

# Progressive Planning

The Magazine of Planners Network

## Transportation Justice



### Also In This Issue:

**Transit-Oriented Development and Communities of Color**

**Lessons from the Corridor Development Initiative**

**A Manifesto for Progressive Ruralism in an Urbanizing World**

# The Seventh Generation

*"In our every deliberation, we must consider the impact of our decisions on the next seven generations."*

*—From The Great Law of the Iroquois Confederacy*

## The Heresies in HUD's Public Housing Policy

**By Peter Marcuse**

*"I used to joke with my colleagues about committing what I called 'public housing heresy,' because people would always say, 'But, we're public housing and we're different.' And I said, 'It's really the same.' We're public housing, but we're really real estate first and foremost.*

*[Under PETRA,] HUD would be the asset manager and housing authorities would be the property-based managers of the portfolio. But this is really an opportunity to embed the real meaning of 'asset management' into the portfolio in its purest sense."*

—Sandra Henriquez, HUD Assistant Secretary for Public and Indian Housing, "An Interview," *Shelterforce*, Summer 2010

**H**ERESY? But it's a matter of history, not heresy. Public housing was created to be in that part of the housing system in which housing is seen specifically not as an asset, a piece of real estate to be owned and operated according to market principles. Rather, it was intended to provide housing for those in need of it and unable to pay for it on conventional market principles. It was not intended to respond to "effective demand," that is, to the desires of those with the money able to afford to buy that which they wanted; it was specifically structured not to compete in that market. It was also not intended to be managed so as to return the greatest

possible monetary reward as profit to its owner. Public housing was intended to take part of the housing supply out of the market, to have it governed not by the principles of profit and loss but by the principles of service to human welfare. Public housing units are not "real estate assets" and should not be seen as these any more than an emergency room is a health care "asset" or a police station is a security "asset" or a street is a transportation "asset" or a public school is an educational "asset." Public housing should be managed efficiently, of course, but the goal is not to reduce to the lowest possible level the amount of public subsidy used in the provision of housing. The goal is to best provide for those whose housing needs could not otherwise be met.

Public housing is provided by government as one of the rights which "governments are instituted among men" to secure, including the "inalienable rights to Life, Liberty and the Pursuit of Happiness," as our Declaration of Independence has it. That is the ultimate purpose of public ownership. It is not the purpose for which private owners own and manage their assets in the private market. Private ownership of assets may also have public benefits, but the ownership, management and disposition of private assets is first and foremost to secure private profit, not public benefit. Each has its place, but they are different.

That does not mean that public housing should not be efficiently provided and efficiently run. Perhaps this is what the assistant secretary of HUD means when she compares it to private real estate. But those concerns,

*continued on page 26*



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#### ON THE COVER

Transit union leaders Claudia Hudson and  
Irwin Lum join the MTC protest despite pres-  
sure from the trade unions in January 2010.

Photo: © 2010 Christine Joy Ferrer/Urban Habitat

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# JUST Transportation Planning

## Lessons from California

By Richard A. Marcantonio

**T**RANSPORTATION has long been at the heart of our nation's civil rights struggle. The struggle against Jim Crow transportation was more than half a century old when Rosa Parks refused to give up her seat to a white passenger on the bus and sparked the modern civil rights movement. But today, the most prominent civil rights fights around transportation focus not on desegregation but on planning and funding of transportation in our metropolitan regions. Transit, civil rights and environmental justice (EJ) activists are asking a new question: Are low-income and minority communities receiving a fair share of the benefits of public spending on transportation in their regions?

The unfortunate answer is no. Minority and low-income populations not only are systematically denied that fair share, but often end up worse off for the expenditure of large sums on transportation improvements in their communities.

In California, bus riders have added legal strategies to their efforts to win a fair share of transportation benefits. These legal tools have included federal lawsuits in Los Angeles and the Bay Area. More recently, the success of an administrative civil rights complaint against Bay Area Rapid Transit (BART) resulted in a victory for EJ communities when the federal government took \$70 million in stimulus funds away from BART's Oakland airport connector project due to civil rights violations. This article documents how efforts like these have succeeded in exposing the civil

rights violations of transit funding schemes, and considers the lessons of these campaigns for transportation justice struggles in other metropolitan regions.

### The Los Angeles Bus Riders Union

In 1992, The Labor/Community Strategy Center saw an organizing opportunity. Equating city buses to "factories on wheels," it created the Los Angeles Bus Riders Union (BRU). BRU inaugurated a new era in transportation justice in the 1990s by combining bus rider organizing with legal tools. Its legal tool, Title VI of the Civil Rights Act of 1964, prohibits recipients of federal funds from discriminating on the basis of race, color or national origin. Prohibited discrimination under Title VI includes a denial of or delay in receipt of the benefits of public investment.

L.A. bus riders were overwhelmingly people of color earning under \$12,000 a year. African-American janitors, Latino hotel workers and Korean garment workers were standing on overcrowded buses at the end of an exhausting day at work. Fare hikes added to the injury.

BRU turned its eyes on the Metropolitan Transportation Authority (MTA), which runs both bus and rail service in Los Angeles County. In 1994, BRU was watching when MTA adopted yet another fare hike, amounting to \$126 million in revenue. At the same time, MTA budgeted nearly the same sum, \$123 million, to serve higher income and lower-minority suburban commuters through expansion of its Pasadena light rail line.

The inequality in the benefits and the burdens of MTA's actions was unmistakable. Transit improvements



**Richard A. Marcantonio** is a managing attorney with Public Advocates Inc. He represents plaintiffs in *Darensburg v. Metropolitan Transportation Commission* and brought the administrative Title VI complaint against BART to FTA.

were proposed that not only failed to benefit minority bus riders, but actually came at their expense. BRU used this evidence to file a landmark Title VI federal class action lawsuit which ended in a negotiated settlement. BRU then carefully monitored MTA's compliance with the terms of the resulting consent decree.

BRU's efforts resulted in more than \$1 billion in bus service improvements over ten years. MTA added hundreds of thousands of hours of bus service, kept fares affordable and took steps to reduce overcrowding. BRU also paid close attention to the links between buses, public health and the environment, and as a result the MTA now runs the largest fleet of clean fuel buses in the nation.

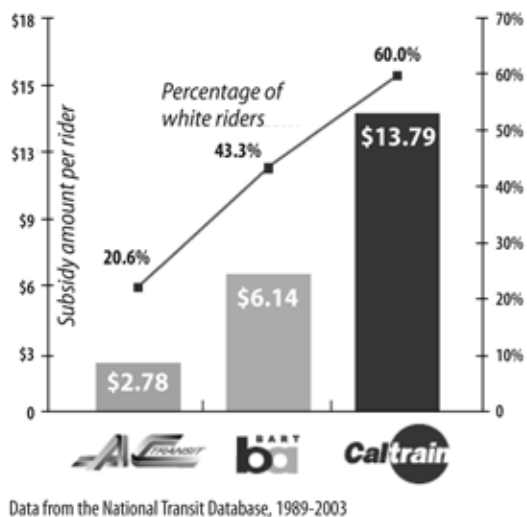
### Minority Bus Riders vs. the Bay Area's Metropolitan Transportation Commission

The success of organized bus riders wielding Title VI in L.A. brought both hope and a new lens to the struggles of EJ communities across the country. In the San Francisco Bay Area, bus riders from Oakland to Richmond were seeing a clear, but somewhat less direct, correlation between bus service cuts and rail expansion. In the Bay Area, unlike L.A., bus and rail service are provided by a hodgepodge of transit agencies.

Still, the same patterns were clear. Service levels for AC Transit bus riders had fallen by 30 percent from 1986 to 2005, even as service levels for riders of BART and Caltrans rail service had more than doubled (see Figure 1). As in L.A., bus and rail ridership is demographically very distinct—80 percent of AC

Transit riders are minorities, while 50 to 60 percent of BART and Caltrans riders are white (see Figure 2).

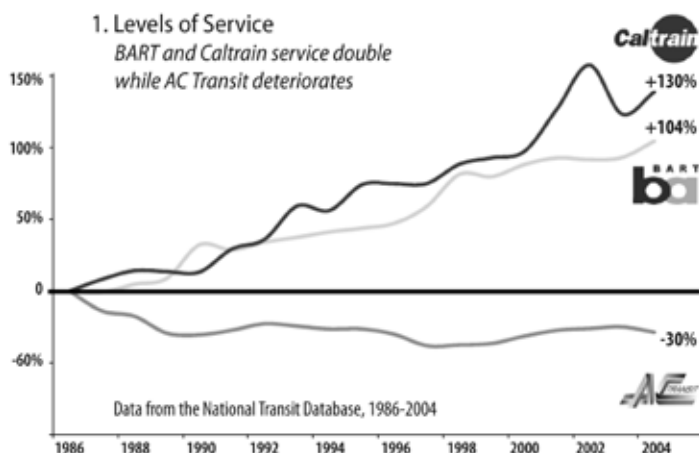
### 2. Public Subsidies and Race of Riders



While it was immediately clear how L.A.'s MTA played "Robin Hood in reverse," the task facing the bus rider advocates in the Bay Area was more complicated, requiring a close analysis of the Metropolitan Transportation Commission's (MTC) funding policies, transit expansion program and long-range transportation plan. That analysis showed that in each of its long-range regional transportation plans since 1992, MTC built in bus service cuts and fare hikes at the planning stage. At the same time, MTC's plans devoted 94 percent of its transit expansion funds to rail projects, and less than five percent to bus projects. MTC was, in effect, starving bus systems of *operating* revenue and shifting those funds to *capital* projects benefiting rail systems.

In 2005, with analysis in hand, Amalgamated Transit Union (ATU) Local 192 (the bus drivers union) joined several minority bus riders and an EJ organization in filing a federal class action civil rights lawsuit, *Darensburg vs. Metropolitan Transportation Commission*. The plaintiffs asserted that MTC's planning and funding policies prioritized rail expansion for riders who were more affluent and white while reducing levels of service for bus riders.

After trial in October 2008, the District Court issued a mixed ruling. On the one hand it found that "AC Transit has been forced to cut urban bus service to the detriment of [minority bus riders] in the past due







At the Save Our Ride Rally in September 2010

to funding shortfalls” within the control of MTC. It also concluded that MTC could take additional steps to allocate funding in a way that would help alleviate AC Transit’s shortfalls. The Court also agreed with the plaintiffs that MTC’s transit expansion program had a discriminatory impact by excluding projects that would have benefited minority bus riders. The Court, however, ruled that MTC met its burden of proof regarding an appropriate justification for that discriminatory impact. The plaintiffs’ appeal (supported by an amicus curiae brief from Planners Network) is now pending before the Ninth Circuit Court of Appeals.

### **The Unequal Benefits and Burdens of Capital Expansion Projects**

These bus rider lawsuits brought to light an important general principle: When capital expansion comes at the expense of basic transit operations, low-income communities suffer economically, as studies have shown. First, funding transit *operations* creates 40 percent more jobs than transit *capital* spending. Second, transit service automatically translates into green union jobs for bus drivers and mechanics who live in the local community. And third, operating funds have a

huge economic multiplier effect. For example, investing \$1 billion dollars in operating bus service yields \$3 billion dollars in increased local business sales.

But beyond the economics is the fundamental question of who *benefits* from capital projects. Expensive capital projects often provide little benefit to low-income families who, instead, often bear the brunt of the burdens of those projects. In addition to environmental burdens, these burdens include cuts to their local transit service and displacement fueled by gentrification.

Analyzing the fair sharing of benefits and burdens by race and income has become central to EJ efforts. On top of Title VI, Presidential Executive Order 12898 on EJ adopted in 1994

requires each federal agency to “identify and address disproportionately high and adverse human health or environmental effects of its programs, policies and activities on minority and low-income populations.” This obligation extends to *recipients* of federal transportation funding, like MTA and MTC.

The requirement to “identify and address” inequities gave birth to the Federal Transit Administration’s policy of conducting an “equity analysis” of planned projects and then taking steps necessary to avoid or mitigate identified inequities. The purpose of the equity analysis is to determine whether low-income and minority populations are receiving a fair share of the benefits and the burdens of transportation projects and programs. The equity analysis gives bus riders a potent new legal tool.

### **Challenging the Oakland Airport Connector**

In early 2009, more than \$1 billion in federal stimulus money—two-thirds of which had to be used for capital projects for the Bay Area—arrived at MTC’s doorstep. The remainder of the funds could be spent on preservation of existing transit and new construction projects. Bus riders were eager to take advantage of that portion to shore up declining bus service

which, for AC Transit riders, had declined by another 15 percent during the current economic crisis.

MTC, however, proposed to divert \$70 million in transit stimulus funds to BART's proposed Oakland Airport Connector. A three-mile, \$500 million dollar project to link the airport to BART's Coliseum station in East Oakland, the Connector would replace a \$3 bus shuttle with a tram costing twice as much.

Genesis, a social justice community organizing group, turned out at an MTC meeting to protest the proposed diversion of funds. More than one hundred members packed a room seating only fifty. They did not carry the day, however, and the MTC committed the \$70 million to the rail project. That might have been the end of the matter, but Genesis, and advocates from non-profits Urban Habitat and TransForm, huddled with civil rights lawyers from Public Advocates Inc. to craft a new strategy.

Like East Oakland as a whole, the demographics of the station area are predominantly minority and low income. Two neighborhoods in the station area have minority populations of over 95 percent, with poverty rates ranging from 25 percent to 33 percent. An honest equity analysis would have shown that these low-income and minority residents would not benefit from a slightly faster trip to the airport. But advocates learned that BART had not

conducted *any* equity analysis of the Connector.

In September 2009, citing the lack of equity analysis, the groups filed an administrative Title VI complaint with FTA against BART. FTA investigated the allegations and concluded that BART had indeed not complied with the equity analysis requirement. FTA also found a range of other agency-wide shortcomings. As a result, FTA required BART to adopt and implement a comprehensive "corrective action plan" to remedy these civil rights violations.

But there was another outcome: The same \$70 million that MTC had awarded to rail expansion was now back on the table. Last February, in a victory for Genesis, the communities of East Oakland and transit riders, FTA Administrator Peter Rogoff ordered MTC to reallocate those funds to shore up existing transit operations.

## Lessons Learned

The success of the administrative complaint was a victory for Bay Area transit riders, but it was also a warning shot across the bow of transportation agencies all over the country. For the first time in years, the federal government was open for the business of civil rights enforcement. And organized communities fighting for a fair share of the benefits of public spending on transportation now find they have a powerful strategy to add to their toolkit.

These legal strategies also brought to the surface a template for analyzing transportation inequity that advocates in many other places are now applying. Communities are now looking at proposed transit expansion projects to determine if they will leave low-income and minority transit riders behind. And many advocates are actively asking Congress to restore federal operating assistance for transit, rather than funding solely capital projects.

As EJ advocates become more sophisticated in watchdogging transit agencies, they will continue to find effective strategies to begin to serve up fair portions of the transportation funding pie. And while the fight for transportation justice has come a long way since Ms. Parks' battle to retain her seat, the campaign continues. **P<sup>2</sup>**



Photo: © 2009 Matthew Roth/sfstreetsblog.org

Protesters pack the MTC hearing on allocating stimulus funds on February 25, 2009.

# The Ongoing Debate Over Privatization of Public Housing

## *National Association of HUD Tenants Comments on Draft Ellison PETRA Bill*

**Editor's Note:** In the last issue of *Progressive Planning* (Fall 2010) we published a series of commentaries on proposed legislation (Preservation, Enhancement and Transformation of Rental Assistance, or PETRA) in the U.S. Congress that has been criticized for being a major step towards the privatization of public housing. Since then, changes were made to the draft bill that purport to meet various objections. In our view, the changes still fall far short and leave a wide-open gap that in the long run could result in the complete transformation of public housing programs to support the private housing market. With a new Republican majority in the House of Representatives, the proposed bill could become even worse. What follows is the official position of the National Association of HUD Tenants (NAHT) to what is now known as the draft Ellison PETRA Bill. HUD is the Department of Housing and Urban Development.

—Tom Angotti and Marie Kennedy

OVERALL, the draft Ellison PETRA Bill has closed a number of loopholes and “tightened up” HUD’s PETRA proposal. There are improvements in provisions for long-term affordability of public housing converted to PETRA funding, for enforcement of PETRA contracts and funding for tenant organizations. There is a new Right of First Refusal for HUD to purchase PETRA properties in cases of sale to private owners who would convert to market, similar to HR 4868. The Ellison bill makes participation in PETRA entirely voluntary for Public Housing Agencies (PHA) and private owners of multifamily housing, responding to comments by for-profit industry and PHA trade groups.

But the Ellison bill still relies on bank mortgage and equity investor financing as the sole way to fund public housing repairs; relies on “market” rents rather than “budget-based” rent setting to save funds; provides inadequate “one for one” replacement provisions; and leaves too much discretion for a future HUD secretary to allow conversion of public housing to privatized “expiring use” housing. Nor does the new bill contemplate alternative financing mechanisms such as public housing general revenue bonds to meet public housing repair needs.

Accordingly, NAHT cannot support the draft Ellison Bill unless these issues are addressed, despite its improvements over PETRA I. NAHT offers the following specific comments and recommendations for improvements to the Ellison draft:

### **Tenant Empowerment**

**Definition of legitimate tenant group.** Section 3 (m)(1)(B)(i)(IV) of the Ellison bill seriously sets



back tenant's right to organize by requiring "legitimate" tenant groups to be elected, a requirement not in PETRA I or HUD's current Part 245 regulations. Current multifamily regulations require owners to recognize "legitimate" groups that meet regularly, operate democratically, are representative of all residents and are completely independent of owners and management agents. This change in the Ellison bill would strip "organizing committees" (i.e., currently protected legitimate groups that operate democratically but have not yet had elections) in multifamily housing of right to organize protections! While the Ellison bill only appears to apply to buildings converting to PETRA, we are concerned about the precedent for multifamily tenants' rights overall, especially if subsequent versions expand these rights to all HUD-assisted tenants.

The additional requirement that a tenant group be elected to be considered "legitimate" must be removed from the Ellison bill. It is a serious curtailment of long-standing rights won by multifamily housing tenants that are essential to establish a new tenant's organization where none has existed before and owners/agents typically oppose efforts of tenants to organize.

**Funds for tenant organizing and assistance.** On the plus side, the bill has language for direct funding of "legitimate" groups along with competitive grants to area-wide non-profits to "organize the unorganized," along lines recommended by the Resident Engagement Group, with input from NAHT. However, Section 3 (m)(1)(B)(i)(V) would allow "public entities" (i.e., government agencies such as PHAs) to apply for tenant organizing funds, a singularly bad idea.

NAHT recommends striking the "election" requirement and "public entity" eligibility for technical assistance funds, and adding additional requirements, to be determined by the secretary, for "legitimate" groups to receive direct funding (which might include elections, incorporation, financial management capacity or fiscal agent, etc.).

**Tenant enforcement of PETRA contracts.** NAHT also recommends adding a tenant Private Right of Action/Third Party Enforcement section, not in the new bill, so that tenants can sue to enforce contracts if HUD or PETRA recipients fail to act.

**Access to information.** Section 3(m)(1)(B) (viii) is a new section that would give PETRA tenants access to information language based on HR 4868, but weakens it with loophole/exceptions for "proprietary" information. The reference in subsection II of this section excepting from release information protected by "all laws and regulations governing proprietary information, privacy rights, privileges and other established legal protections for individuals and entities" would effectively nullify access to information, and should be dropped.

In addition, this section should be expanded to cover all HUD-assisted housing, not just PETRA. Other NAHT recommendations for HR 4868 should be adopted as well, such as restoring language giving tenants access to capital needs assessments and repair plans, which were struck from HR 4868 following HUD's objections.

**Tenant grievance rights.** Section 3(m)(1)(B)(ii) establishes tenant grievance rights for evictions or other adverse actions by PETRA owners/managers, and extends these rights to tenants in HUD multifamily developments converted to PETRA, an important expansion of tenants' rights. The Ellison bill should extend these rights to all multifamily tenants, as in PETRA I. The Ellison bill incorporates some, but not all, of the recommendations of the Housing Justice Network of legal service attorneys, or the Resident Engagement Group, to strengthen grievance rights. NAHT supports these additional recommendations.

**Extension of civil monetary penalties.** In an important provision long sought by NAHT, Section 6 (e)(2)(D)(D)(v) would extend HUD's authority to fine owners who violate tenants' right to organize to properties receiving project-based Section 8, including but not limited to PETRA. Current law provides this authority only for HUD multifamily housing which receives HUD mortgage insurance. While this is welcome, it is tempered by HUD's continued lack of enforcement of tenants' rights, including but not limited to civil monetary penalties, under HUD's current authorities.

**Long-term affordability: One to one Replacement.** New bill same as the old bill. The legislation should be revised to drop the "exception" for low vacancy areas and ensure that replacement units are provided with a preference for on-site or immediate neighborhood locations. The

legislation should also require HUD to affirmatively replace “hard” low-income units already lost (both public and multifamily), to restore a maximum number of units in that community from previous years.

**Long-term affordability: Contract renewals.** The new bill has improved language. Under the Ellison bill, initial PETRA contracts would be “at least” 20 years (for PHA buildings) or “up to” 20 years (for multifamily), with 30-year use restrictions. For public housing converted to PETRA, HUD would be *required* to offer 20-year contracts, and owners *required* to accept extensions, unless the secretary of HUD determines the building is “physically obsolete” and “unsuitable as low-income housing” after “consultation” with tenants and the local government. (The old bill also added that the secretary can modify PETRA affordability for buildings that are “financially unviable” or to “enhance lender participation;” this language has been dropped, following objections by NAHT and others.)

While this language is an improvement, it still falls short of 99-year/permanent preservation of PHA housing converted to PETRA recommended by NAHT and others. Every 20 years, a future HUD secretary could determine a building to be “unsuitable” and terminate its use as low-income housing. We recommend a stronger 99-year affordability standard with a requirement to provide decent, quality housing at the site. At a minimum, tenants and legitimate tenant groups, as well as local governments, should be required to approve any determination of “physically obsolete” and related decisions regarding termination, demolition or redevelopment that could displace residents, similar to NAHT’s recommendations for Section 8(t)(t) transfer authority in multifamily housing.

For multifamily housing, the bill allows 20-year renewable contracts, with owners able to opt out at end of term, same as now. Owners would be able to participate in Mark Up to Market, same as now. A new section provides a Right of First Refusal (ROFR) in event of a sale that would end use restrictions (secretary of HUD could buy at full market price and designate to new owner or assign purchase right to other government agency)—similar to HR 4868. While this falls short of NAHT’s recommendation for a broader First Right of Purchase in HR 4868

(applying to all opt out decisions, not just sales), this provision would at least give additional preservation options to HUD for at-risk multifamily housing.

**Public ownership/financing.** Some language has been tightened up, such as deletion of provision objected to by NAHT that would allow PHA staff to participate in new owner entities. But new bill still relies on private bank and equity financing, with references to Low Income Housing Tax Credits (LIHTC). New bill would still allow PHAs to participate in LIHTC partnerships, although with some new safeguards to protect ownership interest (PHA option to buy limited partnership interests at end of compliance period; PHA role in property management decisions). We remain opposed to the LIHTC “private equity”/limited partner model overall, because of the potential for conflicts of interest and pressures to convert down the road, especially if a PHA chose not to exercise its option to buy out these interests.

In case of sale by a petrified PHA building to an owner that could end use agreements pursuant to a foreclosure or bankruptcy, the Ellison bill would *require* the HUD secretary to exercise a ROFR (or assign to another government agency) and preserve as affordable housing, unless the building is deemed to be “physically obsolete,” in which case the Secretary would have the *option* to transfer project-based PETRA funds to other sites. If a secretary takes title through a ROFR, HUD could not resell a former PHA property to a for-profit entity (except a LIHTC partnership), and would have to sell to a public agency first, followed by a non-profit purchaser, including a tenant organization. We remain concerned, however, by the “physically obsolete” loophole (see above).

In the case of a petrified multifamily owner selling to a new owner planning to opt out of PETRA renewals, however, the secretary would *not* be required to use the ROFR. For multifamily, the ROFR should be expanded to a First Right of Purchase, and the secretary should be required to exercise this right (as in PHA-converted properties), subject only to the availability of funds.

For PHA-converted properties only, the Ellison bill adds additional enforcement options in the case of default, foreclosure or bankruptcy. These include taking

possession of PHA properties and funds, receivership or transferring a building to another agency. But the Ellison draft does not provide for FHA insurance and related safeguards for property disposition in the event HUD takes over, as recommended by NAHT and others in the event of foreclosure.

While this language is an improvement, a future Secretary would still have too much discretion to not preserve PETRA-assisted stock. Since 1994, HUD's track record even where there has been FHA insurance and HUD Property Disposition in the multifamily housing sector is not the best. When combined with the conflicts and pressures that inevitably will arise by involving private mortgage and equity interests in future PETRA partnerships, this concern leads NAHT to oppose the draft Ellison bill until these issues are addressed.

**Market rent vs. budget-based rents.** The new bill still relies on market-based rents, but makes some adjustments in response to NAHT objections in May testimony to promote PETRA financing models below market where feasible. However, these options appear to rely on owner discretion to request below-market/budget-

based rents, which is unlikely to occur. Extending the costly Mark Up to Market financial model to regulated budget-based public housing will be more expensive in the long run than using a budget-based rental model. We repeat our recommendation that any future funding model be "budget-based," not "market-based," apart from the questions of ownership and financial sources.

**Alternative financing.** There is no language or evidence that HUD is looking at alternative financing, such as public housing bond models that treat public housing as "infrastructure." HUD has also not responded to NAHT's recommendation to provide a cost comparison of PETRA financing models vs. bond financing, and "market-rent" vs. "budget-based" rental models.

**Tenant choice.** New bill similar to the old bill. NAHT's position is cautious support for the principle of tenant choice and mobility, but HUD and Congress should provide incremental vouchers to avoid PETRA movers bumping tenants on voucher waiting lists. **P<sup>2</sup>**

The National Alliance of HUD Tenants ([naht@saveourhomes.org](mailto:naht@saveourhomes.org)) can be found online at [www.saveourhomes.org](http://www.saveourhomes.org).

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# Transit-Oriented Development and Communities of Color: A Field Report

By Gen Fujioka

**T**RANSIT-ORIENTED development (TOD) has become a leading policy prescription for reversing America's sprawling path of growth. The Obama administration, through its Sustainable Communities Initiative, state and local agencies and progressive think-tanks all emphasize TOD as a means to achieve housing, transportation and environmental goals, often through public-private partnerships. But as TOD has been justifiably promoted as the cleaner alternative to auto-dependent development, gaps have appeared in the discourse that understate its costs. This report seeks to fill in some of those gaps with snapshots from four communities of color that have been impacted by various stages of TOD in the cities of Seattle, San Francisco, Los Angeles and Minneapolis–Saint Paul.



**Gen Fujioka** is the senior policy advocate with the National Coalition for Asian Pacific American Community Development. This article was written in collaboration with

the Urban Communities of Color Caucus which seeks to advance practices that strengthen existing diverse neighborhoods. For further information contact: [gen@nationalcapacd.org](mailto:gen@nationalcapacd.org)

## What Is a TOD?

Non-profit community development organizations were early innovators in building TOD projects, seeking to link affordable housing with transit. Today, TOD projects vary but they can be generally defined as mixed-use, higher density development oriented toward nearby public transit. In its varying forms, TOD is being promoted by a growing range of government programs. The largest federal transit program, New Starts, strongly favors projects that incorporate TOD, and many state and local governments have created expedited approval processes, incentives and zoning and land use policies that foster TOD.

As the concept has been embraced by some market-rate developers, even some TOD proponents concede there may be social costs of such development. The federally funded Center for Transit-Oriented Development and others have published a number of policy toolkits and best practice guides for equitable TOD. While these publications describe individual exemplary projects, missing is an evaluation of the impacts at scale. The experiences described below suggest that much more needs to be done to

ensure that TOD does not become a greener version of gentrification.

## Affordable Housing Fuzzy Math in Seattle

The multi-ethnic and historic International District of Seattle (also known as the “ID”) lies on the southern edge of the city's financial district. A majority of the neighborhood's residents are very low income and people of color. Originally Seattle's Chinatown, the neighborhood became a business and residential district for successive waves of Asian immigrants. In addition to housing, it offers a range of ethnic restaurants, shops and services. The ID is now also the central nexus of the region's transit, including light rail, buses, Amtrak and the future high-speed rail station connecting Seattle with Portland.

The convergence of new rail lines and downtown growth led the city to adopt a transit-oriented upzoning that will allow more than a doubling of housing units in the already high-density district. On paper, the plan's goals would create 4,500 units of housing affordable for lower income households. However, the new zoning does not ensure the affordable



units will ever be built. Over the next six years the city's estimated \$145 million housing fund will support the production of 1,800 affordable units for the *entire city*. If the ID received a proportionate share of the projected funding, it would only support several hundred new affordable units. "So far, smart growth in Seattle doesn't add up," says Ken Katahira, housing development staff for InterIm Community Development Association, a non-profit that has built affordable housing and a community garden in the neighborhood. "Zoning for higher densities does not necessarily create more affordable housing."

Upzoning the ID for taller buildings and greater densities has compounded the development pressure already generated by the new transit infrastructure. And as a practical matter, taller buildings cost more. Concrete and steel construction, required for structures over six stories, is unaffordable to even moderate-income families without deep public subsidies. In the absence of more prescriptive regulation and more robust funding, the city's plan to foster TOD through zoning in the ID threatens existing affordable housing and small businesses located in "underdeveloped" buildings without ensuring affordable housing within new construction.

### **Transit-Oriented Displacement in the Mission District of San Francisco**

Compared to many other urban centers, San Francisco has maintained a strong commitment to transit and affordable housing.

With a dense urban core, regional transit hubs and an expanding network of light rail, a majority of San Franciscans take transit or walk to work. San Francisco has also pioneered many of the housing and land use policies that are now proposed by policy guides as innovative models for equitable smart growth, from inclusionary zoning to demolition and conversion controls.

One test of San Francisco's affordable housing policies came in the 1990s during the dot-com boom. Amidst a hot real estate market, development pressures grew particularly in transit-rich areas. Evictions reached record levels and entire neighborhoods were transformed in a few years. According to research by UC Berkeley's Center on Community Innovation, during the period between 1995 and 2000, the out-migration of low-income

households exceeded 9,800 *each year* while the numbers of upper income households grew. Proximity to transit was a significant factor in explaining the pattern of displacement. Neighborhoods within a half-mile of major transit were particularly at risk of gentrification and displacement, suffering marked declines in the number of households of color.

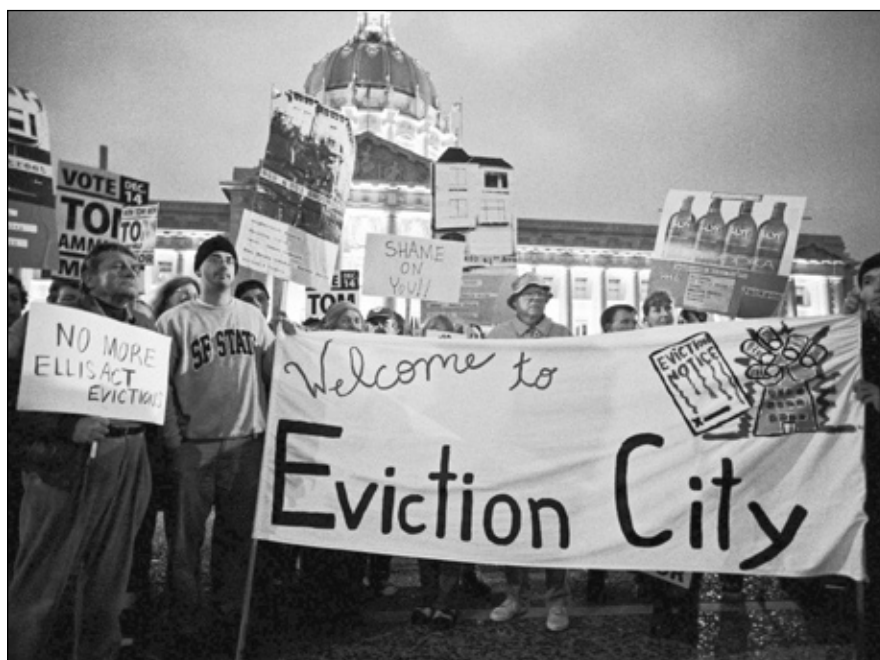


Photo: Robert Gumpert

1999 San Francisco rally protesting rapid gentrification particularly in the Mission District, the heart of the city's Latino community. Subsequent research in the Bay Area finds a strong correlation between displacement in such neighborhoods of color and proximity to transit.

The heart of the city's Latino community, the Mission District, was ground zero for displacement. Located between two major BART stations (the city's regional rail system), near new tech enterprises and overall transit rich, the primarily working-class neighborhood experienced widespread evictions in which entire buildings were cleared for young professionals attracted to urban, transit-accessible living. In the midst of this crisis and despite the booming market, city administrators regularly provided developers with exemptions from inclusionary housing requirements and zoning controls.

"The original challenge wasn't a lack of affordable housing policies—those that we had were not being followed. The first challenge was about building community power so that we could have policies enforced when they mattered," recalls Nick Pagoulatos, then an activist with the Mission Agenda Coalition (MAC), a grassroots anti-displacement organization, and now a planner at Dolores Street Community Services, an organization that continues to serve the neighborhood.

Over the objections of overflow crowds mobilized by MAC, the city's commissions repeatedly approved ever larger development projects fueling more displacement in or within walking distance of the Mission. With both established policies and neighborhood concerns being ignored, MAC and a citywide coalition turned to the ballot and elected an anti-displacement majority on the San Francisco Board of Supervisors. Voters also

amended the city's charter, breaking up the mayor's exclusive control over the land use process. These changes led to the adoption of an extraordinary moratorium on new development in the Mission.

The moratorium stopped the largest abuses but led to a grueling eight-year planning process. "In the end we did not get the full protections we wanted," says Pagoulatos. "The extended process itself wore the community down. And we did not have the community-based institutions that could provide the technical expertise to take on the developers at every step. But we did change the rules of the game so that development became more transparent and potentially more democratic—it's still a question of power."

### **Putting TOD in Context in Boyle Heights, Los Angeles**

In contrast with Seattle or San Francisco, Los Angeles is still in the early phases of rebuilding its regional transit system. One of the first new light rail lines runs through the predominantly Latino Boyle Heights neighborhood. Even before it opened, the line spurred the start of gentrification. "After they started construction we had a wave of evictions near the station," reports Isela Gracian, director of community organizing for the East Los Angeles Community Corporation (ELACC). "Landlords were looking for any excuse to evict tenants. Fortunately, many families contacted us so we were able to help them assert their rights. The

recession also hit so the soft market has helped slow the evictions."

With years of prior organizing and investments in the neighborhood, ELACC was in a position to proactively challenge the transit agency in other ways. ELACC worked to keep the neighborhood's small business community in place. "The transit agency did not understand the community that was here before they started the project," Gracian recalls. "It wasn't just that they didn't speak the language. They didn't appreciate what we had that would be lost." One of the specific enterprises threatened by the line was space along the main business corridor where Mariachi musicians gathered and promoted their services. ELACC helped bring public and media attention to the issue—ultimately ensuring that merchants, musicians and the community will still be able to keep the streets as their own.

ELACC also pressed the transit agency to ensure that the properties it acquired for the construction of the line would provide a long-term public benefit. On one of those sites, ELACC has completed the community's own version of mixed-use TOD: affordable housing and community services, including offices for the newly formed Mariachi musician's association. "TOD is much more than building some affordable housing," observes Gracian. "It needs to be a part of supporting the whole neighborhood . . . we need to be positioned to help address the changes that are coming ahead."

## Regionalism's Challenge in St. Paul

MAC's impact on the city planning process and ELACC's impact on shaping TOD in one neighborhood were based upon neighborhood and community-based organizing. But the shift towards regional governance may favor large developers while undermining public engagement.

Metropolitan Planning Organizations (MPOs) have long played a central role in directing regional transportation investments. But as transit investments begin to drive land use planning and the allocation of other scarce public resources, MPOs wield greater power. The shift towards regionalism is reinforced by progressive initiatives such as HUD's Sustainable Communities Regional Planning Grant Program and California's greenhouse gas reduction legislation (SB 375), each giving MPOs more influence over local processes. But MPOs are more insulated than city governments from local and neighborhood-based organizing and are often governed by a mix of elected and unelected appointees and agency representatives. Furthermore, their structure and highly technical forms of discourse pose new challenges for democratic participation.

For example, the federally funded Central Corridor Light Rail Transit project, designed to connect the Twin Cities of St. Paul and Minneapolis, runs through the predominantly African-American and Asian-American neighborhoods known as the Rondo and Frogtown districts, respectively. The original

plans provided the fewest number of stations relative to the number of transit riders in those neighborhoods. While offering little service, the project threatened years of construction disruptions and the elimination of most street parking. Only after each community filed a civil rights complaint with the Federal Transportation Agency did the region's MPO, known as the Met Council, agree to install additional station stops in the minority communities. Now with the stations approved, the communities are being offered little to ensure that market-driven TOD does not displace existing small businesses and low-income residents. "We've basically been shut out of the planning process," says Veronica Burt, organizer with the Preserve and Benefit Historic Rondo Committee, a coalition that includes the local NAACP, church groups and community development organizations. "The Met Council went through the motions of holding meetings but didn't listen to community concerns. There has been no way to make them accountable."

## The Need for Critical Assessment

Making regional agencies more accountable is an inherent challenge for communities of color in part because of demographics. While African Americans, Latinos and Asians may have gained local representation in many urban areas, they remain electoral minorities in almost all regions. Less obvious but no less daunting for organizers is the need for a common language to convey what is at stake in regional planning—what David Harvey

describes as the need for 'translation.' Such translation is not merely for non-native English speakers; even in plain English the abstract and dislocated language of regional planning is generally indecipherable to all but professionals and developers. For communities to become engaged and participate on a regional level requires a radical reinterpretation of planning proposals in terms of real, place-based experience—an approach that organizations such as New York's Center for Urban Pedagogy have begun to develop but needs to be widely expanded.

Despite these and other challenges, efforts are under way to engage communities in regional policy discussions. This is driven in part because transit itself is connecting communities, creating shared needs and interests. For example, ELACC has participated in the formation of the Los Angeles Neighborhood-Based Community Development Coalition to connect Latino, African-American, and Asian Pacific Islander neighborhoods to proactively engage in the future planning of LA's new light rail stations. And in Seattle, InterIm and other community organizations have joined the newly created Regional Equity Network to directly participate in their MPO's planning process, which has received the support of HUD's Sustainable Communities Regional Planning Grant Program. What remains to be developed across regions is a community-based agenda, reinterpreting the meaning of TODs to benefit existing diverse neighborhoods and incorporating a sharper critique of the dominant paradigm. **P<sup>2</sup>**

# A Manifesto for Progressive Ruralism in an Urbanizing World

By Keith Pezzoli, Kerry Williams and Sean Kriletich

IN the Winter 2010 issue of *Progressive Planning*, Peter Marcuse suggests three strategies for critical planning: expose, propose, politicize. We are using each of these strategies to advance progressive ruralism and bioregional interdependence in California's Sierra Nevada foothills. Our work: (1) *exposes* the paradox of poverty within resource-rich rural environments; (2) *proposes* an approach to rural sustainability that takes into account urban-hinterland relationships; and (3) *politicizes* progressive ruralism through coalition-building, networking, advocacy planning, research, education, cultural events and multimedia communication.

Mainstream scholarship advocating sustainability at a city-region scale focuses almost entirely on metropolitan regions, thereby missing important aspects of urban-rural linkages that are essential to sustainability. Our concept of *progressive ruralism*, outlined here, addresses this oversight. Progressive ruralism is a globally-minded bioregional framework for promoting sustainability that interrelates rural and urban challenges and advocates a land ethic that values community, diversity and justice.



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**Kerry Williams** lives in Amador County, California, where he promotes progressive ruralism by drawing together his career experience in affordable housing, community development and social and human services.



**Sean Kriletich** is founder and director of Manzanita Ridge, a 33-acre research-education facility and permaculture farm located in Amador County. He also works for the University of California Cooperative Extension.

## Expose: The Impoverishment of Rural Wealth

The Sierra Nevada Region is a contiguous mountain range that extends 400 miles along the eastern flank of California and the western tip of Nevada. It contains one of the world's greatest concentrations of natural resources and biological diversity. The Sierras constitutes roughly one-quarter of California's land area, including habitat for two-thirds of the state's bird and mammal species and forests that provide between one-third and one-half of the state's annual timber supply. The Sierra's watersheds provide 65 percent of the state's developed water supply—the great bulk of which is used outside of the region for residential, agricultural and environmental purposes. The region is home to approximately 600,000 people in 212 communities dependent on natural resources for jobs in forestry, agriculture, ranching and tourism.

Today, many Sierra Nevada communities face difficulties including the threat of catastrophic wildfire, unhealthy forest ecosystems, degraded watersheds, decline of family farming, loss of rural cultural heritage, aging populations and high levels of unemployment. We refer to this condition as the *impoverishment of rural wealth*—where wealth includes social capital as well as living and non-living natural resources. This is not an uncommon situation. In rural areas and hinterlands around the world the abundance of wealth, including human ingenuity and labor power, is often exploited in ways that generate poverty and environmental degradation as well as affluence. Conditions in rural areas challenge us to re-value how we understand, measure and utilize wealth, its stocks and flows. The Carnegie UK Trust



captures this point well in its 2009 *Manifesto for Rural Communities*:

*“In an increasingly fragile world, rural areas should be recognized as resource rich; places where assets are stewarded for the nation as a whole. After decades where rural areas have just been seen as hinterlands to large urban areas and city regions, this imperative places rural communities at the heart of policy-making for the nation as a whole.”*

AMADOR and Calaveras Counties, where two of the co-authors (Williams and Kriletich) live and work, is typical of the problems facing rural America. Together these two counties comprise over one million acres south of the Lake Tahoe basin including large tracts of public lands (e.g., Forest Service, Bureau of Land Management, and California State Parks) and private industrial forests and other jurisdictions. Other than remnants of the cattle industry, the agriculture tradition barely survives in Amador County. A growing number of families and youth have to leave to find jobs and housing. The only population increase is from immigration of older people with discretionary incomes to spend playing golf, drinking wine and making purchases in boutique shops and upscale restaurants. The increasingly popular bourgeois vineyard, the county’s largest “agricultural” activity, gets marketing support from the Chamber of Commerce for attracting much needed revenue through “agri-tourism.” Meanwhile, the food production and distribution system is failing to provide healthy food to lower income groups. Very few

families participate in the local food system that operates the farmers market and the food-buying clubs. Community Supported Agriculture (CSA) groups have limited economic resources to use for marketing and therefore have limited reach.

The emergence of New Ruralism, which attempts to unite the concepts of smart growth and sustainable agriculture, indicates that city dwellers are beginning to think critically about the impacts of urban encroachment into rural lands. But New Ruralism does not challenge the values, political economy or institutions at the root of unsustainability. New Ruralism might even lead to a gentrifying commodification of landscapes at the urban-rural edge (e.g., by packaging the rural imaginary as a nostalgic commodity for consumption by privileged tourists, or as a site for wealthy urban refugees). We need a countervailing vision to challenge the pervasive metro-centric bias that takes the hinterland for granted.

### **Propose: Permaculture and Progressive Ruralism**

The economic difficulties facing rural areas, including the lackluster performance of markets to generate new jobs, means that community-based approaches to sustainability will become increasingly important (this includes community-owned food distribution systems, community-owned renewable energy generation, community gardens, community-owned trucking). In this section we propose using Manzanita Ridge as an exem-

plary model of community-based progressive ruralism in action.

Sean Kriletich is the founder and steward of Manzanita Ridge, a 33-acre research and community education resource center and farm located in Amador County. The goal of the ridge is to foster regional interdependence through education on and research into sustainable interconnected systems.



Photos: Sean Kriletich

Manzanita Ridge, Amador County, Sierra Nevada Foothills, California

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Manzanita Ridge practices permaculture—a philosophy and practical approach to sustainable land use, agriculture and the design of human settlements that emulates ecological and biological systems as models for meeting human needs. For example, composting organic waste as a way of creating soil and using constructed wetlands to treat sewage.

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Photo: Sean Krileitch  
Drip watering system

To reach this goal, Manzanita Ridge began with research about how to produce food with locally available resources. Manzanita Ridge, a steep-sided ridgetop not well suited for cultivating fruits and vegetables, was turned into a small permaculture farm/research and education facility. A standard approach to this situation would have dictated removal of all of the native forest and application of tons of imported topsoil. Instead, over a five-year period, the garden area was selectively cleared, leaving 30 percent of the oak-dominated brushland intact. During this period, topsoil depth was increased by a factor of twenty, primarily through in situ composting of forest wastes and no-till practices. As of 2010, just five years into the project, this 1.5 acre garden and orchard already produces over 12,000 pounds of nutritious marketable food each year. Significantly, this food production is accomplished using only local resources (from less than ten miles away) and with human labor equivalent to one full-time person. At the same time Sean and his partner have learned to produce 90 percent of their own dietary needs from the ridge by working with animals and eating acorns, the native nuts.

The methods practiced at Manzanita Ridge are often referred to as permaculture, a philosophy and practical approach to sustainable land use, agriculture and the design of human settlements that emulates ecological and biological systems as models for meeting human needs (e.g., composting organic waste as a way of creating soil; using constructed wetlands to treat sewage). Permaculture can be applied across

scales, from a single building and its immediate landscape to a neighborhood, farm and bioregion.

Manzanita Ridge's successful results to date show that community-scale permaculture is viable, but this is only the first step in fostering sustainable rural development and regional interdependence.

### **Politicize: Connecting the Dots and Scaling Out**

Raising awareness within the larger community of our own power to sustainably provide for ourselves through a planned system of regional interdependence is the next step in scaling up the work of Manzanita Ridge. Debunking long-standing myths regarding agriculture, economics and the media by pointing out the global yet localized successes of permaculture and progressive ruralism, of which Manzanita Ridge is one example, is critical to this education work.

Our approach to this work is based on what we call "solution-based activism," i.e., identifying problems and their root causes but then focusing on solutions, not problems. Focusing on solutions is especially important when talking to/working with people of varying political persuasions because it tends to bring us to a common ground of what is possible and positive for all involved. To accomplish this we continue to deepen inter-connections with local and regional communities and national and global networks. We encourage urban and rural children and adults to come and interact with

Manzanita Ridge to learn and take lessons back to their communities. At the same time we work with our community to educate and build a sustainable agri-economic system. Results already include a farmers market in Jackson, California, a year-round multi-farm CSA and implementation of progressive agriculture zoning in Calaveras County. We believe in the power of community communication and to this end work towards the creation of local community media outlets. A full-power, non-commercial educational FM station, KBLU, will soon be operating and will serve to multiply regional grassroots efforts to build bioregional interdependence. In this politicizing phase Sean has also taken a position with the University of California (UC) Cooperative Extension in order to achieve wider influence in the community by “putting the technical in the service of the just,” to use Peter Marcuse’s words.

Both Manzanita Ridge and the local UC Cooperative Extension participate in the Amador-Calaveras Consensus Group (ACCG), which has a holistic *connect-the-dots* approach to dealing with the danger of catastrophic wildfire, high unemployment, threats to watersheds, waste of forest material, air quality impacts, renewable energy generation and Native American Heritage sites. The range of ACCG participants, which include public land managers, state-level authorities, forestry practitioners and contractors and job training and environmental non-profits, makes it an organization capable of scaling out the innovative work taking place in

the Sierra Nevada foothills, focusing on job creation, healthy food systems, fire-safe communities, forest restoration and a renewed local economy within the Sierra’s critically important watersheds.

### Looking to the Future

With the aim of joining forces with others locally, regionally and globally through knowledge-networking and solution-based activism that links rural and urban-metro sustainability in a new bioregional progressivism for the 21st century, all three co-authors are involved in building The Global Action Research Center (The Global ARC). The Global ARC provides network access and infrastructure of connectivity for rural and urban initiatives (<http://theglobalarc.org>) and is creating a host of tools, including an online Regional Workbench for mapping and spatial analysis, a sustainability solutions database, a global knowledge commons for planning, multimedia archives and social networking applications for science communications. The Global ARC, together with UC San Diego’s new Center for Global Justice, is organizing a food justice summit that will focus on Manzanita Ridge and related projects (Spring 2011).

Significant cultural, political and economic obstacles thwart the progress of those of us working towards bioregional interdependence. One of the more serious concerns is the rising power of the property rights movement, eroding the institutional capacity of progressives to plan for the larger common good.

Progressive ruralists are faced with the challenges of re-framing and re-imagining solutions to problems in ways that can capture popular support and garner resources not just in the rural foothills but in the urban areas as well. This is why we emphasize the importance of a progressive ruralism that is place-based but also cognizant of urban-hinterland interdependencies and globalization. Rural communities have a vital role to play in developing and managing sustainable socio-ecological systems at a bioregional scale.

Leaders of the progressive ruralist movement can frame their value-added contributions in a larger context that speaks to pressing local as well as regional and global challenges—for example, renewable energy, carbon sequestration and climate change, foodsheds and food justice, watersheds and water supply/quality, working landscapes and jobs, conservation of rural commons and biodiversity and culture change and a new land ethic for the 21st century. As Gottlieb and Joshi note in their 2010 book *Food Justice*, community-based struggles seeking food justice (where, what and how we eat) have “the potential to link different kinds of advocates, including those concerned with health, the environment, food quality, globalization, workers’ rights and working conditions, access to fresh and affordable food and more sustainable land use.”

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# The Emerging Community Benefits Movement in North America

## *C.O.R.D.'s Campaign in the Rexdale Neighborhood of Toronto*

By Abbe Edelson

WITH the rise of global investment in urban development marked by the increasing number of big box stores, sports stadiums, entertainment complexes and other megaprojects that are transforming neighborhoods across North America, communities are seeking to influence local planning decisions and ensure that new developments provide tangible benefits for all local residents. In the U.S., local and state governments have increasingly subsidized development and redevelopment projects and citizens'- groups are responding by demanding community benefits agreements (CBAs). CBAs are legally-binding agreements negotiated between developers and community organizations (and may also include local municipalities) which guarantee that in exchange for the community's public support of the development project the developer will provide community benefits for the local community. Agreements negotiated have included a wide range of place-based benefits, such as support for local residents who face displacement due to the impending development. CBAs may also include social and economic benefits such as local hiring programs or employment and training programs with equity targets for low-income residents, new immigrants, people of color, persons living with disabilities, youth and others who are socially and economically excluded from the dominant community.

While CBAs have become a common urban development practice in cities across the U.S., they remain an unfamiliar practice in Toronto, Canada. In the City of Toronto's protocol for community benefits, under what is known as Section 37, the concept of 'commu-

nity benefits' does not include the scope of economic, social and environmental benefits negotiated under CBA agreements in the United States. Private developers negotiate Section 37 agreements with the local city councillor to provide amenities, such as capital facilities associated with a specific residential project, in exchange for zoning amendments that allow for increases in a project's height and density. It is a top-down process that has traditionally excluded the community. For this reason, in late 2006, when the labor-community coalition C.O.R.D. waged a campaign to lobby the city and the developers of a megaproject called Woodbine Live! for a CBA, their efforts to tie the notion of community benefits to social programs (such as education, local hiring, transportation and community centers) represented a new development strategy. This article will provide an overview of that campaign and of the opportunities and challenges associated with the CBA movement.

### **Woodbine Live!: A Publicly Subsidized Development Project**

Woodbine Live! is a \$1 billion megaproject around the Woodbine Racetrack in Rexdale, a northwestern suburb within the City of Toronto. The first phase of the multi-purpose facility will include a hotel, restaurants, theaters, a live-performance facility, offices and retail stores, with 2,500 residential units planned for phase two of the project. A joint project of The Cordish Company, a family-owned and -operated company based in Baltimore, and Woodbine Entertainment Group (WEG), a non-profit entity, Woodbine Live! is the first land development project to receive a \$120 million dollar tax grant under the City of Toronto's new Tax Incremental Equivalent Grants (TIEGs) program.

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Photo: Bob Chandler.

Members of C.O.R.D. taking part in demonstration in support of immigrant workers as the new majority, August 2008.

Given that the developer of Woodbine Live! will receive a generous tax break, many community and labor leaders maintain that the developer and the City of Toronto should be obliged to strike a CBA that would include specific economic, social and environmental benefits for the community, in return for the public's investment in the private development project. Securing such benefits would be significant for Rexdale, which is home to a very diverse population of mainly new immigrants, with a large percentage of people of color. While there are neighborhoods of white middle-class homes, the broader community is known for its high concentration of poverty and unemployment, particularly amongst new immigrants.

According to then city councillor Rob Ford, WEG has been working to attract investment to the site

for many years. "When people arrive in Toronto, they will head to Woodbine Live! It is going to revitalize Rexdale and turn Rexdale into Rosedale [an upper-income neighborhood]." Although official estimates vary, Woodbine Live! is expected to generate 10,000 jobs during its construction phase and 2,700 permanent jobs in the retail, hotel and entertainment sectors. While policymakers and local politicians project that Woodbine Live! will boost the local economy and create thousands of jobs, C.O.R.D. and other critics maintain that the majority of the jobs at Woodbine Live! will be low-paying, part-time jobs. C.O.R.D. hopes that by negotiating a CBA that guarantees good-paying union jobs, a local hiring and training program and other community facilities, local residents in Rexdale can benefit from the publicly subsidized development project.

## Highlights of C.O.R.D.'s Campaign

When C.O.R.D. was launched in late 2006 by the union, UNITE HERE, the labor-community coalition's organizing drive quickly gained widespread support from approximately thirty-five community-based organizations including social agencies, non-profit organizations and local residents. The organization derives its name and CBA strategy from a group by the same name based in New Haven, Connecticut, where an ongoing broad-based community coalition has been advocating for benefits such as good jobs, affordable housing and other essential neighborhood services associated with new development projects.

In early May 2007, approximately 600 local residents attended a community meeting at the Thistletown Community Center in Rexdale. The residents endorsed C.O.R.D.'s vision statement for community benefits, including good unionized jobs, local hiring and training, transit improvements, high environmental standards, health and education facilities and community space for seniors, youth and other groups.

During the spring of 2007, C.O.R.D. met directly with representatives from Cordish regarding its vision for a CBA and discussed such benefits as a 30 percent local hiring target. According to Janet Dassinger, one of C.O.R.D.'s original organizers, these direct negotiations were short-lived. Following an initial meeting, C.O.R.D. was approached again by The Cordish Company, but

the company was only willing to negotiate economic benefits, not community benefits. Rather than prioritizing its own mandate to negotiate a labor agreement, UNITE HERE upheld its commitment to C.O.R.D. to advocate for an agreement that would combine economic and community benefits.

By the end of May, 2007, the City of Toronto's economic development department stepped in and formed a task force consisting of representatives from the City of Toronto and the community, including C.O.R.D. Although progress was made to explore the development of a local hiring program and representatives from C.O.R.D. attended the meetings, C.O.R.D. organizer Janet Dassinger says "C.O.R.D.'s input was very limited as the City of Toronto dominated the process."

During the Summer of 2007, when the City Council was in the midst of granting its preliminary approval of the Woodbine Live! project, a delegation of approximately 600 C.O.R.D. members packed City Hall and delivered petitions with 1,600 signatures outlining the community's support for the local hiring program and the creation of good paying jobs as part of the development. As part of City Council's unanimous support for Woodbine Live!, the Economic Development Committee was instructed to develop a local hiring and training program.

While the City Council was in the midst of finalizing its approval of tax incentives for Woodbine Live! in

Fall of 2007, C.O.R.D. held a press conference to draw attention to the \$120 million tax incentive which the private developer would be receiving and to the need for "community benefits" such as childcare services, local transit improvements, community centers and much more. According to Guled Warsame, an organizer with C.O.R.D., "We have been actively working to organize the community for almost two years now. And we have participated in the Employment Task Force. We developed a vision for our community. We met with the developer of Woodbine Live! over a year ago, long before the tax grant, and outlined the need for hiring and training for the community and recreational space and on-site daycare. At the very least the city should deliver on their promise of local jobs and local hiring by stipulating local hiring targets that are accountable to the community."

Although C.O.R.D.'s campaign continues today, its membership has decreased considerably and now consists of a small core group of UNITE members, local residents and activists with only a couple of representatives from community organizations.

Several factors have contributed to the organization's current state of limbo. During its launch, UNITE HERE devoted three full-time staff to C.O.R.D.'s organizing drive. Since 2008, while UNITE HERE staff have continued to play a leadership role in C.O.R.D., the union no longer employs staff to organize the campaign. Some observers sug-

gest that UNITE HERE's inability to commit financial resources to C.O.R.D. is due to the union's internal battles (with the split between UNITE and HERE), but for the last couple of years progress on the actual development of Woodbine Live! has been delayed. Moreover, C.O.R.D.'s campaign gained widespread community support when the organization was actively engaged in influencing the political process underway at City Hall. In the wake of the City Council's approval of the development and its decision to grant a generous tax incentive to the developer, Woodbine Live! is rarely discussed at City Hall any more, leaving C.O.R.D. with less incentive to organize the community's support of its campaign.

C.O.R.D. has held occasional public events since 2008. For example, it mobilized several hundred residents to voice support for affordable housing at a community meeting at the Woodbine Racetrack, organizing a community barbeque to educate local residents about the city's municipal elections. It also hosted a candidate forum around the municipal elections. In the last year, C.O.R.D. has also developed new alliances with local organizations such as Education Action, an organization fighting the closure of local schools and advocating for greater community involvement in the educational system.

C.O.R.D. continues to meet behind the scenes and is preparing to intensify its CBA campaign as the Woodbine Live! development comes closer to reality, but it is not clear

whether C.O.R.D. will continue to expand its mandate beyond its CBA campaign and work as part of a broader movement for economic and social justice within the Rexdale community. Indeed, while the actual gains of some CBA campaigns in the U.S. have been relatively small, more significantly, such campaigns have led to the political mobilization of local residents to advocate for the interests of their community.

### Conclusion

Clearly CBAs are not a panacea to rectify the systemic social and economic disparities inherent within communities faced with impending, potentially transformative, development projects. Many CBAs have, however, negotiated economic and social benefits such as affordable housing, living wage ordinances and local hiring programs with equity targets which guarantee that development projects will benefit the most marginalized residents within the community. While CBAs are not currently accepted as part of the City of Toronto's planning process, given that the City of Toronto is now providing public subsidies to private developers, CBAs can provide a viable vehicle for community groups and the city to negotiate with developers and guarantee that the public's investment in development projects will be returned as tangible benefits to the community.

Although C.O.R.D.'s campaign is still in process and the local hiring program approved by the City of Toronto needs to include local

targets, it is important to recognize that the city's adoption of such a program would not have taken place without C.O.R.D.'s relentless lobbying as part of its CBA campaign. The local hiring program represents only one step towards realizing C.O.R.D.'s vision for a full range of community benefits and C.O.R.D.'s campaign suggests that community organizations have the capacity to influence local planning and development processes. Although the negotiation of a full-fledged CBA that includes a range of economic and social benefits may not be achievable, C.O.R.D. may be capable of attaining additional benefits one step at a time. Hopefully C.O.R.D.'s organizing efforts to realize its vision for community benefits will not only result in further gains for its campaign, but will also lead to the increased involvement of local residents and organizations in advocating for the interests of their community. **P<sup>2</sup>**

# Making Waves Along the Mississippi!

## 2011 Planners Network Conference

Promoting Job Generation and  
Business Development Through  
Regional Cooperation and Planning

May 18–21

University of Memphis



All Planners Network members, supporters and fellow travelers are invited to participate in the 2011 Planners Network Conference scheduled for May 18–21 at the University of Memphis.

### **This year's conference theme is**

#### **Promoting Job Generation and Business Development Through Regional Cooperation and Planning.**

Alternative approaches to creating living-wage employment and community-based enterprise through progressive local and regional planning and policymaking will be explored throughout the event.

Conference organizers have invited as the event kickoff speaker Dr. Xavier de Souza Briggs, Associate Director of General Government Programs, Office of Management and Budget.\* Responding to Dr. Briggs will be Professors William Goldsmith from Cornell University and Laura Saija from the University of Catania in Sicily.

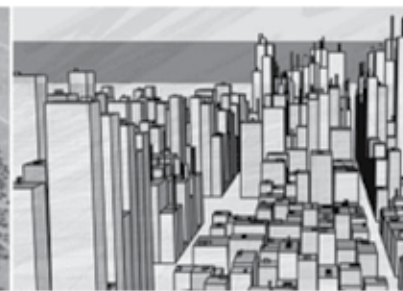
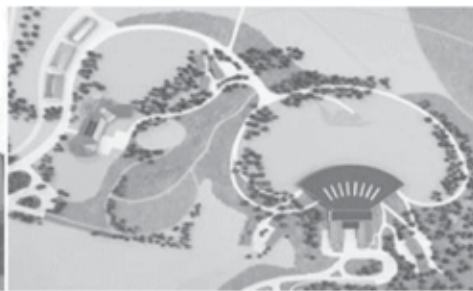
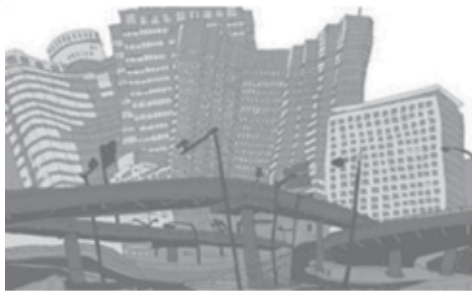
### **Those wishing to contribute to the 2011 conference program**

have a number of opportunities to do so! First, you may volunteer to either present a paper or to organize a panel session during one of the event's thirty proposed breakout sessions. Second, you may prepare and exhibit a poster to be displayed in the University Center lobby throughout the event. Third, you may bring copies of your most recent book, report, CD or organizational materials for display in the conference book/literature room. Conference organizers invite those wishing to contribute to the conference program to do so by **completing the call for participation form located at [www.memphis.edu/plannersnetwork](http://www.memphis.edu/plannersnetwork) by March 15, 2011.**

*\*To be confirmed*







Planners Network 2011 Conference

**We encourage all PN members to serve as community/campus organizers for the conference!**

You may do so by submitting your own conference registration as soon as possible and by forwarding the basic invitation that you will find on both the conference and PN website to your personal, academic and professional colleagues! In the wake of the mid-term elections we must do whatever we can to mobilize our friends and allies in support of progressive urban policies at the local, regional and national level of government!

As Frederick Douglass reminded us,  
*"If there is no struggle, there is no progress. Those who profess to favor freedom yet depreciate agitation . . . want crops without plowing up the ground, they want rain without thunder and lightening. They want the ocean without the awful roar of its many waters. . . . Power concedes noting without a demand. It never did and it never will."*

**Conference participants will have two housing options.** Basic residence hall housing (shared rooms and bath) will be provided at a minimum cost at Richardson Tower, a very short walk to the main conference venue of University Center. For those seeking slightly more elegant accommodations, a limited number of rooms have been reserved at the University Holiday Inn, which is also a short walk to the University Center.

**Among the main highlights of the 2011 Conference will be:**

- **A half-day community-based planning charette** led by local activists and planners during which conference participants will learn about and have the opportunity to contribute to ongoing community-building efforts in neighborhoods throughout the Tri-State Region.
- **A showing of the award-winning documentary *I Am a Man***, which focuses on the 1968 Memphis Sanitation Strike, followed by a discussion of contemporary domestic and international labor rights issues. Participating in this discussion will be strike participants and the film's producer.
- **Three concurrent workshop sessions** focused on innovative approaches to planning and design methods, best practices case studies and urban policymaking in the areas of:  
*Job generation/business development | Affordable housing  
 Alternative transportation | Health and wellness  
 Urban design | Historic preservation  
 International development | Urban food systems  
 Sustainable development | Crime prevention/prison reform*
- **A showing of Leonie Sandercock's newest film, *Healing Canada's Apartheid?: Community and Regional Planning at the Margin***, which examines racial, ethnic and class divisions in Canada and was co-produced with her long-time colleague, Giovanni Attili, of Italy.
- An evening of great food, music and conversation in South Memphis at **The Stax Museum of American Soul Music** where Otis Redding, Isaac Hayes, Booker T. and the MGs, Sam and Dave, Rufus and Carla Thomas and the Bar-Kays, among others, made history. Participants

Detailed information regarding the conference, including complete program and schedule, registration and lodging, and the call for papers, can be found at:

[www.memphis.edu/plannersnetwork](http://www.memphis.edu/plannersnetwork)



*continued on page 26*



## 2011 Conference highlights continued . . .

will have an opportunity to tour the museum, visit Memphis' first Hope VI Project, tour LeMoyné-Owen College and speak with leaders of the LeMoyné-Owen College Community Development Corporation and The Works Inc. (CDC). Feel free to wear your vintage tie-die clothing!

- A **plenary session** exploring the corrosive role that unexamined racism continues to play in Memphis and other American cities and the role that progressive planning can play in addressing this significant barrier to transformative change.
- **Tours** of the city's most interesting and exciting historic and contemporary cultural sites and natural areas, including:

**National Civil Rights Museum** (Lorraine Hotel);

**Graceland** and **Sun Records**, where Carl Perkins, Elvis, Johnny Cash and Jerry Lee (Killer) Lewis got their starts;

**W.C. Handy's home** and **Beale Street**, the crossroads of gospel, rhythm & blues and jazz;

A tour of **Shelby Farms**, the region's largest public park currently undergoing a \$100 million redesign directed by James Corner Field Operations of High Line fame;

A bike tour of the recently completed **Greenline**, which connects many of the city's residential neighborhoods to Shelby Farms;

A **kayak tour** down the Hatchie River, North America's longest natural river;



South Memphis **community development tour** featuring: community gardens, farmers markets, affordable housing, charter schools and Hope VI sites;

New Urbanism: Memphis-Style tour of award-winning **Harbortown, Uptown and South Bluffs projects** by their developers and designers;

**The Aerotropolis Plan**, a tour of the region's current and future logistics sector; and

Cultural-Led Redevelopment: **South Main Arts District, Lower Broadway District and the proposed Crosstown Development** (the former Sears regional headquarters site and the surrounding neighborhood).

## The Heresies in HUD's Public Housing Policy By Peter Marcuse

*continued from page 2*

which affect all housing, play a different, non-market role in public housing. They should be handled so as to reduce the costs of housing as much as possible, but without interfering with the fundamental purpose of that housing. For a real estate "asset," that purpose is to produce the greatest return possible to the investment, measured in dollars. For public housing, it is to procure the greatest amount of housing, of the desired quality, and arrange for its use by those most in need of it, not those most able to pay for it.

For example, if a housing development is located on land that has increased in value because of the growth of economic activity in the area in which it is located, or because it has become more accessible to such areas, that is occasion for the owners of a well-run real estate asset to increase rents, enabling its owners to use the asset to take out greater profit by using it as collateral for loans that the higher rents can repay. The benefit of the increased value of the "asset" inures to its owners. If it is public housing, however, the benefit should be to the residents in the form of greater job opportunities, perhaps, or better public services. It is a mistake to think of government simply as any other owner of an asset called "public housing" and that government would treat its asset as any other owner would. The purpose private owners of housing seek, and properly, is profit; their bottom line is the difference between costs and revenues. That is not the case with public housing; the purpose its owner, the government of us all, seeks, is not profit but human welfare, and its bottom line has to be measured in terms of its contribution to human welfare, not the maximization of revenues or the minimization of costs or the spread between them.

Below are four other examples of the difference between public ownership and private for-profit ownership: resident participation; improving housing quality; due process in eviction procedures; and mortgage financing.

## Resident participation

Resident participation in public housing is not simply a means to an end (efficient management) but is at the heart of the very purpose of public housing: creating the conditions for enhancing human dignity and human welfare. Public housing's mantra should be the more participation the better. But for private owners and investors who want to maximize control of their property, when it comes to resident participation, the less the better. It only interferes with the "rights of ownership."

## Improving housing quality

The better the housing and the greater the satisfaction of residents, the better the goals of public housing are served. For private housing, the level of quality desired by the owner is that which will provide the greatest surplus of revenue over expense, the greatest profit margin. That makes a big difference when it comes to planning rehabilitation, or improving landscaping, or deciding the level of routine maintenance.

## Due process in eviction procedures

Due process—fairness in decision-making—is a constitutional requirement of all actions of government for the protection of those it affects. In the case of public housing it is

a right of its residents. For private owners it is at best a nuisance, at worst something to be bitterly fought. If a tenant is not paying rent, out! No matter the cause, no matter the impact on the individual or the family. In public housing, multiple interests may have to be balanced, e.g., neighbors, nuisances, et cetera, but not the profitability of the enterprise.

## Mortgage financing

A public housing project may be put up as collateral for a private loan, but the private interest in making that loan relies on the security provided by the collateral. It only works when the lender can sell off the collateral if the "owner" fails to repay. You can't have your cake and eat it too: either the development is collateral, in which case lenders will lend on it but want the right to take it over on default, or lenders don't have that right, in which case it's worthless collateral and lenders won't make the loan. And if the deal is supposed to be "safe" for the new lender because government will stand behind the repayment of the loan, then why use the development as collateral to begin with? Why not just go on the market and issue bonds the government insures, as has been the time-honored way of financing public housing? If a government guarantee is included

when a loan is made, as is now suggested, it might indeed protect residents to some extent, but it will always leave a dangerous conflict of interest around the protection of their rights—but then the whole thing only amounts to a sham concealing off the government's books what is really, and ought to be recognized as, a government obligation.

PETRA, or the next version of it, should not pretend these differences do not exist, or that injecting private profit motivations into the ownership and management of public housing is not a compromise of fundamental principles. The hope that private sector involvement can be had without a compromise of quality in public housing is an illusion.

It is quite possible that we are in such a desperate plight, so poor and politically so incapable of distributing our resources to meet the needs of our people that we have no choice but to mortgage or sell off some of what is and should be publicly owned and that we would rather reduce the protection we provide for our fellow community members than raise our taxes a reasonable amount to pay for what needs to be done. It is a sad case if that is our situation today. If it is, we should at least be honest in recognizing what we are doing. **P<sup>2</sup>**

# Lessons from the Corridor Development Initiative

By *Gretchen Nicholls, Barbara Raye and Ann Forsyth*

**T**HE Corridor Development Initiative (CDI), originally the Corridor Housing Initiative, is a collaborative process to assist planning, designing and developing higher density and affordable housing along major transit corridors. These locations provide access to transportation options, retail amenities, parks and job opportunities. A program of community capacity-building, it gives local residents the skills to be active participants in attracting and shaping development that fits their own values as well as city goals and development realities. Urban design is used to help resolve the potential conflicts between neighborhood values, development constraints and city goals.

Since 2003, this innovative program has worked in “corridors” in established and suburban cities in the metropolitan area of the Twin Cities of Minneapolis-Saint Paul in Minnesota. Each “corridor” has included representatives from neighborhood and community groups, or the citizen planning and housing boards of small cities, who have applied to be part of the process. Community groups do this because of an interest in attracting or shaping higher density and affordable development in their neighborhoods. CDI is fundamentally a program of community and city staff capacity-building

Excerpted by permission from: “Higher Density and Affordable Housing: Lessons from the Corridor Housing Initiative,” *Journal of Urban Design* 15, 2: 269-284 (2010).

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The authors were part of the initial technical team for the Corridor Housing Initiative. **Gretchen Nicholls** headed the convening organization and is now at LISC. **Barbara Raye** is director of the Center for Policy, Planning and Performance in Minneapolis/St. Paul. **Ann Forsyth** is a professor in the City and Regional Planning Department at Cornell University. More information is available at: [www.corridordevelopment.org](http://www.corridordevelopment.org).

that produces results. Of the first five corridors in the program, four now have housing projects moving ahead.

This article draws on interviews, documents and the personal observations of the authors, who were involved in the CDI technical team, to outline how the initiative came about, a typical process, the core techniques and materials developed or refined for the program and key lessons. While the life span of its main influence is a handful of years in each neighborhood or suburb, this time span is likely enough to allow innovative developments to go ahead in a collaborative manner.

## Why the Initiative Was Needed

The project came from an insight by Gretchen Nicholls, then the executive director of the Center for Neighborhoods in the Twin Cities, and now offering the initiative through the Twin Cities Local Initiatives Support Corporation (LISC). In the face of a projected population increase of about a million people in the metropolitan area between 2000 and 2030—25,000 households in Minneapolis alone—the city’s comprehensive plan proposed placing much of that increase in population in redevelopment comprised of attached housing units along transit (bus and light rail) corridors and in designated centers. This strategy simultaneously protected the cores of existing lower-density neighborhoods, located new housing where it could be less dependent on cars and helped promote affordability by more intensively using land.

However, such redevelopment was proving difficult—too often developers came to Minneapolis’ strong

and city-supported neighborhood groups with fully designed proposals that met fast rejection or years of delay. This drove up costs for development meaning that neighborhoods that might like new housing options were not getting them. While higher density and affordable housing can be well designed and managed, such good examples were typically invisible to residents. Similarly, those eligible for affordable housing shared much in common with the existing residents, however, this was not always apparent in public debates. The initiative, designed over a yearlong process that involved a steering committee from government, neighborhoods and non-profits, was created to get around that impasse for those neighborhoods interested in redevelopment.

Neighborhood groups in the central cities of Minneapolis and St. Paul were the focus of the first corridor projects. They voluntarily submitted applications to participate in the project—funded largely by foundations and housing funders—and became the core of the corridor-specific steering committees. In 2007, the project was extended to suburban areas.

One of the strengths of the process is that it brings together residents, city officials and those involved in development in a dialogue. Two of the key designers of the process, Gretchen Nicholls and Barbara Raye, talked early about the issue of empowerment and the “locus of power.” They set about to design something that brought the three parties together as equals, changing the role of neighborhood



Photo: Ann Forsyth



Photo: Metropolitan Design Center

#### TOP

Participants voting with dots at a farmers market; by using existing events, participation is increased.

#### BELOW

Participants work at a table; the facilitator is on the right, and the sketcher at the end of the table.

groups. Rather than react to proposals they would play an active part in directing development for their community, coming to realize how increased density and the subsidies available for affordable housing could be tools for creating a viable development project.

### **The Initiative in Action: A Typical Corridor Process**

The steering committee for each CDI project area is composed of city planning staff and representatives from community groups, business associations and other critical stakeholders. The steering committee works with the CDI coordinator to give guidance and oversee the process. They identify key issues, aggregate current planning reports and studies and propose specific opportunity sites to be explored. They also help design a series of community workshops and an outreach and communication strategy, and to authorize the final products provided through the CDI process.

The initiative provides a menu of activities and resources that are customized to the specific project areas. The CDI process can be integrated into existing activities such as farmers markets or festivals, or can be conducted as planning meetings. Most corridor events have had solid attendance with each attracting dozens, and in a few cases hundreds, of people to participate in meetings and other public events.

A typical process involves:

- initial meetings of the steering committee;
- a public meeting explaining existing planning and identifying neighborhood concerns;
- a focus group with local businesses or with developers who have done projects in the area;
- a second public meeting with an interactive exercise explaining local development conditions;
- a third meeting where a panel of local developers and business people talk about opportunities and constraints with residents who are now more knowledgeable about current market dynamics and viable development options;

- a public or steering committee meeting to finalize a one-page development preferences sheet—this is to give developers guidelines for future development;
- the final recommendations are submitted to city officials; and
- ongoing meetings to implement strategies to attract preferred development.

The most important way that the initiative implements public participation is to provide interactive methods with independent (neutral) facilitators who are also knowledgeable about community development for participants to grapple with the challenges to development that the market and location define. Participants gain a rich awareness of each other as they interact through facilitated small group discussions, the block exercise and in dialogue with panelists. The facilitator is able to draw out the many perspectives and capture key ideas that bring clarity around community goals and priorities.

### **Specific Techniques**

Several techniques combine to make this project unusual. In order to enhance project transferability, most are documented on the project's web site and in the project videos.

#### ***Block exercise***

Perhaps the most memorable aspect of the educational components of the initiative is the relatively simple interactive block exercise that community members refer to as “transformational.” Working from a base map made of a large aerial photo of a hypothetical development site in their neighborhood, citizens create development options from physical block models representing standard unit sizes. The blocks are photographed with a Polaroid camera and this is used to sketch the option in styles chosen by participants. With preparation, a fairly detailed perspective sketch takes about 15 minutes. Development option costs and revenues for the specific designs are calculated by a development consultant almost immediately using local assumptions about developer fees, subsidies, construction costs and rental/sales prices for that specific neighborhood.



Financial calculations are a vital part of the project as they allow the exercise to go beyond attractive pictures to what can be built. Participants quickly recognize what happens to the cost and design of the building as the development transforms into different variations (e.g., height, mix of uses). In many areas adding significant amounts of affordable housing would bring enough government subsidies to make a development break even; in that context participants quickly rethink their attitude to affordable housing. In some neighborhoods commercial space breaks even, but in others it brings a loss. Participants come to recognize how landscape and building design, rather than merely the size of the building, can make a great difference in how such developments fits.

### ***Educational materials***

Change can be a destabilizing force, and people in communities are interested in taking care of each other. But their ideas of what is possible are often

limited to a few examples. The initiative's educational materials offer an expansive array of housing types and mixed-use options to consider, images of local examples of well-loved places with a range of density levels and positive local examples of affordable housing. A handout on income levels of those eligible for affordable housing is eye-opening for residents who frequently see their own incomes on the sheet.

### ***Outreach and facilitation***

Outreach works differently in center cities and in suburbs. In center cities there are many community organizations to work as partners. In suburban areas the initiative assists suburban cities in thinking about ways to build broader public participation and engage the community in development opportunities. The steering committee works to identify people beyond the usual suspects and initiative conveners even mediate between groups that had bad experiences with each other in the past to enable them to



Participant looking at density poster showing local examples of attractive housing at a variety of densities.

Photo: Metropolitan Design Center

move forward together in this process. The project uses experienced large-group facilitators to ensure that dialogue occurs in a safe and honest environment.

## Lessons and Limitations

Evaluations show that CDI helps to expand the options that residents can imagine while also giving voice to the community as an integral part of finding solutions and guiding development. These evaluations led to its change in name from Corridor Housing Initiative to the Corridor Development Initiative, a change that leaves open the form of the redevelopment. It has won a number of awards, with the chair of one national jury (American Planning Association) describing it as a “model” for resolving “controversial neighborhood redevelopment and infill issues.” There are some important limitations to the process as well as several key lessons—both are described below.

### Limitations

The initiative is primarily a process of education and relationship-building. It does not create plans or developments. This means that over time as people move out of neighborhoods some of their local knowledge is lost. The half-life of such a process is likely some

years, not some decades, and may not be synchronized with real estate cycles. However, times when the housing market is not hot are good times for planning processes such as CDI. This is a delicate balance.

Ultimately, the CDI process is meant to produce units but in only some of the corridors has a government or similar entity had control of developable land. Thus it relies on developer interest and community efforts to attract and promote projects; current landowners must also be willing to sell or cooperate.

### Lessons

Often, the public participates in development decisions by saying no to a development and using political pressure to stop change in their neighborhoods. In contrast, the CDI process builds the capacity of city employees to engage the public in respectful and meaningful ways. City staff members participate in the steering committees, write and present summaries of previous plans and explain the overall city priorities. By bringing government officials to the table, identifying people who have real names and have real power at city hall, elected officials and professional staff, the CDI process helps people build relationships and cuts the distance between people and their government.

The initiative has a crucial insight—that design can help resolve the potential conflicts between neighborhood values, development realities and city goals. Providing attractive design visualizations can help residents realize that green urban design, not just green buildings, can contribute to their quality of life.

Working with real numbers on identifiable sites in the block exercise, participants come to understand the local development context and the financial implications of different design options. In the CDI process this spurred imagination to consider affordable and high-density options.

With the economic downturn starting in 2007, actual development resulting from this process has slowed—so only the earliest corridors have units in the pipeline. Conditions are in place, however, to take advantage of the future recovery of the housing market.

P<sup>2</sup>



Participants discuss options. Facilitator is to left.

# Counting Vacant Buildings and Housing Homeless People in New York City

By Sam J. Miller and Lynn Lewis

VACANT buildings and lots are everywhere in New York City. Homeless folks also seem to be everywhere, and those are only the folks who are visibly homeless. Yet homelessness is impacting more and more people: folks who previously had been insulated from the housing crisis, who now can't afford to stay in their own homes or their own communities. As a member of the Picture the Homeless Housing Not Warehousing campaign mentioned recently: "Yeah I'm in a union, and there's a lot of us in the shelter!"

Picture the Homeless (PTH) is a citywide grassroots organization that has been organizing to move city government to identify all vacant properties for the past five years. We believe this will catalyze organizing campaigns that will result in land use policies that benefit all members of the community, and not only the wealthy. We spearheaded a count in Manhattan which demonstrated



Sam J. Miller and Lynn Lewis are staff with Picture the Homeless, a grassroots organization founded and led by homeless people.

the potential of a city-wide count. In response to the cries from the City Council leadership that such a survey would be too expensive, we are now developing a low-cost, community-based method to show how the entire city can be regularly surveyed. In response to the cries from the leadership of the New York City Council that such a survey would be too expensive, we are now developing a low-cost, community-based method to show how the entire city can be regularly surveyed.

## Housing Not Warehousing

Property warehousing predates the current economic crisis, but these newly and partially constructed monuments to the greed-driven housing market have become flash-points for community discontent. Most of these properties were built in neighborhoods previously reeling from the increased rents brought on by gentrification. Most folks living in communities from Fort Greene to Harlem couldn't have afforded those condos, nor could displaced households (even those with jobs) living in homeless shelters who hope to return to their communities. Now newly and partially constructed empty condos

sit in low-income neighborhoods next to older properties and lots that have been vacant for decades.

Now what? City government has no answer except to cross their fingers and hope "the market" comes back some day.

PTH believes that the crucial first step in resolving the housing crisis affecting millions of New Yorkers is to count all of the vacant properties in the city to assess and expose the full extent of the problem.

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The crucial first step in resolving the housing crisis is to count all of the vacant properties in the city to assess and expose the full extent of the problem.

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We believe that land and buildings are community assets and that their disposition should result from a community planning process that privileges all community members as stakeholders, including homeless and extremely low-income folks. Harkening back to radical urban planners and community activists who believed that neighborhood residents should be the beneficiaries of urban renewal, we believe that

this current economic crisis is an opportunity for communities to model and engage in democratic planning and community development practices. As Columbia University's Peter Marcuse has stated, "Once you create a public awareness of the number, once you have the count, the argument for the next step—figuring out what to do with the vacant units—can be taken." We believe that rational, democratic community planning processes combined with grassroots organizing of low-income folks will generate the innovative ideas necessary to end the current housing crisis.

The PTH Housing Not Warehousing Campaign drafted Intro 48, a bill introduced in the City Council that would empower the city to conduct an annual count of vacant buildings and lots. Intro 48, introduced on February 11, 2010, quickly garnered twenty-six co-sponsors—a majority of the City Council. The bill is currently stalled in the Housing & Buildings Committee and has yet to be calendared for a hearing by the committee's chair, Erik Dilan, as of this writing.

"Why are they so scared of a bill that just asks for a count of vacant property?" wondered PTH member Ramon Bellinder. "Everyone should have housing, no matter what income level they have." Disturbingly—but also unsurprisingly—preliminary findings from our Freedom of Information Law (FOIL) request campaign reveal that the largest quantity of vacant buildings was found in the home district of *Housing & Buildings* Committee Chair Dilan. "Look where he's

got his office," said PTH member Bernard Anderson, pointing out several vacant properties in the immediate area on a recent trip to Dilan's office to attempt to meet with him. "His community doesn't know what's going on, what he's doing and what he's not doing for them."

"I am a native Brooklynite, born in 1955," said PTH housing campaign leader Kendall Jackman. "Since the 1960s I have watched as Brooklyn's housing stock has slowly deteriorated. What were once majestic brick apartment buildings, little communities within themselves, are now open, rotting shells or boarded-up memories of a different time. Where other buildings once stood, vermin-infested garbage dumps called empty lots fill the landscape. The houses where some of the best talent in all fields grew up have been transformed into a wasteland because of greed. So Erik Dilan, Councilman from Bushwick, Brooklyn, Chair of the Housing & Buildings Committee, why are you disrespecting this fine borough and its people by not scheduling a hearing for Intro 48, the citywide census count of empty buildings and lots?"

### **Organizing for Progressive Housing Policies**

For years, homeless people have been demanding action from city government around the massive volume of vacant property in New York City. With the city's sheltered homeless population climbing towards a staggering 38,000 people, and the city spending over \$850 million a year on a shelter-industrial

complex, low-income New Yorkers cannot wait any longer for the city to take real steps to end the crisis of warehousing that has kept so much usable living space off the market. History tells us that government has only been moved to enact progressive policies after poor people have organized to demand change. While the City Council struggles with its own internal contradictions and inability to challenge the mayor or big real estate money, homeless people are planning our own count of vacant property in partnership with the Hunter College Center for Community Planning & Development (CCPD) in 2011.

PTH and CCPD aim to show how urban planners can support the demands of low-income people in ways that lead to significant social change. The PTH-CCPD collaboration will result in a sound methodology for grassroots organizations and academic institutions to partner in support of organizing campaigns, and a model for a citywide count of vacant property—the latter of which will help build support for Intro 48.

The PTH-CCPD partnership builds on PTH's 2007 survey of vacant properties in Manhattan in conjunction with Manhattan Borough President Scott Stringer, the Right to the City's vacant condo count and PTH's vacant property map ([www.vacantnyc.crowdmap.com](http://www.vacantnyc.crowdmap.com)). These efforts have helped to demonstrate the availability of a significant stock of vacant property, including many potential sites for housing homeless people and others in need of housing that would be truly affordable to all income levels. These surveys were

carried out with relatively limited resources and in select neighborhoods. They demonstrated that with active community participation it is possible to develop a reliable accounting of vacant properties, chart strategies for the development of the vacant properties and establish a sound foundation for community-based planning.

### **PTH Challenges the Excuse of High Costs**

City Council Speaker Christine Quinn is quoted as opposing Intro 48 because it would cost “millions of dollars.” We know that this number has no grounding in reality because PTH met with her staff a week before she made that statement and provided them with our own cost analysis—which came in at between \$50,000 and 60,000. We specifically asked staff, “Do you have any information to the contrary? Have you conducted any research or consulted with anyone who indicated that the bill would cost more than that?” They answered that their office had not. Regardless of the cost, however, such a bill would provide an economic benefit to the city. The PTH-CCPD collaboration is budgeted at only one-fourth our original estimate.

The citywide survey will utilize available data to identify areas with the highest vacancy rates, and the PTH-staffed Housing Not Warehousing coalition will organize a block-by-block, door-to-door vacant property survey in these communities. Building on relationships with allies such as Habitat for

Humanity-NYC (which has recently voted to make Intro 48 a legislative priority), Interfaith Assembly on Housing and Homelessness (which also adopted Intro 48 as a legislative priority), labor unions, grassroots organizations and students, we expect to mobilize hundreds of volunteers to verify and correct this data through a door-to-door street count.

### **Preliminary Findings**

PTH has already obtained over 10,000 addresses of vacant properties throughout the city’s five boroughs. We filed eighteen Freedom of Information Law requests to a range of city and state agencies. Preliminary results from agencies and other organizations show: 1,889 vacant city-owned lots; 4,847 buildings with a current vacate order, according to the Department of Buildings; 3,150 vacant privately owned lots identified by the Office of Environmental Remediation; 1,139 vacant buildings with violations that must be cleared before reoccupation; and 455 vacant condos identified by the Right to the City Alliance in 2009. This adds up to 11,480 vacant properties that we identified just by starting a dialogue with agencies and other stakeholders!

As dramatic as these figures are, they do not include: vacant city-owned buildings; vacant privately owned buildings without violations or vacate orders; vacant privately owned lots not zoned commercial or industrial; warehoused units in privately owned homes and New York City Housing Authority com-

plexes; vacant condos from the 91 percent of the city not covered in the Right to the City condo count; and many more categories of vacant property. Support from allies with experience in GIS and other mapping technologies has enabled us to turn this data into compelling district-by-district snapshots, which have already changed the minds of some council members who had not supported Intro 48 until they could see just how much their own district was impacted by the problem of vacant property.

We believe the results of the PTH-CCPD collaboration will show a staggering number of vacant properties throughout the city, mostly in low-income communities with the greatest need for housing and public space. The count will also expose who owns these properties. If our preliminary results are indicative, there are large numbers of properties owned by investment banks such as Chase Manhattan. We anticipate that organizing campaigns around community misinvestment and disinvestment will also emerge, and be linked to broader issues such as home foreclosures. Finally, innovative ideas for the use of these properties are emerging from the communities directly affected, such as homeless New Yorkers. Models such as community land trusts and cooperative housing, including mutual housing associations, are already being included in our Housing Not Warehousing campaign at PTH and Right to the City NYC. **P<sup>2</sup>**

This article contains material adapted from work by Julie Turkewitz, Tom Angotti, Lynn Lewis, Sam J. Miller and the members and staff of PTH cited above.





Photo: Catherine Guimond

# Challenging Spatial Inequality in the South Bronx

By *Catherine Guimond*

ONCE a symbol of urban decay, New York City's South Bronx is now a symbol of urban resurgence and renewal. Spatial inequality along class, racial and ethnic lines led to the devastation of the South Bronx, and rebuilding has required dealing with these inequalities. But while some development efforts in the South Bronx have challenged spatial inequalities, others



**Catherine Guimond** is a Ph.D. candidate in geography at the University of California, Berkeley. The author thanks Yolanda Gonzalez of *Nos Quedamos* and Petr Stand of MAP Architects who provided information for this article.

## LEFT

New development and vacant lots in Melrose in the South Bronx, New York City, as seen from the top of El Jardin de Selene, a new mixed income rental building that is one of the tallest buildings in the area.

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have depended on and reproduced unequal, exploitative relations. This complexity is reflected in how widely views of the rebuilding process diverge. The rebuilding of the South Bronx has been acclaimed as community-driven renewal and criticized as either incipient gentrification or as a reghettoization of the South Bronx. Affordable housing development has been a focal point of contestation as almost all development has been midwived by affordable housing programs. By looking at the practices of developers, community organizations and city officials around affordable housing, we can understand the diverse ways rebuilding efforts have responded to and impacted spatial inequality.

In the 1960s and 1970s, the South Bronx was devastated by redlining, deindustrialization, disinvestment and city neglect. Between 1970 and 1980 the Bronx lost 11 percent of its housing stock and 20 percent of its population—and some South Bronx neighborhoods lost up to 60 percent of their population. Presidents and political candidates surveyed the rubble; visiting Charlotte Street in the South Bronx, Ronald Reagan said he had not “seen anything that looked like this since London after the Blitz.”

Today, Charlotte Street is part of Charlotte Gardens, a quiet neighborhood of small, well-maintained suburban-style homes. Melrose, a neighborhood a mile south of Charlotte Street, is home to new townhouses, condos and high-rise rental buildings for seniors, the formerly homeless and low-to moderate-income New Yorkers. The high-profile Via Verde project rises from one of the few remaining city-owned vacant lots, and its developer promises “a new approach to green and healthy urban living in the South Bronx.” In the Bronx as a whole, more than 250,000 units of housing have been constructed or rehabilitated since 1987 and the population has risen by almost 200,000 since 1980.

The South Bronx has certainly been transformed, and the return of investment is itself an achievement.

Still, it is unclear how exactly this transformation has restructured housing and real estate, and who benefits from these changes.

## The Return of Capital and Struggles for Equality in Melrose

Since the 1980s the city government has been instrumental in bringing capital back to the South Bronx, largely through affordable housing subsidies. City programs provided capital, land and buildings, coordinated access to state and federal programs and formalized relationships among city agencies, developers, community development corporations (CDCs), financial institutions and technical assistance providers. The city’s affordable housing programs standardized and simplified affordable housing finance and development, making it practical and feasible.

The city’s approach has also effectively concentrated affordable housing in poor neighborhoods. A vicious cycle of abandonment concentrated city-owned properties in the South Bronx, Upper Manhattan and Central Brooklyn, and at one point the city owned more than 150,000 units of vacant and occupied housing. In the 1970s and 1980s, the city’s affordable housing programs were defined by the need to deal with the massive number of city-owned distressed properties in areas where the real estate market had collapsed.

While city policies often encouraged partnerships between local organizations and developers, the models the city adopted to promote investment and development did not always encourage resident control of the development process, and existing residents did not necessarily benefit from new development. One of the pivotal struggles for community control over redevelopment took place in Melrose in the early 1990s around the city’s Melrose Commons Urban Renewal Plan. A key issue in this struggle was the city’s suburban-style, low-density affordable housing model, which, following federal housing policy at the time, equated progress with homeownership and downplayed assistance to tenants. City programs subsidized the rehabilitation of rental units in city-owned and private buildings, but new construction on vacant lots was generally reserved

for homeownership. This model had the potential to reinforce inequalities by creating new, exclusionary space. Melrose had large swathes of vacant land and buildings, and the original Melrose Commons plan called for razing the remaining buildings and building single-family homes. Essentially, the city would have erased the area's past and eliminated the remaining residents to "renew" the area as a pseudo-suburban enclave that would entice capital and new, more affluent residents. The exploitative and unequal relationships that produced the abandonment of the area would have been reproduced as Melrose was renewed at the expense of its residents.

When they learned of the plan, residents were outraged that they would be displaced after staying through the hard times when the city had abandoned the area. Led by Yolanda Garcia, a local woman whose family had owned a carpet shop in the area for decades, the community-based organization *Nos Quedamos* (We Stay) worked with planners and architects Petr Stand and Lee Weintraub and the Pratt Institute Center for Community and Environmental Development to develop an alternate plan. The goals of the new plan included no involuntary displacement, appropriate density, affordable housing, vibrant commercial corridors, good design to create a desirable urban environment and housing for a diverse community with a range of incomes and opportunities for both homeownership and rental (see [www.maparchitects.com/melrose.php](http://www.maparchitects.com/melrose.php)). After much organizing and discussion, *Nos Quedamos* and its allies convinced the city to adopt the main points of the plan.

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The alternate plan: no involuntary displacement, appropriate density, affordable housing, vibrant commercial corridors, good design to create a desirable urban environment and housing for a diverse community with a range of incomes and opportunities for both homeownership and rental.

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Today *Nos Quedamos* is an active non-profit developer and has collaborative relationships with city agencies, private developers and financial institutions. But collaboration has also involved contestation, negotiation

and compromise. City policies continue to push the development process in problematic directions, and *Nos Quedamos* continues to push back. For example, the first project in the Urban Renewal Area was to be three-family townhouses, and the city wanted these houses to be on a major thoroughfare. But Garcia insisted that the lack of commercial activity would deaden the street and make it less safe. The homes, designed with input from *Nos Quedamos* and residents, were ultimately built on a small neighboring street where they are much more appropriate. *Nos Quedamos* also partnered with Phipps Housing, a citywide non-profit affordable housing developer, to build La Puerta de Vitalidad, housing formerly homeless and low-income families. Though told that no one would want to buy a house next to the formerly homeless, *Nos Quedamos* insisted on a vision of development that accommodated all income levels and existing residents, and both projects have been built and are quite successful.

Since the mid-1990s Melrose has been a favorite of the city and a growing affordable housing industry and it is no longer a challenge to get development done there. The emphasis on appropriately high density helped to bring about and coincided with changes in city policy and the real estate market, and Melrose has seen more new construction of multi-family high-rise buildings than most areas of the South Bronx.

### **The Affordable Housing Industry**

While community organizations, supported by the city, were instrumental in making the South Bronx investable and developable, city programs have also encouraged the emergence of an affordable housing industry. This reached a peak in the 2000s, as the Bloomberg administration created new ways to subsidize affordable housing in the midst of the national housing market boom. Raking in huge profits, national banks with a major presence in New York needed to make loans in the city to fulfill their obligations under the Community Reinvestment Act, and affordable housing in places like the South Bronx was a great solution. For-profit and larger non-profit developers began to overshadow local, more community-based developers, including many CDCs. The South Bronx has been made safe for more traditional and risk-averse capital. For example,

the developer Jonathan Rose, one of the partners in the Via Verde project, described his business model in an interview with *Architectural Record* as conceptually adventurous but fiscally risk-averse. Projects developed by for-profit, non-local developers still have the potential to benefit existing residents and contribute to an inclusive neighborhood, especially given the influence community mobilization has had on development in Melrose. But as affordable housing becomes more profitable, it is less necessary for developers to challenge spatial inequalities to make a project work.

A more troubling example of private development is Atlantic Development Group's use of a city affordable housing program, 421-a, that allowed affordable housing developers to sell certificates for tax abatements to luxury developers elsewhere in the city. This structure allowed developers to profit from spatial inequalities while developing projects of questionable benefit to existing neighborhood residents and low-income New Yorkers in general. The original 421-a program, started in 1971, provided a tax abatement for new multi-family construction anywhere in the city. In 1986 an exclusion zone was created between 14<sup>th</sup> Street and 96<sup>th</sup> Street in Manhattan. Buildings inside the exclusion zone could only receive the abatement if they included affordable housing units or if they bought certificates from affordable housing developments outside the exclusion area. Atlantic specialized in producing these certificates. They built big blocks of affordable housing in the Bronx, and each affordable unit generated five certificates, which they would sell for around \$20,000 to luxury developers in Manhattan. According to a report in *The New York Times*, Atlantic generated two-thirds of the certificates in the entire 421-a program. In 2006, in a move that some see as directed primarily at Atlantic, the exclusion area was expanded and there is no longer a negotiable certificate program.

### **Gentrification via Affordable Housing?**

These examples show the tensions that emerge among city agencies, long-term residents and developers as they work with and against each other to determine what kinds of projects will be built in the South Bronx. These tensions are also evident in debates around the income restrictions that affordable housing programs

impose on tenants. Low-income housing programs have been criticized for concentrating poverty in poor areas, but they are also criticized for effectively gentrifying areas through their income restrictions. Projects that use federal Low Income Housing Tax Credits, for example, often require that residents make 60 percent or less of Area Median Income (AMI). But AMI is calculated on the basis of incomes in the larger metropolitan area, and in 2009 the adjusted AMI for a family of four in the New York area was \$76,800. Sixty percent of AMI was \$46,080, still much more than the \$20,000 to \$25,000 per year a single mother in the South Bronx might make in a low-paid service job. And as development costs have risen and subsidies to tenants (such as Section 8 vouchers) have become scarcer, it is increasingly difficult to lower rents to an actually affordable level and still cover the operating costs of a building. Thus, new developments will often only accept tenants whose incomes fall in a relatively narrow band defined by the maximum the affordable housing program allows them to charge.

In effect, affordable housing programs may subsidize the in-migration of newcomers who are more affluent than existing residents, and existing residents may be excluded from the new housing in their neighborhood. This is exacerbated by the fact that many programs require applicants to have good credit (many low-income people do not). The practices of developers can make these requirements more or less exclusionary, and thus encourage gentrification to a greater or lesser degree. *Nos Quedamos*, for example, begins credit counseling workshops with area residents well before rental applications are released so they will have a better chance of being approved.

The future of the South Bronx is uncertain. Fears of gentrification in the South Bronx have subsided, at least temporarily, with the decline in the housing market. Melrose is seen by residents in other areas as a model for how to resolve the seeming contradiction of serving poor residents while improving the neighborhood. It is unclear if this can actually be accomplished, but it is clear that adopting any one affordable housing model will not be enough. If we are to have a more just metropolis, spatial inequality must be challenged through everyday practices of collaboration and contestation as well.

P<sup>2</sup>



# Brenda Torpy and the Keys to Progressive Politics in Burlington

By Pierre Clavel



Photo: Jon Shenton, Champlain Housing Trust

**B**RENDA TORPY, who came to Northern Vermont as an organizer in the 1970s, is one of several key figures in Burlington, Vermont's progressive politics that began with Bernie Sanders' hairbreadth victory in the 1981 mayoral election and has continued through today, building on a nearly unbroken chain of successes. Her leadership in that city's housing policy was both cause and effect, and she played a role in a series of key turns, in which a misstep in any one could have set the progressive effort back or halted it.

## I.

Torpy's chronology is quickly told, and wraps around the larger story of the city since Sanders' initial victory. Torpy, a Canadian, came to rural Vermont in the 1970s and soon was doing housing work in St. Albans, Franklin County. By 1981 she was

looking for more permanent work that would make for real reform. She looked to working in Europe, thinking there would be positions relevant to her peace and justice ideals, but then considered Burlington, where Bernie Sanders had recently won the mayoralty as an independent socialist—and where opportunities might be close at hand.

Housing had been one of the main issues Sanders had campaigned on, and in 1983 Torpy became housing director for the city in the new Community and Economic Development Office (CEDO). Housing was of vital importance to middle class and working class Burlingtonians, who faced pressure from commercial interests and from the growth of the University of Vermont. The university was pressing for urban renewal and a highway project called the "southern connector," which would directly threaten working-class neighborhoods, and its expansion was driving up housing prices. A tangible cause of displacement was the conversion of U.S. Department of Housing and Urban Development (HUD)-subsidized units to market rate units upon expiration of twenty-year rent restrictions under HUD rules.



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Many of these concerns would revolve about “development policy,” and Sanders, blocked by a hostile city council and planning commission, got public opinion and business leadership behind the new community development office. CEDO would be under his control, an arrangement that allowed his new people to better coordinate their work around issues like waterfront development, housing and economic development. The new appointees included Peter Clavelle, now director of the office, who took charge of an effort to channel the development of the city’s waterfront, a main issue in the campaign, assisted closely by Michael Monte, the community development director supervising housing and economic development. Other key responsibilities were in the hands of Bruce

Seifer, economic development director and Torpy, as housing director, assisted by Amy Wright who ran the housing rehab program and took on more responsibilities as housing initiatives mushroomed.

Some of these, along with city council ally Terry Bouricius, and others like George Thabault had constituted a “kitchen cabinet” for Sanders in his first year when council opposition delayed most appointments. CEDO, proposed in 1982 but not established until May 1983, was to be the new mayor’s breakthrough as far as developing a capacity to govern and deliver on major parts of the program he had campaigned on.

As housing director, Torpy was at the center of what was to become

the city’s signature reform. At first she took small steps with measures such as a security deposit ordinance and an anti-discrimination ordinance. But Torpy and the CEDO group saw that displacement would be a transcendent issue as housing prices rose due to development pressures, and they sought a larger initiative. They found it in the Community Land Trust (CLT), a device whereby the “trust” would own land collectively, thereby protecting tenants and owners from speculative price escalation and the resulting displacement. They came to the CLT idea, which was soon to give the CEDO housing activists new focus and new capacity to organize, in 1982 when Sanders and Bouricius brought it to the attention of the future CEDO staffers, and Monte and Torpy among



Photo: Kenn Sassorossi, Housing Vermont

Brenda Torpy (left), with Bernie Sanders and Nancy Owens

others attended a conference in Connecticut devoted to the topic.

The conference had been organized by the Institute for Community Economics (ICE). One of the ICE workers was John Davis, a community organizer who had recently finished a dissertation at Cornell and had previously worked in Tennessee and Cincinnati. Torpy ended up a board member of ICE. CEDO contracted with ICE to send Davis to Burlington as an organizer. By the fall of 1984, with CEDO staff support from Torpy and Davis organizing in the neighborhoods, the Burlington Community Land Trust (BCLT) had been established and had purchased its first properties. Torpy became president of the board, and Tim McKenzie became executive director.

Davis, initially working outside of city hall, became a crucial component of the city housing policy effort. For six crucial months in 1984 his organizing presence nurtured the idea of the land trust in the community while Torpy worked on it from city hall.

The BCLT cause had support from new appointments in other parts of city hall. One was City Treasurer Jonathan Leopold, who, reviewing city hall accounts, discovered \$1.9 million laying in unused accounts, a windfall that gave Sanders leeway in a number of directions—and the CEDO people immediately saw this as a chance to support the Community Land Trust. Sanders allocated \$200,000 to this, allowing the BCLT to purchase properties

with at least some units available and occupied. By the end of the 1980s, McKenzie was providing figures of 85 units occupied, the initial \$200,000 leveraged to nearly \$2 million, and the land trust seemed to have bright prospects. Most important, while CEDO had been critical to the formation of BCLT, the BCLT remained independent. This was to be CEDO's *modus operandi* as it supported a range of non-profits over the next two decades.

At the end of 1986, Torpy, distracted by political attacks on the housing program, shifted jobs and entered a different phase of her Burlington career. After a year in state government, she took on the challenge of managing the Save Northgate Task Force and redevelopment project, which had seed funding from CEDO and state agency support. This large housing complex (336 units) had HUD subsidies that were nearing expiration, so Torpy's role was to raise funds to purchase the complex from the developer and do so in a way that would retain the usefulness and desirability of the units for its current residents. Torpy found new life in this endeavor, staying at Northgate through 1988 and into 1991. She convinced residents of the desirability of becoming owners—accomplished through a complex financial structure that blended resident leadership with private investor-limited partners. She went to local funders and state and federal agencies and raised the funds needed to make the purchase, saving the largest singly price-stabilized housing project in the city for its residents.

By 1991 the BCLT was in transition. McKenzie was looking to move on. Torpy, who had remained on the board of the organization, was an obvious candidate and eventually transitioned into the executive director job. She did this with changes in mind. In the job interview she told the BCLT board of the change she had in mind: "It has to be big." She was not interested if the board wanted to keep the community land trust small. When the board agreed and Torpy began work, transitions occurred and BCLT did get larger. It moved into new kinds of uses, became a real estate developer of not just owner-occupied units as the earlier model had entailed, but also rentals—to service a larger and low-income clientele—and commercial space of several kinds.

Torpy also moved to attract a clientele of homeowners, taking advantage of new HUD policies. One key move was to become part of HUD's NeighborWorks program, whose mission was to spread homeownership to lower-income families. BCLT launched the Home Ownership Center, a unit that attracted interested first-time owners and essentially gave them training. The result was that BCLT, once "suspect" in the eyes of the real estate industry, became mainstreamed. The conventional industry could sell successfully down to the \$200,000 level, but BCLT now was able to supply a market at the \$100,000 level and by its selection criteria and training, do so without the default rate that otherwise might affect this segment of the market. Burlington realtors and bankers gained a new

appreciation of the usefulness of BCLT. It fit in, but on its own terms, creating acceptance of a new segment of the homeownership market.

Torpy's career describes an arc, one can almost posit it as an ideal. She began as an organizer in rural Vermont, fresh from college. Looking back on her career in 2010, she commented about the start of her career in rural Vermont: "I was so naïve." She loved the work, finding CDBG funds so that villages and towns could have sewer and water supply. But at some point that was not enough, and she explored working in Europe where social democracy was still alive. Instead, she came to Burlington, seeing something like what she wanted in Bernie Sanders. In CEDO she found the right group of colleagues, the sense of purpose. Reinforced by Davis' organizing and contact with ICE, she and the city's housing program gathered momentum.

## II.

Torpy's story is a personal narrative, but what is also noteworthy is the intersection of her personal arc with the arc of Burlington as a progressive city and with many key players in the drama that unfolded after Bernie Sanders' election in 1981. Some of these intersections made a critical difference for the course of Burlington's progressive government, and the "civil society" that underlay it.

One was the decision, within CEDO, to sponsor the BCLT as a

non-profit outside of city government, rather than have city hall own it or dominate the board. BCLT was an early example, but eventually one of many: the progressive staffers and political operatives around Sanders developed a bias toward the creation of programs outside of city hall. The result was, eventually, a panoply of non-profits that formed a constituency for progressive government inside city hall. Thus in 1993 when Republican Peter Brownell defeated Peter Clavelle, who had taken over the mayor's office when Sanders resigned to take a congressional seat won in 1990, the progressive "kitchen cabinet" was able to defend and save most of its programs in the face of the new mayor's attempts to defund them. Later, with Clavelle back in office in 1995, the progressives took additional steps to encourage the non-profit "base" through, for example, the Center for Community and Neighborhoods (CCAN), which provided office space near city hall to non-profits, making it physically easier for them to interact with and support one another.

Another was simply the experience of surviving during the loss of the mayor's office in 1993-95. The progressive "base" outside of city hall was forced to work with one another, not only to win back the office, but also to see its future. Part of this was the ability of Davis and others to create a financial base in Burlington Associates, a cooperatively managed consulting and CLT support organization that provided a salary base for himself and other veterans of CEDO.

Torpy's broadening of the base for BCLT, mainstreaming it through the homeownership program and making alliances with bankers and the real estate industry may have been emblematic of a broader trend within the city's "Left": What might have been a principled stand for and against the concept of private property seemed in Torpy's view to soften on both Left and Right in the city. For progressives like Torpy this did not involve a retreat from the most essential principle—that a portion of private property, the land on which housing stood and a portion of the equity in the house, was "de-commodified." Torpy claimed that "security of tenure"—"the right to housing"—had been established for 20 to 25 percent of the city's housing stock. **P<sup>2</sup>**

# Inclusionary Housing in an International Perspective

*Reviewed by Tom Angotti*



## **Inclusionary Housing in an International Perspective**

***Affordable Housing, Social Inclusion, and Land Value Recapture***

Nico Calavita and Alan Mallach, *editors*

Lincoln Institute of Land Policy, 2010

978-1558442092 | 416 pages, paper

IF you are a housing activist and specialist and want to get a comprehensive and balanced look at inclusionary housing programs in North America and Europe you will find this book to be a valuable resource. Inclusionary housing programs are broadly defined here as the full range of policies that seek to leverage public benefits from private development. They include a large toolkit of techniques that either mandate or provide incentives for the inclusion of low-income or affordable housing. In the U.S., the more limited tool of inclusionary zoning is used while in Europe social inclusion policies are more likely to be incorporated in comprehensive plans for new development.

I learned a great deal from the chapters on inclusionary housing in the U.S., Canada, England, Ireland, Spain, France and Italy as the examples provided show how inclusionary methods can be effective. As I read these examples, however, I could not help thinking about the wider political context in

which inclusionary policies emerged and thrive in North America—the neoliberal retreat from a commitment by government to provide social housing for working people with limited incomes, specifically, the retreat from and privatization of public housing. This context is provided in the book and the discussion takes us beyond it to see how specific political and economic circumstances in each nation make a difference. In several European countries where comprehensive land use planning is more established, inclusionary measures are incorporated in the planning system and are not local exceptions, as they are in most of North America. It is clear, however, that with the erosion of the welfare state and social housing everywhere, new inclusionary housing policies are never adequate to fill the huge needs that go unmet in the private housing market.

The book also offers an important element to the discussion by showing how inclusionary measures can help to recapture land value increases that private developers reap when government supports development plans and rezones land to increase its potential value. The idea is that government recaptures at least a portion of what might otherwise end



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up as windfall profits to developers. The amount recaptured may be delivered in the form of affordable housing units built by the developer; however, in many cases government ends up subsidizing these units, thereby reducing or eliminating any land value recapture. In some cases, developers can reap additional profit by taking advantage of public subsidies for affordable housing that generously compensate the private investors (for example, low-income housing tax credits in the U.S.).

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In several European countries where comprehensive land use planning is more established, inclusionary measures are incorporated in the planning system and are not local exceptions, as they are in most of North America.

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*Inclusionary Housing in an International Perspective* could have looked deeper at some of the more sinister uses of inclusionary policies. My own experience in New York City over the last decade leaves me convinced that what began as a well-meaning effort to get private developers to build affordable housing has ended up giving them a tool to promote gentrification while they get handsome public subsidies. Developers are building mostly luxury projects with some token proportion of “affordable”

housing units and they get generous incentives to boot. They often end up displacing more affordable housing units than they create as their luxury units price affordable units out of the local market.

In the decade since Michael Bloomberg became mayor of New York City there have been over 100 rezonings, most of which protected upscale, lower density neighborhoods (disproportionately white and middle class) from new development. Midway in his term, Bloomberg made a concession to housing activists by adopting inclusionary zoning measures that offered a 20 percent floor area bonus to developers in exchange for their guarantee of 20 percent affordable housing. There were several problems with this change. First, even though the city sold the rezonings to communities saying they would guarantee inclusionary units, the inclusionary measures were not mandatory but only at the developer’s discretion, i.e., when they can make a profit. Secondly, affordability was defined as up to 80 percent of the Area Median Income as stipulated by the U.S. Department of Housing and Urban Development (HUD), which in gentrifying neighborhoods meant that most residents would not be able to afford the new housing at all.

Finally, New York City’s inclusionary zoning does not apply everywhere in the city, only where a rezoning is taking place. And this brings us to the giant problem with many linkage programs: they are driven by growth and do not establish an inclusionary policy across-the-board.

This means that unless an area is targeted for growth by real estate investors (via gentrification or new construction) there’s no chance for public support of affordable housing, even if the needs are substantial. In the midst of the current collapse of the real estate market, it would be foolish to rely on inclusionary zoning to address housing needs and promote the right to housing.

In the authors’ preface, they ask the question about inclusionary housing that comes up repeatedly throughout the book: “Does it work?” Read the book and you will learn how and when it works, its limitations and the importance of historical and political context. Where government has traditionally played a more proactive role in planning and development, inclusionary housing can work. We should, however, use a critical eye, because behind many public-private partnerships and inclusionary deals lies a private boondoggle, and behind many linkage programs is the de-linking of communities and working people from control over housing policy and the future of their communities.

P<sup>2</sup>



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