

# WORKFORCE HOUSING BRINGS VALUE TO COMMUNITIES

WHY MAUI DEVELOPMENTS ARE THE FUTURE OF WORKFORCE HOUSING

The benefits of Mixed Age, Use, Income (MAUI) housing strengthens communities and builds resilience.

## **Mixed Age: Strengthening Communities Through Generational Diversity**

A sustainable workforce housing strategy should not only focus on affordability but also on fostering multigenerational communities. Housing solutions that accommodate people at different stages of life make neighborhoods more resilient and adaptable.

- Young professionals and families benefit from being near jobs, childcare, and public transit, reducing their cost of living.
- Older adults benefit from being part of intergenerational neighborhoods with access to essential services, allowing them to age in place while remaining socially engaged.
- Multi-generational households make up nearly 20% of U.S. households and require flexible options that accommodate extended families.



Taylor Yards /  
Los Angeles, CA

## **Mixed Use: Making Workforce Housing Work Within Existing Neighborhoods**

One of the most significant challenges facing workforce housing is ensuring it is placed where residents can reduce overall living expenses. Fitting workforce housing into existing communities, through infill development, adaptive reuse of vacant buildings, and strategic rezoning, allows workers to live closer to employment, retail, and essential services.



Mariposa Lily /  
Los Angeles, CA

Strategies for integrating workforce housing into existing communities include:

*Utilizing underutilized commercial and retail spaces:* Many cities, including Minneapolis and Denver, have repurposed vacant shopping malls and office spaces into mixed-use housing developments that include workforce units.

*Encouraging transit-oriented development (TOD):* By placing workforce housing near public transit, workers can reduce transportation costs, which are the second-highest household expense after rent. Cities like Seattle and Austin have successfully clustered workforce housing near rail and bus networks, ensuring easy access to employment centers.

*Expanding accessory dwelling units (ADUs) and small-scale infill housing:* Adding ADUs, duplexes, and small apartment buildings in established neighborhoods increases affordable options without large-scale displacement. Portland and Los Angeles have led efforts to legalize and incentivize ADU construction, allowing homeowners to add rentable units.

## **Mixed Income: Creating Sustainable and Financially Viable Developments**

Mixed-income housing, combining market-rate, workforce, and affordable units, creates economic resilience for both developers and local communities. Incorporating workforce housing into existing neighborhoods strengthens their long-term financial stability while ensuring diverse income levels can live, work, and spend locally.



Key benefits of mixed-income workforce housing in existing communities include:

*Higher and more stable occupancy rates:* While luxury rentals in major metros see vacancy rates between 8% and 12%, workforce housing vacancy rates remain at approximately 4% nationally, proving the market demand. Another difference is in retention rates. Workforce housing retention rates are approximately 97% compared to a range of 47%–58% for luxury and market rate rentals.

*Stronger local economies:* When workforce housing is integrated into established neighborhoods, local businesses thrive because residents spend more of their income locally rather than on long commutes.

*Avoiding economic segregation:* Mixed-income housing fosters social mobility and economic integration, which has been shown to improve educational and financial outcomes for lower-income households.



Thatcher Yard /  
Marina del Rey, CA

### **The Role of Public-Private Partnerships in Workforce Housing Expansion**

Fitting workforce housing into existing communities requires collaboration between developers, municipalities, and local businesses. Several successful strategies have emerged:



Lathrop /  
Chicago, IL

*Zoning reforms:* Allowing more medium-density workforce housing in suburban and urban neighborhoods.

*Employer-assisted housing programs:* Businesses providing incentives for employees to live near work.

*Tax credits and density bonuses:* Offering incentives for developers to integrate workforce housing within existing communities, ensuring mixed-income projects remain financially viable.

Cities that have implemented these strategies, such as Austin, Nashville, and Charlotte, have seen measurable increases in workforce housing while maintaining strong local economic growth.

### **Workforce Housing Is Not Just About Where People Live, It's About How Communities Thrive**

For developers, policymakers, and urban planners, the future of workforce housing lies not in isolated projects but in strengthening the fabric of our cities. Embedding workforce housing within MAUI developments in existing neighborhoods fosters inclusion, economic vitality, and long-term urban resilience. This approach ensures that housing is not just affordable but strategically positioned to reduce overall household expenses and enhance community identity.

Integrating workforce housing into mixed-income, mixed-use developments creates lasting benefits for both residents and cities. By preserving neighborhood character while expanding economic diversity, these developments drive sustainable growth and long-term financial stability for developers and municipalities alike.



**KURT VOLKMAN** AIA, LEED AP BD+C,  
is an Associate Principal and Sector  
Leader at HED. Explore our [Leadership  
Insights page](#) for more discussion on  
market and design trends.