

Thursday, October 18, 2012 11:00 PM

Public-private partnerships enrich Wilson housing

The body that manages Wilson's public housing communities is turning to the private sector to build affordable homes for the city's low-income families.

As the Wilson Housing Authority broke ground on Pinnacle Point, a three-story apartment facility for elderly residents, leaders shared plans to pair federal Department of Housing and Urban Development funding with private capital in the planned E.B. Jordan Homes renovation.

That public-private partnership exemplifies the Wilson Housing Authority's intent to rely increasingly on banks and commercial real estate developers as it works to provide safe and affordable homes.

"My intention is to get it all away from HUD and to put it under private partnerships — the public housing portions," said Edward R. Jagnandan, the housing authority's president and CEO. "I've got a plan for all of it. I'm announcing it piece by piece."

We're encouraged by Jagnandan's vision for the Wilson Housing Authority and look forward to a future when fewer tax dollars and more private dollars are used to build, maintain and subsidize Wilson's low-income homes.

HUD had a \$27.2-billion budget for public and Indian housing in 2011, including more than \$15 billion for Section 8 housing subsidies. More than a million Americans receive rental assistance through the agency each year.

Wilson has more than 781 public housing units and 637 city residents receive Section 8 vouchers, according to the housing authority.

"In Wilson, we believe everyone should have a decent, affordable place to live," Mayor Bruce Rose said during a groundbreaking ceremony for the new 38-unit senior apartment complex.

We agree with the mayor — with one caveat. Everyone should have access to safe, affordable housing, but it shouldn't always be the government's responsibility to provide it. We'd like to see government partner with private business to find practical solutions to local and national housing problems.

From majestic mansions to modest mill houses, the real estate market already provides most of the housing supply that dwellers demand. When demand for inexpensive homes exceeds supply, HUD helps some low-income residents pay for housing through rent subsidies and moves others into public communities.

If the private sector gradually takes over this government function, it will mean savings to the American taxpayer and proportional profits for banks, developers and landlords.

Government has a role to play in low-income housing, but we see its place as that of a community partner rather than financier of first resort. Instead of just bankrolling public houses and apartments, it should prod private developers to build more affordable homes through tax incentives.

As retirement savings shrink, governments should allow homestead exemptions to the property tax so that elderly homeowners aren't sent back into the work force or forced into loans and reverse mortgages to pay for the privilege of keeping their homes.

The E.B. Jordan Homes will be rechristened London Church Crossing once the housing authority's planned renovation is complete. Time will tell whether the public-private partnership is successful, but we anticipate it will be.

We're glad that the Wilson Housing Authority is charting a responsible course for the future of affordable housing. To the future residents of Pinnacle Point and tenants of the future London Church Crossing, welcome home.