Burden by Income, 2020 Estimate (Summary)				
Geography	Household Income	Housing Cost Burden		
		30% or less	30.1-50%	More than 50%
Orange County, FL	30% AMI or less	3460	3083	37484
	30.01-50% AMI	8742	15792	28879
	50.01-80% AMI	26102	40019	13479
	80.01-100%	29143	15972	2421
	Greater than 100% AMI	216355	20363	2550
Osceola County, FL	30% AMI or less	1024	866	8959
	30.01-50% AMI	3056	3239	6536
	50.01-80% AMI	7702	9688	4277
	80.01-100%	7678	3899	726
	Greater than 100% AMI	43882	3379	315

Sources: Estimates and projections by Shimberg Center for Housing Studies, based on U.S. Department of Housing Development, Comprehensive Housing Affordability Strategy (CHAS) dataset and population porjections by the Bureau of Economic and Business Research, University of Florida

TABLE 2

The list of challenges begins with the prevalence of low-wage, low-skill jobs in the regional economy. The hourly wage renters need to earn in order to afford a one-bedroom rental unit at the “fair market rent” (\$1,064) determined by HUD without spending more than 30 percent of their household income is \$20.46. For perspective, that requirement exceeds the wages of nearly 774,000 Orlando employed residents, including 90 percent of all workers among these select “essential” occupations:

- Child care workers
- Special education teachers
- Ambulance drivers and attendants
- Preschool teachers
- Physical therapist aides
- Nursing assistants
- Teaching assistants
- Medical assistants

Local Initiatives

Demand for affordable housing is dwarfed by demand on the overall market, which continues to drive prices for homes beyond the reach of workers, elders, and persons with disabilities.

Several local initiatives make clear that Central Florida has not been unaware nor complacent. Orange County Mayor Jerry Demings convened the Housing for All task force in his first 100 days in office to develop solutions for the growing housing crisis. The resulting action plan called for incentivizing solutions, eliminating code barriers to allow for new development of diverse housing products, and incentivizing the formation of partnerships to provide more affordable and attainable housing units.

Weeks before the pandemic brought havoc to our communities last year, the Central Florida Foundation and the Central Florida Regional Housing Trust announced creation of the \$100 million Housing Impact Fund in an effort to address Central Florida's affordable housing crisis. The Foundation formed a Central Florida Housing Action Team, comprising 35-plus regional leaders from a variety of industries, to analyze data on the issue. The group proposed a private sector-driven response to the housing crisis: incentivizing the creation of more single- and multifamily homes for sale and for rent, with a broad price range, throughout Central Florida.

In November of last year, Orlando Mayor Buddy Dyer joined Blue Sky Communities, LLC, and CASL to break ground on Fairlawn Village, a \$24 million 116-unit affordable housing apartment community with all units reserved for residents with incomes less than 60 percent of the area median income (AMI).

In Osceola County, officials built a new affordable housing community in Kissimmee called Gannet Pointe. The property, developed in partnership with Birdsong Housing Partners and Ability Housing, brought 85 more homes to the area.

Put in the simplest of economic terms, demand exceeds supply. Demand for affordable housing is dwarfed by demand on the overall market, which continues to drive prices for homes beyond the reach of workers, elders, and persons with disabilities. The deficit of affordable and available rental housing in the five-county area comprising Lake, Orange, Osceola, Seminole, and Sumter Counties is nearly 73,000 units.⁷

7. Affordable/available units are affordable at that income level and are either vacant or occupied by a household below the income threshold. "Surplus/Deficit of Affordable/Available Units" for a particular income range shows the number of affordable/available units in the range minus the number of renter households in that range.

State Response

Although the shortage of affordable housing in the Sunshine State is hardly new, policies at the state level appear headed in the wrong direction. In 1992, the Florida Legislature created the Sadowski Fund to finance state and local affordable housing initiatives. From its inception, the source for the Sadowski Fund has been a documentary stamp tax paid on all Florida real estate transactions.

Historically, the tax collections had been dedicated to the Fund and managed by the independent agency Florida Housing Finance Corporation. Seventy percent is allocated to the State Housing Initiatives Partnership (SHIP) program to provide affordable housing for low-income families. The remaining 30 percent is allocated to the State Housing Trust Fund for programs including the State Apartment Incentive Loan (SAIL) program.

SHIP funds local government partnerships formed to create and maintain affordable housing initiatives designed to serve very-low- to moderate-income households. Local governments access the funds by meeting multiple requirements:

- Establish local housing assistance programs in ordinance.
- Develop local housing assistance plans and housing incentive strategies.
- Form collaborative partnerships to direct resources toward reducing housing costs.
- Ensure that rent or mortgage payments in targeted geographies do not exceed 30 percent of the AMI limits (with authorized exceptions).

SAIL provides low-interest loans (i.e., 0 percent to 1 percent) to incentivize the construction or renovation of multifamily developments. Developers access these loans three ways:

1. By setting aside 20 percent of their units for families with 50 percent or less of AMI.
2. By combining the loan with other housing credits with a set-aside of 40 percent of all units for families earning up to 60 percent of AMI.
3. By developing in the Florida Keys with the requirement that 100 percent of the units are for families earning up to 120 percent of state or local median income, whichever is higher.

Until now, that is.

During the most recent legislative session, a bill changed how much and where funds are to be allocated in the years ahead. Rather than sweeping the funds in an annual budget process, the funds are being partially diverted by way of a direct statutory change. As the Sadowski Coalition reported, money previously slated for affordable housing will now be divided three ways: for sea-level rise; for wastewater issues, such as septic-to-sewer conversions; and the remaining for affordable housing programs. For perspective of the legislation’s impact, affordable housing gets just 9 percent of the money.

In the 28 years of fund availability, the Florida Legislature has diverted (or “swept”) Sadowski Funds for other purposes in the state budget for 15 of those years—the last 12 in a row—for a total reallocation of more than \$2.19 billion.⁸ A cautionary note is warranted to avoid reducing the complex challenge of affordable housing to a matter of state funding.

Consider analysis by the Regional Economic Consulting Group prepared for the Florida Association of Local Housing Finance Authorities (FLALHFA). The study estimated that Florida would have seen 30,473 newly constructed or rehabilitated units had the Legislature made an appropriation of \$648.3 million for the fiscal year 2021-22 to trigger a corresponding infusion of \$3.5 billion in total development costs targeting affordable housing. For perspective, such an appropriation would have been roughly 1.5 times the largest previous appropriation in the Fund’s history (2006) and would have produced less than half the affordable housing supply required just in the Orlando MSA. The National Low Income Housing Coalition (NLIHC) estimates the total shortage of affordable homes to be 384,743 statewide.⁹

The balance of this initial effort by Habitat for Humanity Greater Orlando & Osceola County introduces four mindset shifts considered necessary to address the affordable housing crisis—and other regional policy dilemmas for that matter:



Each of the mindset shifts above will be presented in subsequent position papers. We describe them briefly here as groundwork for the dialogue we seek to catalyze among leaders throughout the region’s private, public, and independent sectors.

8. The Florida Housing Finance Corporation. *Collections, Appropriations and Sweeps Summary*. January 2020.
 9. National Low Income Housing Coalition. 2021. <https://nlihc.org/housing-needs-by-state/florida>.

Mindset 1:

Understand the nature of wicked problems.



Housing is a wicked problem. We use the term not in a moral sense but rather as a term introduced by researchers Horst Rittel and Melvin Webber nearly 50 years ago when they broke with the traditional planning paradigm grounded in the hard sciences:

The kinds of problems that planners deal with—societal problems—are inherently different from the problems that scientists and perhaps some classes of engineers deal with. ... As distinguished from problems in the natural sciences, which are definable and separable and may have solutions that are findable, the problems of governmental planning—and especially those of social or policy planning—are ill-defined, and they rely upon elusive political judgment for resolution. (Not “solution.” Social problems are never solved. At best they are only resolved—over and over again.)¹⁰

Wicked problems present challenges for contemporary governance and policymaking, in part, as a result of disagreement around the proper role and scope of government. Over the nearly five decades since Rittel and Webber called into question the prevailing model of policy development, the emergence of complexity science from the Santa Fe Institute promoted new approaches to understanding and addressing aspects of socioeconomics more prone to complexity, interconnectedness, diversity, and uncertainty.¹¹ Addressing wicked problems calls for new ways of thinking, leading, managing, and organizing that recognize the complexity of the issues and processes and that make new demands not only on their own organizations but also on other relevant actors and institutions.¹²

Addressing wicked problems calls for new ways of thinking, leading, managing, and organizing that recognizes the complexity of the issues and processes.

10. Horst Rittel and Melvin Webber. *Dilemmas in a General Theory of Planning*. *Policy Sciences* 4. 1973.

11. Brian Head and John Alford. *Wicked Problems: Implications for Public Policy Management*. *Administration & Society*. Vol. 47(6). 2015. Page 715.

12. *Ibid.* Page 722.

Mindset 2:



Adopt One-Pocket Budgeting.

A paper released from Drexel University's Nowak Metro Finance Lab broke ground with the status quo by calling for building equity for low-income residents of disadvantaged communities through new thinking and action. The authors extend thinking that has emerged from corporate responsibility initiatives over recent decades by underscoring the benefit realized when operational budgets allocated toward revenue-creating objectives align with social or environmental benefits.

Consider, for example, the alignment represented in Walt Disney Company's supplier diversity programs that reflect a commitment to including a diverse portfolio of suppliers in its sourcing process to create "the greatest opportunity to develop the most innovative, highest quality, and most cost-effective business solutions."¹³ Similarly, OUC's fleet has adopted mutually beneficial strategies by integrating green initiatives in its fleet operations, such as alternative fuels and purchasing hybrid vehicles.

Endless opportunities await as foundations, pension funds, and operations spending across the spectrum of private, public, and independent sectors merge "what's good for returns" with "what's good for society."¹⁴ Advocates for one-pocket budgeting envision the impact realized when vast stores of private and civic capital—pension funds, university endowments, corporate balance sheets, and high-net-worth family investments—are driven back into local communities as funding aligns under unifying strategies of value creation no longer at odds with societal impact, thereby ending the exacerbation of wicked problems. One-pocket budgeting calls for replacing the current system of community development with a multilayered and holistic system of community wealth.¹⁵

**One-pocket budgeting
calls for replacing
the current system of
community development
with a multilayered
and holistic system of
community wealth.**

¹³. <https://supplierdiversity.disney.com/>.

¹⁴. *Ibid.* Page 9.

¹⁵. Ross Baird, Bruce Katz, Jihae Lee, and Daniel Palmer. *Toward a New System of Community Wealth*. Drexel University. 2020. Page 8.

Mindset 3:

Redefine collaboration.

The research literature on wicked problems points to the power of cooperative approaches, particularly networked governance¹⁶ and collaborative leadership, that reflect enhanced structures and behaviors that give new meaning to collaboration. Taking a network approach to governance places an increased reliance on intricate, yet often informal, networks to mobilize and engage citizens and organizations in the development, implementation, and monitoring of public policy.¹⁷

In the context of wicked public problems, three trends characterize the evolution represented in combining governance networks and collaborative leadership:¹⁸

1. The success of localized solutions, particularly demonstrated in the enhanced responsiveness achieved by county and municipal governments in contrast to federal- or state-centric services.
2. The flexibility and efficiencies found in targeted outsourcing practices that leverage best practices in the private and independent sectors.
3. The power of partnerships that produce economies of scale and scope, in part, by acknowledging shared risk and pooling resources based on mutual commitment.

Growing evidence suggests these trends will continue to shape governance structures that feature public, private, and independent sectors interacting in the design and delivery of public services and directing reinvestment. Lift Orlando, a nationally recognized initiative that “addresses the individual needs and physical environments impacting where families live, learn, work, and grow,”¹⁹ is but one local example of the power of partnerships. Among the lessons learned from this purpose-built community, the voice of those

accessing current and future strategies must be heard, in addition to engaging service funders and providers.

Collaborative leadership refers to the practice of working together across sectors to make decisions and keep organizations—and communities—thriving. It replaces traditional top-down leadership in which high-level executives make decisions that trickle down to employees or subordinated partners. In contrast, collaborative leadership creates a sense of unity among participants, allowing them to set and maintain consensus core values and strategically address issues from a position of cohesion.

We see merit in redefining regional collaboration as collaborative governance—the interdependent structures, processes, and technology platforms created by networked governance and collaborative leadership—as a means of eliciting focused and coordinated actions, perhaps even without the trappings of formal authority. We are not alone. Recent research has documented innovative practices and tools that enhance mutual understanding, agreed purposes, mutual trust, and interdependence seen as requisites to successful collaboration.

Taking a network approach to governance places an increased reliance on intricate, yet often informal, networks to mobilize and engage citizens and organizations.

16. John Lim. *Networked Governance: Why It Is Different and How It Can Work*. Civil Service College. 2011.

17. <https://www.csc.gov.sg/articles/networked-governance-why-it-is-different-and-how-it-can-work>.

18. *Ibid.* Page 29.

19. <https://www.liftorlando.org/>.

Mindset 4:



Advance new evaluation frameworks.

The fourth mindset turns from how stakeholders think and act to the structure and processes that constrain them, particularly funding, budgeting, and financial systems that perpetuate two-pocket budgeting.²⁰ An extension of one-pocket budgeting prescribes the pooling of budgets among collaborating partners. Other shifts in process might allow for budget allocations based on outcomes, outputs, and process—all within the same budget—rather than narrowly confined appropriations tied to activities and outputs.

Similarly, new thinking calls for more sophisticated approaches to performance measurement and program evaluation.²¹ The realization of one-pocket budgeting and collaborative governance depends on advancing our approach to assessing and demonstrating impact. Social investments—think philanthropy or community investment—must benefit from rigorous and standardized measurement practices found in the private sector. A common language and framework can help align goals among investors, as well as producing evidence that investments are doing something that has real and tangible benefit to all stakeholders.

A new evaluation framework also must improve understanding of the relationships and mechanisms obscured by the complexity of wicked problems. Additionally, a newly crafted approach to impact assessment should identify paths to synthesizing individual initiatives from a portfolio of current or potential interventions by enabling comparison of interventions by geography, time frame, sector, or policy area. Such a framework has been elusive. Challenges include the difficulty of isolating the impact associated with the individual programs, lack of data, and absence of the analytical capabilities necessary to produce the desired assessments.

New thinking calls for more sophisticated approaches to performance measurement and program evaluation.

20. Ibid. Page 42.

21. Wouter Van Dooren, Geert Bouckaert, and John Halligan. Performance Management in the Public Sector. 2010.

Conclusion

In calling for the necessary mindset shifts, we set our sights on a new path forward. Without pretense of knowing the ultimate answers, we are nonetheless convinced that simply extending the trajectory of legacy thinking will only fall short again.

Although only addressed in this position paper briefly, our call to action is for each stakeholder involved or impacted by affordable housing to consider what adoption of these four mindsets might do to change the trajectory of Central Florida's affordable housing crisis:

- What do we need to know—from research and real-world best practices—to tame wicked problems?
- How would one-pocket budgeting change the nature of the challenges as well as the resources available to mitigate them?
- What alternative collaborative governance models are best suited to the resolution of wicked problems?
- Can we improve our effectiveness by changing how we understand and evaluate impact?

With so much unknown or unclear, we adhere to what research about wicked problems has revealed to this point. When commitment to collaboration reaches beyond the sterility of rhetoric to the messy realities of the practical work it requires, we will realize progress in three important ways.²²

First, the presence of learning, cooperative networks increases the likelihood that the nature of the wicked problem and its root causes can be better understood. This is realized through a shared understanding of the problems, shared ownership of the deliberative process, and inclusion of more diverse insights in solution development.

Second, collaboration increases the likelihood that provisional solutions to the problem can be found and agreed upon. What researchers call “pooled knowledge” and openness to joint problem-solving will lead to greater cooperation among the diverse parties, each with differing interests concerning affordable housing. This shared understanding and effort brings about incremental wins rather than the shortcomings associated with the pursuit of silver-bullet solutions.

Third, collaboration facilitates the implementation of solutions through shared contributions, coordinated actions, and mutual adjustments among them, as problems inevitably arise as proposed solution sets are put into practice.

At Habitat for Humanity Greater Orlando & Osceola County, we acknowledge the mitigation of the affordable housing crisis will be daunting absent a coalition of like-minded community, civic, business, government, faith, and neighborhood leaders, representing the private, public, and independent sectors, working together to advance a shared vision. We are committed to the collaboration needed among our government, civic, and business leaders. We invite others to join our work—and embrace us in theirs—which promises to have an unprecedented impact on our region.

22. Brian Head and John Alford. Wicked Problems: Implications for Public Policy Management. *Administration & Society*. Vol. 47(6). 2015. Pages 725-726.

Acknowledgments

The goal in publishing this position paper is simple: to spark dialogue and hearten progress toward more affordable housing. Habitat for Humanity Greater Orlando & Osceola County invites all community stakeholders to offer thoughtful responses to this call for action. Together, we can create an unprecedented impact on our region.

At Habitat for Humanity Greater Orlando & Osceola County, we are committed to helping our government, civic, and business leaders find ways to offer more affordable housing—always ready to lend a helping hand to hardworking Central Floridians. With this in mind, we want to extend special thanks to Orlando Economic Partnership President Tim Giuliani, as well as appreciation to the Board of Directors and the many investors and supporters for the creation of the Orlando Prosperity Scorecard.

Additionally, special thanks to Peter C. Barr Jr., Chair, and all members of the Board of Directors of Habitat for Humanity Greater Orlando & Osceola County. We are incredibly appreciative of their significant support of this first-ever effort and their faithful, dedicated leadership, championing our mission and working together and with others in support of a better community for everyone.

We also want to thank our many supporters, funders, and volunteers who have given freely of their talent, time, and treasure. We are particularly proud of this year's celebration honoring the 35th anniversary of Habitat for Humanity Greater Orlando & Osceola County, and are very thankful for everyone who has contributed so generously, making possible our many years of service.

Most importantly, we want to acknowledge the families who allow Habitat for Humanity Greater Orlando & Osceola County to help them achieve the strength, stability, and self-reliance they need to build better lives for themselves. We are honored and humbled to be part of their journeys.

Special thanks to the Orlando Economic Partnership, commissioned to contribute research and content leading to the development of this position paper. This is the first in a series of efforts designed to inform the multisector engagement necessary to address the region's affordable housing crisis. Habitat for Humanity Greater Orlando & Osceola County is solely responsible for this paper's contents. Broad-based Prosperity™ is a trademark of the Orlando Economic Partnership.

Habitat for Humanity Greater Orlando & Osceola County

Join our mission to build broad-based prosperity and evolve today's housing policies.
Visit HabitatOrlando.org/BuildingProsperity to sign up to receive more information and future position papers.