

# DAGforum

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## **SMALL DEVELOPERS ARE THE KEY TO HOUSING AFFORDABILITY AND SAFETY**

by Ken Weinstein

As a mission-driven real estate developer for more than 35 years, I witness, every day, the pressing need for more affordable housing in Philadelphia. Relying solely on large scale developers and government subsidized programs is not sufficient to meet the demand. Aspiring neighborhood-based developers, who want to remove blight from their neighborhoods while producing desperately needed affordable housing, remain a largely untapped resource.



*Ken Weinstein addresses the 70 participants in the 2023 Jumpstart Germantown Training Program.*

This is where Jumpstart Philly comes in. By training, mentoring, networking, and financing local aspiring real estate developers, we create “naturally occurring affordable housing” (NOAH) where it is needed most, in our stable but struggling “middle neighborhoods.”

NOAH is produced by renovating existing houses and properties in middle neighborhoods, where acquiring properties is less expensive, and at a lower construction cost per square foot than new, ground-up construction. NOAH does not require government subsidies and can be produced by small, neighborhood-based developers, such as the 2,500 individuals who already graduated from the Jumpstart Philly Training Programs. By promoting NOAH development, we can provide affordable housing options while also revitalizing our neighborhoods.

Utilizing small neighborhood-based developers is also the link between blight removal and improved security. Recent studies have found a clear correlation between blight removal and reduced crime rates. One study showed that [home repairs led to a 21.9% reduction in total crime](#), while another demonstrated a [13% drop in gun assaults](#) when abandoned homes were repaired.

I founded Jumpstart Germantown eight and half years ago as a way to empower local residents to fix up blighted houses in their own communities and create wealth locally. Today, 13 Jumpstart Programs exist throughout our region, with six programs in Philadelphia. Jumpstart graduates are overwhelmingly Black or brown and more than half are women. By increasing diversity in real estate development, we can ensure that the needs and perspectives of marginalized communities are better represented in housing development, leading to more equitable and sustainable affordable housing.

To date, the Jumpstart Philly Loan Program has made 401 loans, totaling more than \$49 million in financing, in just the six Philly neighborhoods where Jumpstart Training Programs currently exist. And the Jumpstart Loan Program has no foreclosures to date despite taking on acquisition and construction loans that most traditional financial institutions avoid because the borrowers are less experienced, the loans are relatively small, and there are numerous requests to draw on them.

Imagine the positive impact Jumpstart Philly will have now that we’ve expanded citywide! With continued support from TriState Capital Bank, the Reinvestment Fund, and LISC, we can make that happen.

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*Ken Weinstein tours a construction site with Jumpstart participants in 2022.*

And as we expand our Loan Program throughout Philadelphia, more NOAH units will be created, providing more local developers with the opportunity to succeed. Jumpstart Philly is committed to making a tangible difference in the lives of Philadelphians by offering more affordable housing options and helping women and people of color succeed in the real estate development industry from which they have historically been excluded.

Join us in our mission to build a more equitable and thriving community in Philadelphia! We invite interested area developers, new and experienced, to check out [JumpstartPhilly.com](https://www.jumpstartphilly.com) to see how they can help solve Philly's affordable housing problem while supporting safer neighborhoods.

**Ken Weinstein** is an active entrepreneur and real estate developer. His Philly Office Retail has renovated and restored more than 350 vacant and deteriorated commercial and residential units. In 2015, he founded Jumpstart Germantown/Jumpstart Philly, which trains, mentors, networks, and provides funding to aspiring real estate developers. Ken serves as chair of the Mt. Airy Business Improvement District, which he co-founded in 2007.

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