

Hermit crab housing: Part 3, fringe benefits and essential principles

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[Continued from the previous [Part 1](#) and [Part 2](#).]

Two days ago we introduced [Builders Of Hope](#) in Raleigh, North Carolina, which (as profiled in the [Wall Street Journal](#)) lifts up solid but economically obsolescent houses from their ample and now-too-valuable sites, and relocates them elsewhere on smaller, less valuable sites, along the way converting what would have been a teardown into affordable workforce housing.



Rather than tear it down, you prep it for travel ...

The critical role of an effective Mission Entrepreneurial Entity

In a model I call Hermit Crab Housing, Ms. Murray's non-profit does all the pieces as a vertically integrated boutique development company that handles and quality-assures every phase:



There you go, little fella, you're ready for occupancy now

Program conceptualization and design
Land acquisition (and, if necessary, land rezoning)
Site acquisition (via charitable donation)
Relocation of the physical structure
Construction/ rebuilding of the transplanted house
Marketing and sale of the new homes
Ongoing affordability

Builders of Hope's great comparative advantage is its capacity; its second great advantage is its brand, meticulously developed over several years both by commitments (Ms. Murray working for free) and by outcomes (being able to show completed, successful developments).

Reuse isn't just good economics, it makes people feel good

Preservation of existing housing is green.

Reusing the houses kept construction debris out of dumps in a city where every new landfill is a battle.



... you relocate it and renovate it, saving landfill, cost, and a bit of history

Higher density is green. So, usually, is rental.

Good ideas attract allies

Just as in [the parable of stone soup](#), once people see it's going to happen, they want to contribute. People bring what they can:



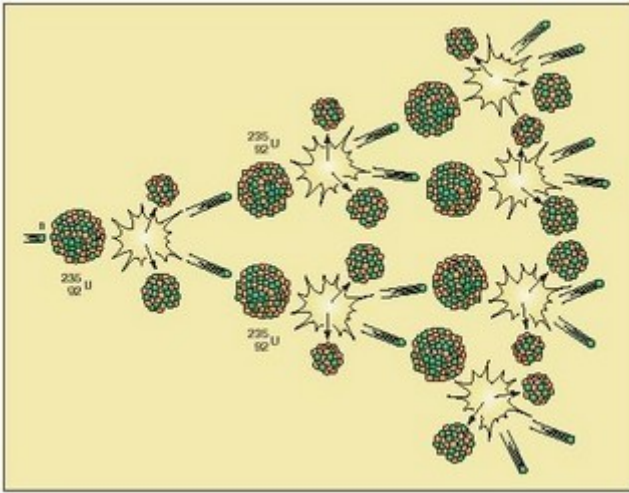
Add a little wi-fi and it'll be spectacular

[One Economy](#), a nonprofit in Washington, D.C., put in a wireless Internet system and Builders of Hope is working to get residents recycled cars from individuals and dealerships.

Barrington Village, meantime, will soon have a playground donated by a developer who needed to get rid of it, and its traffic circle will be landscaped with a picnic table, apple trees and an herb garden designed free by a local landscaper.

Can it propagate?

Why can't the idea propagate?



If the ideas keep bouncing through cyberspace, it will

I think it can, if the conditions are right, to wit:

Hermit Crab Housing When it's likely to be feasible

1. **Increasing density** driven by economic growth, which drives up land values and makes larger houses economically justified on existing lots.
2. **High median income** so that even affordable housing will support a fair amount of **hard debt** that pays for the physical rebuilding costs and the sponsor's overhead and profit.
3. Available **flat greenfield land**, preferably assembled on a concessionary basis. It pays to have helpful friends like local government, and gives new meaning to **inclusionary zoning**.
4. **Temperate climate and stable geology**: slab on grade or at most, a crawl space. Full basements or deep foundations make the structure un-portable.
5. **'Good bones' in the buildings**. Given the amount of systems improvement to be done, a transportable building needs to have a strong physical structure that will survive the transplant (no ficus-tree houses) and have value afterwards.
6. **Economically irreplaceable interior features** like hardwood floors, molding, fireplaces and mantles. Amenities that new affordable housing could not justify on a cost-benefit basis form attractions that compensate for small square footages.
7. **The visionary Mission Entrepreneurial Entity**, vertically integrated enough to handle and quality-assure every phase: land acquisition, site acquisition (via charitable donation), relocation, construction/ rebuilding, marketing/ sale, and ongoing affordability.

What do you call something so clever?

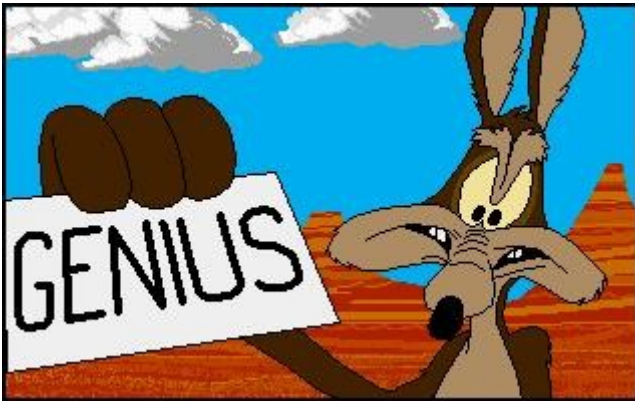
Ms. Murray has more schemes in mind. She's in talks with Habitat for Humanity about a joint effort in Chapel Hill, N.C., where Habitat has purchased a lot for a 50-house subdivision. A third of the homes in the envisioned project could be relocated ones rehabbed by Builders of Hope, she says.



Just kicking around some more ideas

When a developer offered her a bunch of unwanted duplexes, she started negotiations with another developer that owns 56 vacant lots across the street from Barrington Village that are zoned for multifamily housing. There she envisions a community for elderly people who need affordable housing but don't want a single-family home.

I call it genius, and I hope it spreads.



Where can I get some?
