



AFRICAN AMERICAN MEN OF WESTCHESTER

2026 Business Skills Olympics Case Guidelines

Flanner House and Community-Led Development

A Story of Leadership, Community, and Change

This Year's Case:

Where Will They Live? Economic Strategies for Workforce and Affordable Housing

This year's Business Skills Olympics case places student teams at the center of one of the most pressing economic issues of our time. Modeled after the rigorous analytical framework of Harvard Business School case methodology, the AAMW challenges competitors to examine the real and growing affordable housing crisis facing Westchester County and communities nationwide. From market analysis to financial modeling, from community development to government policy — teams must think boldly, argue persuasively, and recommend strategically.

Page 1: Understanding the Market and the Community

Flanner House is a community organization located in Indianapolis, Indiana, serving the Near Northwest neighborhood for over 100 years. Its story reflects an economic reality found in cities and suburbs across America — including right here in Westchester County — where the gap between what housing costs and what working families earn continues to widen at an alarming rate.

To understand why affordable and workforce housing has become one of the most urgent **market failures** of our time, we need to examine the economic forces that shaped it.

Decades of economic shifts, municipal development decisions, population migration, and underinvestment have fundamentally altered the supply and demand dynamics of housing in American communities. The result is a market where:

- **Housing supply has not kept pace with population and job growth**
- **Construction costs have risen faster than household incomes**
- **Private developers focus on luxury and market-rate units** because profit margins are higher, leaving affordable housing underbuilt



- **Land values in urban and suburban markets** have increased dramatically, making affordability increasingly difficult without public or nonprofit intervention

The economic impact is measurable:

- Workers earning low-to-middle incomes spend more than **30% — and often 50% — of their take-home pay on housing**, leaving little for food, healthcare, transportation, or savings
- Communities with insufficient affordable housing struggle to attract and **retain the essential workers** — teachers, nurses, tradespeople, first responders — that local economies depend on
- Businesses that cannot attract employees due to housing costs face **reduced productivity, higher turnover, and slower growth**

This is not simply a social problem. It is a **market problem with profound economic consequences** — and the challenge your team is being asked to help solve.

Page 2: The Leader — Brandon Cosby and the Business of Community

Brandon Cosby became CEO of Flanner House in 2016, inheriting an organization that was **\$800,000 in debt** with minimal programs and a diminished reputation. Rather than walking away, he approached the turnaround with the discipline of a business leader and the vision of a community builder.

His background — growing up in poverty, being the first in his family to attend college, and working as a teacher, coach, and principal — shaped his belief that **communities must lead their own economic development**.

What Cosby understood that many traditional nonprofit leaders did not is that **sustainable community organizations must operate with business fundamentals**:

- **Revenue diversification** — not relying on a single funder or government source
- **Asset development** — building owned properties and programs that generate long-term value
- **Earned income strategies** — creating programs like the Urban Farm and bookstore that generate revenue while serving the community
- **Human capital investment** — training and retaining staff as the organization's most valuable asset



Under his leadership, Flanner House grew from **27 to over 130 employees**, representing nearly a **400% increase in its workforce** — itself a significant local economic contribution. Programs expanded across education, food access, mental health, workforce development, and housing.

His guiding philosophy is "**holonomy**" — the idea that everything is connected. From a business perspective, this mirrors the concept of a **vertically integrated enterprise**: when an organization controls multiple connected services, each one strengthens the others, reduces dependency on outside providers, and creates compounding value for the community it serves.

For your competition, this means: **affordable housing cannot be solved in isolation**. It is connected to jobs, transportation, childcare, healthcare, and community wealth — and any successful business strategy must account for all of these interdependencies.

Page 3: The Three Challenges Your Team Must Address

This year's Business Skills Olympics asks teams to identify, analyze, and respond to **three critical economic and market challenges** facing affordable and workforce housing:

Challenge 1 — Low-to-Middle Income Effects

Rising housing costs are outpacing wage growth for working families at a rate that is economically unsustainable. In communities like Westchester County — one of the most expensive housing markets in the northeastern United States — the **Area Median Income (AMI)** benchmark used to define affordability often fails to reflect the true financial pressure on essential workers.

Consider the economics:

- A household is considered "**cost-burdened**" when it spends more than 30% of gross income on housing
- A household spending more than 50% is considered "**severely cost-burdened**"
- When families are cost-burdened, **consumer spending in local businesses drops**, tax revenues decline, and local economies contract

Workers in healthcare, education, retail, hospitality, and public service — the very people who keep a community functioning — are increasingly unable to live where they work. The economic consequence is a **labor supply crisis**: employers cannot fill positions, productivity suffers, and businesses consider relocating to more affordable labor markets.

The business question for your team: How do you close the gap between what the market charges for housing and what working families can actually afford — without eliminating the financial incentive for developers to build?



Challenge 2 — Aging in Place and Senior Living

America is in the middle of a **demographic and economic shift** driven by an aging population. By 2030, all Baby Boomers will be over age 65, creating unprecedented demand for senior-accessible, affordable housing. Yet the supply of such housing remains severely limited.

The economic dimensions of this challenge are significant:

- Seniors on **fixed incomes** — Social Security, pensions, retirement savings — face housing cost increases they cannot absorb
- Rising **property taxes** in appreciating markets force long-term homeowners out of homes they own outright
- The **cost of assisted living and memory care facilities** can exceed \$5,000–\$10,000 per month, far beyond the reach of middle-income seniors
- When seniors are displaced, communities lose **anchor residents** — people who have long-term relationships with local businesses, civic institutions, and neighbors — disrupting the social fabric that supports local economic activity

There is also an **untapped market opportunity** here. Senior housing that is affordable, well-designed, and community-connected is one of the fastest-growing segments in real estate development. Teams that can identify innovative financing and design models for senior affordability are addressing both a humanitarian need and a **growing market demand**.

The business question for your team: What financial models and development approaches can keep seniors in their communities while creating viable investment opportunities for developers and municipalities?

Challenge 3 — Multiple-Unit Housing Demand

The economics of housing production reveal a fundamental **supply-side failure**. Single-family home construction alone cannot meet the scale of demand, yet the development of multi-unit affordable housing faces significant structural barriers:

- **Zoning laws** in many suburban communities restrict density, preventing the construction of apartments, townhomes, and mixed-income developments
- **Construction costs** — including materials, labor, permitting, and financing — have increased by more than **30–40% over the past decade**, making affordable unit pricing nearly impossible without subsidy
- **Community opposition (NIMBYism — "Not In My Backyard")** slows or blocks projects that could house hundreds of working families



- **Capital markets** favor luxury and market-rate development because returns are higher and timelines are shorter — creating a structural disincentive to build affordable

The result is a **housing supply deficit** that grows larger each year. In high-cost markets like Westchester, the shortage of multi-unit workforce housing directly constrains regional economic growth by limiting the labor pool available to local employers.

The business question for your team: How do you restructure the economic incentives — for developers, investors, municipalities, and communities — to make multi-unit affordable housing financially viable and politically feasible?

Page 4: The Three Opportunities Your Team Must Leverage

Alongside these challenges exist **three powerful market and economic opportunities** that a well-designed business strategy can capitalize on:

Opportunity 1 — Urban and Suburban Developments

The current wave of urban and suburban reinvestment represents one of the most significant **real estate market opportunities** in a generation. New hospitals, corporate campuses, transit infrastructure, and mixed-use developments are driving up land values and attracting private capital — but they are also creating leverage points for affordable housing advocates and community developers.

Key economic tools available in this environment include:

- **Inclusionary Zoning** — requiring developers to include a percentage of affordable units in new market-rate projects as a condition of approval
- **Community Benefit Agreements (CBAs)** — legally binding contracts between developers and communities that guarantee affordable housing, local hiring, and other economic benefits
- **Tax Increment Financing (TIF)** — capturing future increases in property tax revenue generated by new development to fund affordable housing and infrastructure
- **Low-Income Housing Tax Credits (LIHTC)** — the primary federal tool for financing affordable housing, offering investors tax credits in exchange for funding affordable units

Teams that understand how to **structure and negotiate these mechanisms** can turn market-rate development into a driver of affordability rather than a threat to it.

The economic opportunity: Every major development project is a negotiation. Communities with knowledge, organization, and legal tools can secure lasting affordable housing commitments as the price of doing business in their neighborhoods.



Opportunity 2 — Livable, Workable Environments

Urban planning and economic development research consistently shows that **mixed-use, walkable, amenity-rich communities** generate stronger economic outcomes than car-dependent, single-use developments. This convergence of quality of life and economic performance creates a powerful opportunity.

The business case for livable, workable environments includes:

- **Reduced transportation costs** for residents — when people can walk or use transit to reach jobs, shops, and services, they spend less on cars and fuel, freeing income for housing and local consumption
- **Higher retail and commercial viability** — ground-floor retail in mixed-use affordable housing developments can generate earned income that cross-subsidizes housing affordability
- **Increased employer attraction** — companies increasingly evaluate the livability of communities when making location decisions; affordable, amenity-rich neighborhoods attract talent and the businesses that employ them
- **Healthcare cost reduction** — communities with access to green space, healthy food, and walkable environments have measurably lower healthcare costs, reducing the economic burden on residents and municipalities alike

The economic opportunity: Designing affordable housing as part of a **broader community economic ecosystem** — not as isolated low-income units — increases its value to residents, investors, and local governments simultaneously.

Opportunity 3 — Workforce Housing and Local Employment

Perhaps the most powerful economic multiplier available in affordable housing development is the intentional pairing of **housing production with local job creation and retention**. This strategy transforms affordable housing from a cost center into an **economic engine**.

The economic logic is compelling:

- Workers who live near their jobs spend **less on commuting and more in local businesses**, increasing the velocity of money circulating within the community
- Local hiring in construction and property management **builds skills and wages** in the workforce, creating a pipeline of trained workers for future projects
- Stable housing reduces **employee turnover** for local employers — a significant cost savings, since replacing a worker can cost 50–200% of their annual salary



- Homeownership and long-term rental stability enable families to **build financial assets**, reducing dependence on public assistance and increasing local tax contributions over time

Flanner House's own model demonstrates this principle: its Center for Working Families, Urban Farm, and housing development work together to create residents who are employed, housed, healthy, and economically active — generating returns that flow back into the community.

The economic opportunity: Workforce housing paired with local employment is not charity — it is a **high-return community investment strategy** with measurable economic outcomes for residents, employers, and municipalities.

Page 5: The Four Strategies Your Team Must Evaluate

To address the challenges and activate the opportunities, your team must analyze and present **four strategies** for delivering affordable and workforce housing solutions — evaluating each for **feasibility, scalability, financial sustainability, and community impact**:

Strategy 1 — Expand Access Through Community Development

Community Development Financial Institutions (CDFIs), community land trusts, and nonprofit housing developers represent an alternative capital ecosystem specifically designed to finance projects that traditional banks and private equity will not touch.

Key economic mechanisms include:

- **Community Land Trusts (CLTs)** — the land is owned by a nonprofit trust and leased to residents, permanently removing it from the speculative market and keeping housing affordable across generations
- **CDFIs** — mission-driven lenders that provide below-market financing for affordable housing, small businesses, and community facilities in underserved markets
- **Cross-subsidization** — using revenue from market-rate units within a mixed-income development to subsidize the cost of affordable units, allowing projects to pencil financially without full reliance on government subsidy
- **Equity participation models** — giving residents a financial stake in the development, building community wealth while reducing the risk of displacement

Like Flanner House's planned **\$33 million, 120-unit housing development**, community-led projects demonstrate that nonprofit and mission-driven developers can execute at scale — but they require patient capital, strong partnerships, and sophisticated financial structuring.



Strategic evaluation question: How do you build the financial capacity and capital stack needed to take a community development project from concept to construction?

Strategy 2 — Integrate Technology for Cost-Effective Building Methods

Construction technology is emerging as one of the most promising **cost-reduction levers** in affordable housing development. Traditional stick-built construction is expensive, slow, and labor-intensive. New methods are changing the economics of building:

- **Modular and prefabricated construction** — units are built in factories and assembled on-site, reducing construction time by up to 50% and costs by 10–20%
- **3D-printed building components** — additive manufacturing can produce structural elements at a fraction of traditional material and labor costs
- **Mass timber construction** — engineered wood products offer a sustainable, cost-competitive alternative to steel and concrete for multi-story residential buildings
- **Building Information Modeling (BIM)** — digital design tools that reduce costly errors, streamline permitting, and improve construction efficiency
- **Energy-efficient and passive house design** — reducing long-term operating costs for residents by minimizing utility bills, effectively increasing the affordability of a unit beyond its rent price

The **business case for technology integration** is clear: every dollar saved in construction cost is a dollar that can be passed on to residents in the form of lower rents or used to finance additional units.

Strategic evaluation question: Which technologies offer the greatest cost-reduction potential in your target market, and what partnerships — with manufacturers, contractors, and universities — are needed to deploy them at scale?

Strategy 3 — Labor and Trade Management

The construction industry is facing a **structural workforce crisis**. The average age of a skilled construction worker in the United States is over 40, and the pipeline of trained tradespeople — carpenters, electricians, plumbers, masons, HVAC technicians — is not being replenished fast enough to meet demand.

This labor shortage has direct economic consequences for affordable housing:

- **Labor costs now represent 40–50% of total construction costs** in many markets, and shortages are driving those costs higher
- Project timelines extend when skilled labor is unavailable, increasing financing costs and delaying the delivery of needed units



- Communities that invest in **local trade training** reduce their dependence on outside labor, keeping wages and economic activity within the community

A comprehensive labor and trade strategy includes:

- **Registered apprenticeship programs** — partnering with trade unions and contractors to create earn-while-you-learn pathways for young people
- **Pre-apprenticeship pipelines** — working with high schools, community colleges, and workforce development organizations to build interest and basic skills before formal apprenticeship
- **Local hiring agreements** — requiring developers who receive public subsidy to hire a defined percentage of workers from the local community
- **Minority and women-owned business enterprise (M/WBE) contracting** — building the capacity of small, local contractors to compete for and win affordable housing construction contracts

Strategic evaluation question: How do you design a labor strategy that simultaneously reduces construction costs, builds local economic capacity, and creates career pathways for community residents?

Strategy 4 — Strengthen Local Government as Lead Agency

No single strategy for affordable housing can succeed at scale without **active, committed local government leadership**. Municipalities control the most powerful levers in the housing market:

- **Zoning and land use authority** — the ability to permit or prohibit density, mixed uses, and affordable housing overlays
- **Public land disposition** — transferring city or county-owned land to affordable housing developers at below-market cost, dramatically improving project feasibility
- **Tax policy** — property tax abatements, payment-in-lieu-of-taxes (PILOT) agreements, and tax credit allocation can make the difference between a project that works financially and one that does not
- **Federal funding allocation** — local governments control the distribution of Community Development Block Grants (CDBG), HOME Investment Partnership funds, and other federal resources
- **Regulatory streamlining** — reducing permitting timelines and approval barriers can lower developer costs and accelerate housing production

When local government acts as a **strategic lead agency** — setting clear affordability goals, aligning public resources, and holding private partners accountable — the entire ecosystem of



developers, lenders, nonprofits, and community organizations can move with greater speed and confidence.

Strategic evaluation question: How do you build the political will and institutional capacity within local government to make affordable housing a sustained economic priority — not just a campaign promise?

Page 6: The Big Question — What Should Your Team Recommend?

Like Brandon Cosby standing at the crossroads of two major projects totaling **\$68 million** — with a community's future hanging in the balance — **your team now faces a defining business decision.**

Using the challenges, opportunities, and strategies presented in this case, your team must develop and present a **business recommendation** that answers:

1. Which **Challenge** creates the greatest economic urgency — and what is the measurable cost of inaction?
2. Which **Opportunity** delivers the highest return on investment for the community — and what does activation require?
3. Which **Strategy** — or combination of strategies — is most financially feasible, scalable, and sustainable for long-term affordable housing success?

Your recommendation should include:

- A clear **problem statement** grounded in economic data
- A proposed **solution with identified funding sources** and implementation partners
- An honest assessment of **risks and tradeoffs**
- A **measurement framework** — how will you know if your strategy is working?

Remember: the most compelling business recommendations are not the most complex. They are the ones that are **clear, honest, evidence-based, and built around the needs of real people.**

Final Thoughts for Competitors

This case teaches lessons that go far beyond housing:

- **Markets are not neutral** — they reflect decisions made by people and institutions, which means they can be changed by people and institutions



- **Leadership is economic** — Cosby's turnaround of Flanner House is a masterclass in organizational finance, human capital management, and strategic planning
 - **Data drives decisions** — the strongest recommendations are built on numbers, not just narratives
 - **Community is capital** — social trust, civic engagement, and neighborhood stability are economic assets with measurable value
 - **You are the next generation** — the business leaders, policymakers, developers, and innovators in this room will determine what housing looks like for the next generation of working families
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Competition Discussion Prompts

1. What economic forces drive the gap between housing costs and household incomes — and what interventions have the most evidence of closing that gap?
2. How does "holonomy" mirror concepts like vertical integration or systems thinking in business strategy?
3. Using AMI data for Westchester County, which of the three challenges do you believe creates the greatest economic burden — and why?
4. What is the business case for investing in workforce training as part of an affordable housing strategy?
5. If you had \$10 million to invest in affordable housing in Westchester County, which strategy would you fund first — and how would you measure your return on investment?