



**NATIONAL
HOUSING CRISIS
TASK FORCE**

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**EXPANDING HOUSING SUPPLY: A CALL
FOR MUNICIPAL PROPERTY ADVISORS**

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Expanding Housing Supply: A Call for Municipal Property Advisors

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Summary

Cities across the U.S. possess extensive but underutilized land and property assets with immense potential for addressing pressing housing challenges. Leveraging these public assets can make affordable housing projects financially viable by reducing production costs and engaging public entities as equity partners. Unlocking this potential could be part of broader initiatives to produce hundreds of thousands of affordable housing units.

The [Putting Assets to Work \(PAW\) Initiative](#) has worked with several U.S. cities to pioneer a replicable solution. Cities like Austin are using local procurement practices to engage third-party entities — Municipal Property Advisors (MPAs) — as intermediaries. These MPAs identify, monetize, and driving the redevelopment of underutilized public assets to advance public objectives, including affordable housing production, through private investments.

The Challenge This Tool Solves

Cities face multiple challenges in maximizing their property assets. Most U.S. localities lack a full inventory of public assets, partly because ownership is fragmented across numerous local governments and their individual departments, public authorities, and public utilities. Moreover, these separate public entities often lack the knowledge and expertise to work with public, private and nonprofit developers and financial institutions to convert public land and buildings into housing.

Types of Communities That Could Use This Tool

Governments of all levels and sizes could benefit from a new approach to identifying and developing public assets.

Expected Impacts of This Tool

The use of MPAs could potentially unlock hundreds of thousands of affordable housing units on currently underutilized public assets. Indeed, the [Center for Geospatial Solutions](#) at the Lincoln Institute of Land Policy estimates that local governments own over 230,000 acres of land served by transit, with potential to support up to 5.9 million housing units.

Background

The American housing crisis has reached a critical juncture, with record-high homelessness coinciding with historically low rental affordability and homeownership rates. This crisis not only impacts individual Americans and their families but also has profound socioeconomic implications for the entire population and economy.

A promising solution exists: the public sector could play a major role in catalyzing the production of affordable housing via the [strategic disposition or repositioning of underutilized assets](#). Public entities at federal, state, and local levels collectively own substantial land and building portfolios. As communities have grown and evolved, many holdings like surface parking lots and administrative facilities have become underutilized, particularly those that are in or near employment centers and transit stations; and are now ideal candidates for redevelopment. By conservative estimates, a strategic disposition or repositioning of public assets could help drive the production of hundreds of thousands of housing units.

A partnership between Accelerator for America and government technology firm Tolemi is supporting 17 cities through the [Data for Housing Solutions](#) initiative, which leverages a data analysis tool and peer learning to provide insights into local real estate markets. The goal is to use those insights to help preserve and build affordable housing, keep families in their homes, combat predatory real estate investors, and ensure publicly owned real estate is utilized for the greatest community benefit. To-date, the initiative has identified over 100,000 publicly owned properties managed by more than 450 public entities across the cohort of 17 cities, allowing local leaders to evaluate these sites for potential transformation into affordable housing.

In some European cities like Copenhagen and Hamburg, public asset corporations have been established to design and deliver ambitious asset leveraging strategies. In Copenhagen, since 2007, the publicly owned, privately managed City & Port development corporation has spearheaded large-scale urban redevelopment overseeing half of all new developments in the city. Those developments adhere to the national mandate that requires 25% of all new housing projects be allocated for affordable and social housing. Simultaneously, City & Port has channeled revenues from redevelopment into financing the city's extensive metro system. In Hamburg, the HafenCity Hamburg development corporation has pioneered innovative urban solutions in collaboration with private developers for both housing and businesses. These initiatives have significantly shaped the city's unique future by creating a diverse mixed-use redevelopment area and catalyzing a diverse set of clean energy initiatives.

The U.S. now has an urgent imperative to adapt European and other models to accelerate the production of affordable housing. Over the past two years, the [Putting Assets to Work Initiative](#) (hereinafter “The PAW Initiative”), a collaboration of the Government Finance Officers Association, Common Ground Institute, and Urban3, has worked with multiple cities and

counties to find a sensible and scalable approach to public asset disposition in the U.S. The PAW Initiative has worked with localities as diverse as Atlanta, Austin, Chattanooga, Cleveland, Evanston and Salt Lake County to identify and map publicly owned land holdings and real estate assets, estimate their value, and develop strategies to engage intergovernmental partners and community stakeholders. The goal is to attract private capital and generate new revenue from these assets.

The PAW Initiative has pioneered the creation of an Asset Map, which is a tool used to inventory government-owned land and buildings across various jurisdictions. For instance, [Boston's City-wide land audit](#) identified parcels owned by the nine different city-controlled entities, segmenting them between “large opportunity sites,” infill sites, and others. While many jurisdictions maintain lists of owned parcels, they often lack complete understanding of their assets' full scope, market value, or development potential. The ownership of government assets is fragmented among a multitude of public entities including general purpose city and county governments, separate public utilities and public authorities (e.g., Public Housing Authorities, Port Authorities, Airports, Redevelopment Agencies (RDAs), Land Banks, Transportation Authorities, Public Works Departments), and various state and federal entities. An Asset Map addresses these gaps by providing a geospatial representation of publicly owned properties, integrating data from geographic information systems (GIS), county assessors, internal records, and staff interviews. These maps highlight specific parcels suitable for prioritized investment or development efforts.

Asset mapping, while foundational, is insufficient on its own.

The typical next step, issuing a Request for Proposals (RFP), can be time-consuming and requires specialized expertise, placing additional burdens on already stretched government staff. Following asset assessment, most jurisdictions have limited capacity to advance complex redevelopment initiatives, as elected officials and agency staff understandably focus on core functions and immediate priorities. Regardless of their potential economic upside, complex, long-term initiatives like PAW often get placed on the back burner.

For that reason, several cities involved in the PAW Initiative are pushing new innovations. The City of Atlanta, for example, has established a specialized entity, the [Atlanta Urban Development Corporation \(AUDC\)](#), to lead the [redevelopment of public land into marketable, mixed-income housing](#) that is attractive and accessible to tenants across all income levels. The City of Atlanta appropriated \$4 million to launch the AUDC and authorized additional bonding of \$100 million to support the mayor's affordable housing initiative, leveraging the city's underutilized public assets. The City of Austin, by contrast, is using local procurement to hire third-party entities to manage the disposition and repositioning of public assets and drive redevelopment. The City of Austin worked to identify city-owned parcels of land that are unused or underutilized that are suitable for housing development or other beneficial uses which they identified as “reposition properties”. The city then issued a Request for Qualifications (RFQ) to solicit comprehensive Reposition

Property Advisor or Development Advisor services aimed at advancing strategic planning and redevelopment. Tasks outlined in the RFQ encompass analyzing the utilization of public assets, devising innovative financing models, fostering collaboration among city departments and stakeholders, conducting market analyses, drafting RFPs for development projects, offering guidance on zoning regulations, and facilitating the negotiation of development agreements. Both the Atlanta and Austin reforms, taken holistically, are pathbreaking and deserve serious consideration. The Atlanta effort adapts the institutional successes of Copenhagen and Hamburg to the U.S. and is already playing a major role in Mayor Andre Dickens' stated objective to produce 20,000 affordable homes over eight years. The AUDC has the further benefit of blending public, private and philanthropic capital in efficient and effective ways, creating new capital stacks and financing mechanisms that can yield results over the long term. The harsh reality, however, is that most U.S. communities lack the capacity to design, incorporate, capitalize and stand up a fully operational Urban Development Corporation.

Austin offers a more readily scalable and adaptable approach. Using RFQs is a familiar practice in public-private real estate partnerships, and many cities already employ similar procurement methods across sectors.

This approach also accommodates the reality of limited local resources by leveraging external expertise through competitive procurement, allowing cities to manage development initiatives without overextending internal capabilities.

For these reasons, this tool focuses on scaling Austin's innovation and establishing Municipal Property Advisor services as a standard practice nationwide.

Proposed Solution: Municipal Property Advisors

To unlock the value of public assets and overcome capacity limitations faced by most local governments and public entities, we propose creating and scaling a new class of housing professionals — Municipal Property Advisors — to identify and leverage public assets as a key solution to the housing crisis.

Under this approach, a city could issue an RFQ to select a municipal property advisor, or advisors, for a defined period of time. Selected advisors are pre-qualified to evaluate the city's real estate portfolio, identify asset opportunities, present development proposals and negotiate terms directly on behalf of the jurisdiction, subject to final approval by the jurisdiction of the particular process and terms, and ultimately participate in the project redevelopment to ensure its success. This approach is similar to how local governments pre-qualify outside local counsel or bond underwriters to represent them in financial transactions generally and not confined to individual legal matters or one-time bond issuances.

MPAs fill the gap between public sector capacity and private sector investment by evaluating project options, assessing market interest, identifying capital sources, running RFP or RFQ processes to select a project developer, and coordinating large-scale development projects aligned with the long-term overall development strategy of the city. As part of the selection process, the local government can set goals and guidelines around using public assets to advance the production of affordable housing.

The MPAs should be highly skilled and trained in the redevelopment and revitalization of public assets in the private market. Their tasks include creating an overview of public assets, selecting the most promising locations for revitalization, and executing first-mover projects to demonstrate the potential value of public assets. They will ensure that new developments fit and feed into the city's overall strategy. They will also research and resolve complex title issues often associated with publicly owned property, design and manage public-private partnership formations (which may include competitive bid processes or other processes approved by the jurisdiction) and negotiate contracts for jurisdiction approval.

Additionally, MPAs formulate various financing options and innovative approaches to capital formation for approval by the jurisdiction and private parties, prepare relevant documentation, supervise project implementation and development activities on behalf of the jurisdiction, and report on ongoing performance metrics.

This third-party intermediary approach can operate on minimal investment from the jurisdiction by allowing the MPA to assess project participation fees from transactions. Such fee structures are already common in government where a jurisdiction uses a real estate broker to sell public property who is compensated through a fee on the land sale transaction, or a municipal financial advisor or underwriter who is compensated through bond issuance fees or other financial transaction fees. Similarly, this structure is commonplace in private-sector transactions where developers readily pay a “finder’s fee” or origination fee to parties who source transactions or a capital sourcing fee to parties who bring investment capital to support various projects. However, we are proposing to aggregate the real estate broker and the finder of the finder’s fee into an all-encompassing role to enable a holistic approach that fully leverages the full potential of the public assets. In Austin, the city has [already completed](#) the development of a 251,000 square foot facility based on its use of an MPA.

Diffusion and Scaling of Municipal Property Advisors

The wider adoption of the Municipal Property Advisors approach could yield substantial housing benefits across multiple timeframes. Technical assistance for government leaders can accelerate this process. The Task Force supports the PAW Initiative as a valuable intermediary that can standardize and expand Municipal Property Advisor procurement and practice across the nation. The expansion of this work to more places will require five core elements:

Create Successive Cohorts of Adopters: The PAW Initiative proposes working with multiple cohorts of cities annually (five to ten cities per cohort) that commit to using a common approach for asset mapping, MPA procurement, and affordable housing production. Cities must have commitments from local elected officials as well as key corporate and civic leaders.

Routinize Core Elements: The scaling of an innovative practice starts with the sharp distillation of its core features and components. Repetition requires codification, which is best accomplished using a common template that is flexible enough to accommodate places with different governance structures, market conditions, and institutional capacities.

Routines Matter: They reduce risk, lower costs and simplify replication. Common term sheets. Common capital stacks. Common metrics. Common analytics. Common technologies.

To reach more places, we need to create and make widely available sample RFP and RFQ agreements, making these easily accessible for any city wanting to go down the Municipal Property Advisor path.

It will also develop a catalogue of potential financing options and performance metrics. Success could be measured by the provision of affordable housing options, tailored to the specific needs of each city, county and metropolitan area.

Municipalities can enhance the impact of Municipal Property Advisors by establishing right-to-build policies. Cleveland has, for example, adopted (a) as-of-right zoning for 1- to 4-unit housing; (b) as-of-right accessory dwelling units; and (c) pre-approved housing designs.

Peer Learning and Knowledge Dissemination

As MPA utilization grows, PAW aims to foster collaboration among municipalities, facilitating exchange of best practices and innovative solutions. By publishing common agreements and performance metrics and documenting successes and lessons learned, PAW will build a knowledge repository supporting localities in addressing common challenges and maximizing housing impact. Making practical information widely accessible will empower local governments to optimize their assets for economic, social, and environmental community benefits.

Professionalize Municipal Property Advisor Industry

We anticipate natural evolution of a Municipal Property Advisor industry as more cities adopt this approach. Beyond convening city cohorts, the PAW Initiative plans to bring together firms and nonprofit entities serving as MPAs across multiple engagements or communities. This collaboration will establish practice standards that become industry norms. As the field matures,

professional certification should be considered, with PAW potentially providing initial quality assurance and standards development.

There are many steps that local — and even state — governments can take today at no or little cost to better put their public assets to work and begin the process to implement a Municipal Provider Advisor approach that builds more affordable housing. The fuller scale implementation, including cohorts, knowledge center, templates, and professionalization of the positions, will require additional funding.

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