

ULI Land Use Policy Forum Report

Sustaining Urban Mixed-Income Communities

*The Role of
Community Facilities*

Prepared by
Deborah L. Myerson

The ULI/Charles H. Shaw Annual Forum
on Urban Community Issues

October 18–19, 2001



Urban Land
Institute

About ULI

ULI—the Urban Land Institute is a nonprofit education and research institute that is supported by its members. Its mission is to provide responsible leadership in the use of land to enhance the total environment.

ULI sponsors education programs and forums to encourage an open, international exchange of ideas and sharing of experiences; initiates research that anticipates emerging land use trends and issues and documents best practices; proposes creative solutions based on that research; provides advisory services; and publishes a wide variety of materials to disseminate information on land use and development. Established in 1936, ULI has more than 16,000 members in 60 countries representing the entire spectrum of the land use and development disciplines.

Richard M. Rosan
President

ULI Land Use Policy Forum Reports. ULI is in the forefront of national discussion and debate on the leading land use policy issues of the day. To encourage and enrich that dialogue, ULI holds land use policy forums where leading experts gather to discuss topics of interest to the land use and real estate community. The findings of these forums serve to guide and enhance ULI's program of work. ULI provides summaries of these forums in its Land Use Policy Forum Reports series on its Web site and supplies printed versions of the reports upon request. By holding these forums and publishing summaries of the discussion, the Institute hopes to increase the body of knowledge that contributes to the quality of land use policy and real estate development practice throughout the country.

Acknowledgments

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ULI Project Staff

Rachelle L. Levitt
Senior Vice President, Policy and Practice

Marta V. Goldsmith
Vice President, Land Use Policy

Michael Pawlukiewicz
Director, Environment and Policy Education

Deborah L. Myerson
Senior Associate, Land Use Policy

Jennifer Naylor
Meetings and Events Coordinator

Nancy H. Stewart
Director, Book Program

James A. Mulligan
Manuscript Editor

Betsy VanBuskirk
Art Director

Meg Batdorff
Graphic Designer

Diann Stanley-Austin
Director, Publishing Operations

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1025 Thomas Jefferson St., N.W.
Suite 500 West
Washington, DC 20007-5201

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Introduction

Facilities such as schools, community centers, and job training centers can play an important role in creating and sustaining mixed-income communities. In the U.S. Department of Housing and Urban Development's (HUD) HOPE VI program, there are several examples of developers working in partnership with local public housing authorities and nonprofit organizations to develop and run these facilities. In the best cases, these facilities are an integral part of the community and create a place where residents can convene, learn, and get to know each other.

In October 2001, the first annual ULI/Charles H. Shaw Forum on Urban Community Issues, titled "Sustaining Urban Mixed-Income Communities: The Role of Community Facilities," was convened in Chicago. The forum, created to bring issues related to the viability of urban neighborhoods to the forefront of ULI programs, has been endowed by Charles H. Shaw, former ULI chairman, CEO of the Shaw Company, and developer of Homan Square, a mixed-income neighborhood in west Chicago.

A diverse group of 26 housing, real estate, and family support professionals gathered at the forum. They considered:

- The kinds of community facilities that have been developed in mixed-income communities;
- The role of the private developer, the nonprofit organization, and the public sector;
- The ways these facilities have served to sustain and foster improvement in mixed-income communities;
- The reasons why a private developer would want to take on this uncommon role and responsibility;
- Good models for developing and managing community facilities; and
- The lessons that have been learned in past projects.

Forum Summary

The forum included a tour of Homan Square and the soon-to-be-opened Homan Square Community Center. Participants also heard three case studies featuring mixed-income developments with a diverse range of community facilities, including schools, a computer lab, a community center, and a golf course. Participants discussed the role community facilities play in meeting the challenges and achieving successes in mixed-income developments.

Tour of Homan Square

The forum began on the afternoon of Oct. 18 with a bus tour of Homan Square, a Shaw Company residential development in Chicago and an example of a community facility created on site to support a mixed-income neighborhood.

En route to Homan Square, participants were driven through another Shaw Company development—Garibaldi Square, a high-density urban residential community of 86 townhouses and 42 condominiums built in the early 1990s just west of downtown Chicago. In developing the project, the Shaw Company worked with community groups to ensure that the project was compatible with and enhanced the existing urban fabric. The development also sought to offer on the site housing and other services to the faculty, staff, and visitors at the adjacent Rush–Presbyterian–St. Luke's Medical Center. With a donation of the land for the development from the city, developers were able to achieve their goal, keeping housing prices within the range of moderate-income families.

Next, participants visited Homan Square, a 308-unit, owner-occupied and rental mixed-income development on the site of the original Sears headquarters in Chicago's North Lawndale community. Homan Square is part of a three-pronged effort by the Shaw Company, the city of Chicago, and other partners to provide housing, economic development, and a community center to transform the once-troubled neighborhood. It has become a national model for public/private collaboration to create a mixed-income urban neighborhood where there had been blight.

Charles H. Shaw, CEO of the Shaw Company, and Kristin Dean, interim executive director of the Homan Square Community Center Foundation, led the group on a walk-through of the Homan Square Community Center campus, then under construction and which subsequently

opened in December 2001. The multipurpose campus offers comprehensive health and family services to North Lawndale and West Side residents. The Homan Square Community Center Foundation is raising more than \$28 million from public and private donors, including \$15 million from the city of Chicago, to pay for construction of the community center. The center combines several public and nonprofit service organizations under one roof:

- The 28,000-square-foot Health and Family Pavilion, which houses the Lawndale Christian Health Center, Family Focus, the Robert Crown Center for Health Education, and the Ameritech Electronic Learning Lab;
- Public and lobby space, available for events, banquets, and sales by locally owned microbusinesses;
- The Health and Family Pavilion, owned by the Community Center Foundation;
- A 39,000-square-foot recreation wing, operated by the Chicago Park District, which has an indoor swimming pool, a gymnasium, and ten multipurpose recreational and meeting rooms, plus two acres of playing fields; and
- The 22,000-square-foot, \$4.5 million Child and Family Center, built by the YMCA of Metropolitan Chicago on the eastern edge of the campus, which is providing pre-school and daycare to more than 300 children.

Opening Remarks

Elinor Bacon, chief executive officer of the National Capital Revitalization Corporation, a public real estate development corporation established to spur economic development in downtown Washington, D.C., and its neighborhoods, made the opening remarks to forum participants on the following morning.

Calling HOPE VI “the most important federal redevelopment program ever created,” Bacon lauded the program’s approach to providing funds for the economic and social needs of residents of mixed-income housing, as well as for the bricks and mortar. From June 1997 to December 2000, Bacon administered the \$4.2 billion HOPE VI program as deputy assistant secretary for HUD’s Office of Public Housing Investments.

She noted that the underlying goal of creating a program like HOPE VI was to create “places where people could raise their families.” Bacon observed that community centers create an important intersection of people and place in mixed-income neighborhoods, offering employ-

ment, education, safety, and security to residents, and providing mentoring to support families.

Creation of a successful community center in a mixed-income neighborhood demands the leadership of “a remarkable person who has the breadth of vision and focus to drive the project,” Bacon said. In addition, she noted that the private sector is critical to making it all work, commenting that creation of community facilities needs to be as much a public/private partnership as construction of the housing. Finally, she added, an essential ingredient is sustainability—establishing the necessary funding and staffing to ensure the long-term success of the institution.

Case Study: Murphy Park, St. Louis

Esther Shin, director of human services for Urban Strategies, Inc., presented the forum’s first case study—Murphy Park in St. Louis, in which the Jefferson Elementary School has become an important resource for the community.

Urban Strategies, the nonprofit arm of St. Louis-based developer McCormack Baron & Associates (MBA), focuses on the socio-economic development aspects of neighborhoods. MBA developed the mixed-income Murphy Park neighborhood northwest of downtown St. Louis. Integral to the success of the project was the redevelopment of the Jefferson Elementary School, a public school at the center of the residential development plan. In exchange for MBA’s commitment to redevelop three housing projects—Carr Square, Vaughn, and O’Fallon—into a workable new Murphy Park community capable of attracting a mix of stable assisted and working families, Richard Baron, president and chief executive officer of MBA, sought to establish a year-round community school that would serve students in the neighborhood, provide access to sophisticated computer networks, and offer job training for parents.

In 1997, MBA partnered with the St. Louis Public Schools to revitalize Jefferson School and established a community nonprofit organization, COVAM (for Carr Square, O’Fallon Place, Vaughn, and Murphy Park) Community Development Corporation, to ensure that neighborhood residents participated in the process. The partnership established a neighborhood residential leadership team to take part in identifying resident needs and to create a strategic community plan, in the process developing resources and enlisting stakeholders to support the plan.

With support from HUD and \$3.5 million in private funds, the partners renovated Jefferson School and sought to establish it as a model of innovative, urban education. A portion of the funds was used to install state-of-the-art technology infrastructure in the school, including networking, computers, and educational software in each classroom. Funds also went toward establishing the Adult Computer Training Lab, a computer training classroom for parents and community residents. The lab opened in January 1999 and has provided free computer training and access for hundreds of low-income adults in the Murphy Park neighborhood.

Shin noted that more than just being a local elementary school, the Jefferson School is dedicated to the surrounding neighborhood. She explained that three local parent liaisons connect families with the staff and help determine the academic programs the school offers. Before- and after-school programs for children seek to meet the needs of working parents, while the Caring Community Program offers both latchkey and school-based family services. The Center of Contemporary Arts, the 21st Century After-School Program, and the Science, Engineering, Mathematics, and Aeronautics Academy are all based at the school and are additional resources for families and students. A recent community mental health/safe and drug-free school grant has brought a social worker to the school.

The renewal of Jefferson School is still in its early stages; the next step is to extend the Jefferson approach to community-based education to all the elementary schools and middle schools that serve as feeders to the school district's high school.

Case Study: NewHolly, Seattle

Tina Narr, administrator for HOPE VI Community and Supportive Services with the Seattle Housing Authority (SHA), presented a case study on the redevelopment of the NewHolly community, a \$260 million, mixed-income community located in southeast Seattle on the grounds of the former Holly Park public housing project. The 110-acre site contains 1,433 housing units, with about one-third available for families with very low incomes, one-third for those who are just below the Seattle median income, and the remaining third available as market-rate homes for rent or for sale.

From a development perspective, NewHolly is a unique project because the SHA acted as the sole general part-

ner. The SHA, with some private sector advice, entered into several complex agreements with various partners in order to initiate and implement the project. Since the completion of Phase I, the SHA has received several regional and national awards for its work on NewHolly.

Among the mix of single-family residences, duplexes, townhouses, and apartments in the NewHolly community, there is also the 47,000-square-foot NewHolly Campus, which houses a public library branch, community college classrooms, a family center, parks, garden space, and senior citizen housing spread over three buildings. These services, designed to serve a diverse community—including many immigrants and refugees who speak a total of 17 languages and dialects—emphasize economic self-sufficiency and community building.

“Dense places must be livable,” Narr commented. “The NewHolly Campus provides a meeting space and neighborhood focus.” Community-building activities have included introducing neighbors block by block and establishing activity clubs for neighborhood beautification, traffic safety, and community celebrations.

Narr emphasized that among the lessons learned at NewHolly is that the property manager must be committed to community building and acknowledge that community facilities are not simply commercial space. Rather, the community services they offer promote self-sufficiency, provide learning opportunities for children, and play a part in the mission of serving the neighborhood. She also described the new challenges of raising funds to support a mixed-income community rather than low-income housing, noting that the community services help to leverage funds for the neighborhood's sustainability.

Narr indicated that all in all, the “community facilities in NewHolly support a great, new neighborhood,” bringing people together and providing a geographic focus for the neighborhood, opportunities for people to build better lives, and resources for the broader community.

Case Study: Villages of East Lake, Atlanta

Greg Giornelli, executive director of the East Lake Community Foundation (ELCF), presented a case study on the Villages of East Lake, a \$100 million project that replaced one of the most distressed public housing developments in Atlanta with 542 new, mixed-income rental townhouses and garden apartments. In addition to new residences,

the Villages of East Lake offers new community facilities, including a new charter elementary school, a preschool, a YMCA, park space, and a public golf course.

As developer, the ELCF partnered with the Housing Authority of the City of Atlanta (HACA) to create the moderate-density, mixed-income Villages of East Lake community. The East Lake neighborhood is five miles east of downtown Atlanta in a moderate-income neighborhood of single-family residences. In part, the ELCF sought to ensure the community's long-term viability by providing supportive services for community residents.

Across the street from the Villages of East Lake is the historic East Lake Golf Club, reputed to be one of the world's great courses and the home course of 1920s golf legend Bobby Jones. In the 1960s, both the course and the East Lake community began an extended economic and physical decline. In 1993, Tom Cousins, CEO of Cousins Properties, an Atlanta-based real estate development firm, purchased the East Lake Golf Club with the idea of refurbishing the golf course as a catalyst to revitalize the surrounding neighborhood. Cousins contacted Renee Glover, the executive director of HACA, to discuss the idea, and the plan for what would become the Villages of East Lake began to emerge. Cousins established the ELCF in 1995 to begin planning the project in earnest.

The entire East Lake project site is approximately 185 acres, with ownership divided between HACA and the ELCF and its affiliates. Through a transfer of ownership among these parties, HACA consolidated 69 acres that were then leased to the ELCF to develop housing. The remainder of the site was developed by the ELCF into the Charlie Yates 18-hole public golf course, the charter school, and the YMCA. The ELCF also developed a parcel owned by HACA into a baseball field, tennis courts, and a swimming pool for the benefit of residents of the project. The property includes five acres purchased by the ELCF from the Atlanta Board of Education on which the ELCF developed the charter school and the YMCA.

The Charlie Yates golf course and practice facility serve as the home of the East Lake Junior Golf Academy, which provides a year-round after-school program for children from East Lake. The program focuses on academic achievement and offers extensive golf instruction. Giornelli remarked, "Why golf? It's a game of discipline, manners, and integrity—an ideal way to help youth become better people." In 2001, the academy was in its eighth year of operation and had 90 full-time students. Fundraising by the ELCF supports the academy.

At the East Lake Golf Club, across from the Villages of East Lake, corporate memberships help to fund the ELCF: the club's annual excess cash flow is donated to the foundation. The foundation hires neighborhood youth to work in its caddie program, providing more than 200 well-paid, part-time summer jobs, and all student caddies are eligible for the foundation's college scholarship program. The first scholarships were awarded in August 1998.

The most important community facility for the Villages of East Lake, Giornelli said, is the public school. In addition to providing an important educational resource for neighborhood children, the school has helped to change the perception of the community. The ELCF established the Charles R. Drew Charter School, the first charter school in Atlanta, in partnership with Edison Schools, Inc., a private educational management organization that operates public schools. The school opened in fall 2000, first serving kindergarten through fifth grade; it is adding one grade level per year, up to eighth grade in 2003. It has an extended day (school hours are 8 a.m. to 4 p.m.), an extended year (approximately 200 days), an intensive focus on reading and math, a technology program that is integrated throughout the entire curriculum, and an extensive after-school program that runs from 4:00 to 6:00 p.m. each day. The 2001–02 enrollment of 600 students is expected to grow to 850 students by 2003. Children from the Villages of East Lake and the surrounding neighborhood receive priority for enrollment, but the school is also open to any student residing within the Atlanta Public School District.

Giornelli noted that residents have been involved in every step of the neighborhood planning process. To develop a sense of community, the ELCF has created a "strategic neighbor" program, in which 40 residents have been designated to lead the community-building effort and to make the neighborhood a great place to interact.

Conclusions

During the discussion following presentation of the case studies, forum participants agreed that with the right mix of people, place, programs, and partners, community facilities offer an important foundation for community building. They found that the services and activities that community facilities offer provide residents with a conceptual and physical space in which to gather. Whether they contain recreational centers, educational offerings, meeting spaces, or family support services, these facilities are also a catalyst for opportunities to improve the individual, the family, the neighborhood, and the larger community.

What are the ingredients for the right mix of people, place, programs, and partners for a successful community facility? Participants identified several.

Needed to build the facility are:

- Visionary leadership that can oversee the development of the facility;
- A developer for the facility—from a for-profit company, a nonprofit organization, or a public agency—that can play an active role in the conceptual, as well as physical, construction of the facility; and
- A long-term funding strategy.

Needed to occupy and maintain the facility are:

- Sustainable tenants, such as the YMCA, city parks and recreation programs, family support and health care providers, or education and training programs;
- Involvement of the private sector in any of a variety of capacities, e.g., mentors, funding sources, or employers;
- Input from the community about its needs and interests;
- Meeting spaces;
- Educational opportunities; and
- Employment assistance for those who need it.

Lessons Learned

Forum participants shared the lessons learned from their respective experiences and proposed strategies for future efforts to create community facilities in mixed-income housing developments. Participants agreed that in developing community facilities as part of mixed-income communities, it is important to:

- Provide services in community facilities that are responsive to community needs;
- Design physical space to have maximum flexibility;
- Communicate and enforce rules of conduct;
- Create a safe environment; and
- Communicate more effectively to funders the needs of mixed-income communities. Funders, especially those accustomed to providing support for low-income housing services, may not recognize that the lower-income residents in mixed-income communities often require similar assistance.

Policy Forum Agenda

THURSDAY, OCTOBER 18, 2001

- 4:00 p.m. **Tour of Homan Square**
- 6:30 p.m. **Cocktails and Dinner**

FRIDAY, OCTOBER 19, 2001

- 8:00 a.m. **Welcome and Introductions**
Marty Jones, *Forum Chair, President, Corcoran Jennison*
- 8:30 a.m. **Opening Remarks**
Elinor Bacon, *CEO, National Capital Revitalization Corporation*
- 9:30 a.m. **Case Study I: Murphy Park, St. Louis**
Esther Shin, *Director of Human Services, Urban Strategies, Inc.*
Discussion
- 10:30 a.m. **Break**
- 10:45 a.m. **Case Study II: NewHolly, Seattle**
Tina Narr, *Administrator, HOPE VI Community and Supportive Services, Seattle Housing Authority*
Discussion
- 12:00 p.m. **Lunch**
- 1:00 p.m. **Case Study III: East Lake Villages, Atlanta**
Greg Giornelli, *Executive Director, East Lake Community Development Foundation*
Discussion
- 2:00 p.m. **Discussion**
 - What is the potential for building community facilities in mixed-income housing developments?
 - What are the design and land use requirements for such projects?
 - What kind of role can private developers have in building and managing community facilities as part of mixed-income housing?
 - What principles should guide the development of these facilities alongside mixed-income housing?
- 3:00 p.m. **Summary**
Marta V. Goldsmith, *Vice President, Land Use Policy, ULI—the Urban Land Institute*
- 3:30 p.m. **Adjourn**

Policy Forum Participants

Forum Chair

Marty Jones
President
Corcoran Jennison
Boston, Massachusetts

Participants

Ken Bacchus
Project and Development Manager
Housing and Economic Development Financial
Corporation (HEDFC)
Kansas City, Missouri

Elinor Bacon
CEO
National Capital Revitalization Corporation
Washington, D.C.

Michael Banner
President and CEO
Los Angeles LDC, Inc.
Los Angeles, California

Patrick Clancy
President and CEO
The Community Builders, Inc.
Philadelphia, Pennsylvania

Kristin Dean
Interim Executive Director
Homan Square Community Center Foundation
Chicago, Illinois

Stephen Friedman
President
S.B. Friedman & Company
Chicago, Illinois

Greg Giornelli
Executive Director
East Lake Community Foundation
Atlanta, Georgia

Marta V. Goldsmith
Vice President, Land Use Policy
ULI—the Urban Land Institute
Washington, D.C.

Jeff Head
Senior Development Manager
The Habitat Company
Chicago, Illinois

Mike Higbee
President
Development Concepts, Inc.
Indianapolis, Indiana

Kevin Limbeck
Executive Director
Family Focus Inc.
Chicago, Illinois

Trinita Logue
President and CEO
Illinois Facilities Fund
Chicago, Illinois

John Mays
Partner
Gould & Ratner
Chicago, Illinois

John K. McIlwain
Senior Resident Fellow,
ULI/J. Ronald Terwilliger Chair for Housing
ULI—the Urban Land Institute
Washington, D.C.

Harriet Meyer
President
Ounce of Prevention Fund
Chicago, Illinois

Deborah Morse
Senior Associate
Abt Associates
Cambridge, Massachusetts

Deborah L. Myerson
Senior Associate, Land Use Policy
ULI—the Urban Land Institute
Washington, D.C.

Tina Narr
Administrator
HOPE VI Community and Supportive Services
Seattle Housing Authority
Seattle, Washington

Carol Naughton
Executive Director
East Lake Community Foundation
Atlanta, Georgia

Trish O'Connell
Director, Olympic Legacy Program
Atlanta Housing Authority
Atlanta, Georgia

Cheryl Peek
Director of Field Education/Faculty Lecturer
School of Social Service Administration
University of Chicago
Chicago, Illinois

Tracy Sanchez
Senior Program Director, Public Housing
City of Chicago Department of Housing
Chicago, Illinois

Charles H. Shaw
CEO
The Shaw Company
Chicago, Illinois

Esther Shin
Director of Human Services
Urban Strategies, Inc.
St. Louis, Missouri

Bernice Weissbourd
President
Family Focus, Inc.
Chicago, Illinois

Eleanor White
President
Housing Partners, Inc.
Watertown, Massachusetts



ULI—the Urban Land Institute
1025 Thomas Jefferson Street, N.W.
Suite 500 West
Washington, D.C. 20007-5201
www.uli.org