Revving Up The Motor City: Targeted Neighborhood Redevelopment In Detroit

by

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ABSTRACT

This thesis is an analysis of an ambitious redevelopment plan for a two square mile area in the city of Detroit, Michigan. This area is dominated by city-owned vacant lots, which make up half of the neighborhood. The plan, called the Far Eastside Project, is to rebuild the area with 4,000 homes and additional commercial space over the next 12 years. I analyze this plan, comparing it to strategies of neighborhood redevelopment in urban planning literature. My assessment of the plan is generally negative, showing some holes in the plan and the city strategy. I compare it to a similar sized part of the city that has had much successful redevelopment over the past five years, using this area as an example of a better revitalization strategy. I conclude with lessons for the future and suggestions for picking areas for targeted redevelopment.

Thesis Supervisor: Langley C. Keyes
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Chapter One- Introduction

Detroit, Michigan is the quintessential rust belt American city. In 1950 its population was 1.85 million people, and by 2000 the population had fallen almost in half, to 950,000.¹ This precipitous drop was mirrored in other cities such as Buffalo, St. Louis, Cleveland and Baltimore, but none was ever the size of Detroit, which in 1950 was the fourth largest city in the nation by population. Detroit also acquired a strongly negative image starting in the 1970’s as a lawless place that was the worst of the worst among the “problem cities” of America. The flight from the city was begun by whites who had the means to leave, making Detroit the largest majority black city in the country.

By the 1990’s, middle class blacks were also fleeing, leaving a city with high poverty rates and a low tax base. Many businesses also left between 1960 and 2000, and there is now no department store, first-run movie theater or home improvement store inside the city limits. Some new development has begun in the central business district, but there appear to be few prospects for new growth in the residential neighborhoods.

In early 2003, the city of Detroit announced that it was embarking on an incredibly ambitious plan to redevelop a 1,200 acre site on the Far East Side, a two square mile, primarily residential neighborhood. This area is dotted by boarded-up homes and vacant lots, and the city owns more than half the land. It is a scattered, disconnected area that needs reinvestment. This project is costly, but the ambition it represents is something the city of Detroit needs. The question is whether this is the right plan or the right place.

¹ U.S. Census Bureau
Research Question

The Far Eastside Project (FEP) can be analyzed as a neighborhood revitalization scheme, a way to turn a place around. It can also be looked at as a way for a city to dispose of surplus land in a cost efficient and logical manner. The city government prefers to see it as a prototype for the future redevelopment of other abandoned areas in the city.

I want to analyze the underlying assumptions and strategies that the city (through its Planning and Development Department) is using to inform its plans and ideas for the Far Eastside Project and by extension, the entire city. It is my belief that the city has not spent enough time analyzing different strategies of urban redevelopment, and that it needs this understanding in order to inform the FEP.

The thinking behind the FEP appears to be based on a desire to dispose of city owned land rather than a coherent strategy based on the realities of the market and the problems faced in Detroit neighborhoods. These realities are that demand for housing in the city is very low and many of the neighborhoods have deteriorated to the point that almost anyone with the ability to leave has done so. But there are neighborhoods in Detroit which exhibit some hope, places which are attracting new residents who want to live in an urban environment. One such neighborhood is just outside of the downtown business core, host to a university, hospitals, and historic mansions and townhouses. It is probably the best example of recent success in redeveloping a part of Detroit that was once written off as unsalvageable, overrun by vacancy and crime.

There are still many opportunities in this neighborhood and others like it, but the city has not been a major player in these places. The city government has concentrated
many resources in creating the Far Eastside Plan, and plans future large investments in
this area. This planned investment will probably have more of an impact in other parts of
Detroit which show more promise. Therefore, my research question is this: To what
neighborhoods and areas of Detroit should the city government channel its limited
resources in order to have the highest impact?

**Research Methodology and Outline**

I begin with an overview of the financial, physical and social problems that
Detroit faces, followed by a review of selected literature relating to residential and retail
redevelopment in cities that have lost population and economic vitality in the last fifty
years.

I will then examine the Far Eastside Project, briefly looking at the plans for the
area, focusing on the housing development. Then I will analyze the theories of city
development that I have been able to cull from documents and interviews with city
officials and local residents. None of these theories have been explicitly stated, but they
are the implicit ways that the city is approaching the Far Eastside Project.

After theories of strategy I analyze the Far Eastside Project based on criteria
selected from the literature review. A clear look at the future of the project is necessary if
the city wants to make good decisions about redevelopment.

The next section is a review of development that is already happening in a similar
sized area of the city just north of downtown. This area, called “Midtown Detroit” by its
boosters, has seen significant residential rehabilitation and construction in the last five
years. There is a definite sense of hope and change in these neighborhoods, as well as
apprehension about gentrification. It is a very different place than the Far Eastside Project area, with more activity and more promise. It is a much better blueprint for future revitalization and a clear example of a neighborhood that deserves more city attention.

The conclusion is a set of recommendations for the Detroit Planning and Development Department as it considers how to attract more people into the city and keep current residents. Most of these recommendations require cooperation with outside organizations and other city departments, because redevelopment work involves so many players. If the planning department truly wishes for a housing and retail revitalization in Detroit, it must figure out ways to work with other stakeholders to effect positive change.

The Situation faced by the City of Detroit

The City of Detroit has a land mass of approximately 140 square miles. Considering a population of approximately 925,000 people, this gives an overall density of 6,600 people per square mile. This compares to a density of 15,000 per square mile in Boston and 23,000 per square mile in New York City. The differences in the density of the older east coast cities and Detroit can be primarily tied to two influences: the time of development and the automobile. By 1910 much of Boston and New York were already developed, primarily in the classic multifamily buildings that still dominate those cities today. Most of the development in Detroit happened between 1910 and 1950, the heyday of the automotive industry that fueled most of the jobs in the area and made Detroit the “arsenal of democracy” that helped the United States win World War II.

By this time in American life most new residential development was taking place in the form of single family detached homes, the proverbial “American Dream”. At the
same time the very automobiles that Detroit was producing by the millions per year were radically changing the landscape of the entire nation. This new form of transportation, made affordable by mass production techniques perfected in Detroit, meant that people could now live further away from their workplace and shopping districts, opening entire new areas for building. This process of road building and low density housing became the predominant development style in Detroit, long before it became the driver of post World War II suburban development. Thus Detroit came to be known as the “city of homes.”

The development of the entire city progressed at a breakneck pace throughout the first half of the 20th century, with immigrants from all over the world streaming in for the plentiful jobs at the auto plants and parts suppliers. By the 1940’s, the largest group of immigrants were African Americans moving up from the American South as part of the Great Migration. The city was still heavily segregated, with most black residents confined to a few small neighborhoods. By the late 1950’s, the segregation of the city began to break down as the black residents began to spread to previously all white neighborhoods throughout the city. The whites, in turn, moved out to the newly developing suburbs in western Wayne County, Oakland County and Macomb County. Thus began the exodus of most whites out of the city, a process that continues to this day. (For a much more complete history of the process of white flight and racial strife in Detroit, see Origins of the Urban Crisis by Thomas Sugrue).

By the 1980’s, even many African Americans were leaving Detroit, leaving behind a city that was becoming more and more poverty stricken and unable to finance itself. The population drop from 1950 to the present day has been massive, with almost
one million people leaving the city of Detroit over that 54 year period. This mass exodus has left entire streets in Detroit devoid of any homes, with many areas almost completely deserted. While some neighborhoods have remained intact (and a few are rebuilding), much of the city is now made up of vacant land and abandoned homes, as well as empty industrial complexes that illustrate the former glory of industrial Detroit.

An example of an emptied out street in Detroit- one house collapsing, a few occupied homes, and many empty lots. (Photo by author- January 2004)

This situation has left the city of Detroit in an incredibly precarious situation, especially from a financial perspective. Because so many city lots are now unoccupied, the city is not realizing any property tax revenues from these sites. Many of them have
been completely abandoned by their owners, reverting back to city ownership. The city is thus forced to pay for upkeep on these lots, including demolition costs for unsafe structures, and it is no longer receiving any revenue from this land.

Detroit also suffers from extremely low property values, further depressing the taxes collected by the city. According to the 2000 U.S. Census, the median value of owner-occupied homes in Detroit was $62,800, as compared to $127,800 for all homes in the Detroit metropolitan area\(^2\). Detroit was therefore only able to collect half the revenue for the same homes as the surrounding suburban areas. This shortfall in revenue caused the city to institute a city-wide income tax, currently set at 1.25% for non-city residents working in the city and 2.5% for city residents\(^3\).

Finally, in 1996 the city of Detroit asked state voters for legal permission to allow casino gambling in Detroit, which had previously only been allowed on Native American tribal lands. The ballot initiative passed, and in 1999 the first casino opened in Detroit\(^4\). For fiscal year 2003-04 the casinos are estimated to pay approximately $110 million in wagering taxes. This figure is just under half of the property taxes collected in the entire city for this fiscal year\(^5\). The city also receives over $220 million a year in special state sales tax revenue sharing\(^6\) (above and beyond the normal distribution by population), under a special law that pertains only to the city of Detroit.

All of these facts and figures about tax revenue illustrate the difficulties that Detroit has in raising enough money to offer basic services to its residents. In the past

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\(^2\) U.S. Census Bureau, 2000 Census, Summary File 3.
\(^3\) Detroit Free Press, January 7, 2004, "Detroit's income tax rate won't be falling this year".
\(^5\) City of Detroit Fiscal Year 2003-2004 Budget.
few years the city has run out of money to demolish dangerous homes that are near collapse, exacerbating the problem of abandonment. The city even instituted a policy of not plowing residential streets after snow storms because it did not have the capacity to handle plowing side streets (recently rescinded because of resident complaints). These are two high profile examples of problems the city has encountered as revenue has fallen. These problems are made worse because of the increasing poverty of those residents who have stayed in Detroit, many of whom can not afford to leave.

The exodus out of Detroit that began in the 1950’s was led by white residents, mostly those with the monetary means to leave the city. They were followed by poorer whites, and eventually many middle-class blacks as well. By 2000 those left behind were most often those without the economic ability to leave. According to the 2000 Census, 26% of the residents in Detroit live below the poverty line, compared to 6.6% below the poverty line in the rest of the Detroit metropolitan area. A better comparison may be this: even though Detroit makes up just over 20% of the metro area by population, the city houses over 50% of the people in region who live below the poverty line. Those who live inside the city limits are, as a whole, both poorer and more highly taxed. The one consolation for those living in Detroit is that the cost of housing is significantly lower than the surrounding area, with the median gross rent in 1999 reported as $486, as compared to $583 in the metro area.7

Detroit has endured terrible population decline and now suffers from an incredibly high housing vacancy rate as a result. Furthermore, the city can no longer raise enough revenue to cover basic city services, which are needed now more than ever because of the high poverty rates of its residents. The city has to undergo significant

7 U.S. Census Bureau.
structural changes if it is to ever pull itself out of this hole. In terms of residents, the poverty rates in the city must be brought down so that people can better take care of their basic needs. This can be done through improvement of the income and assets of current residents, bringing in new, richer residents, or a combination of both. As for the physical and financial problems, the city must redevelop the vacant sites which now threaten to dominate the cityscape. If new homes and businesses are developed, these lots will no longer be eyesores and expenses, but rather the foundation of new neighborhoods, producing tax revenue to improve the city’s bottom line. Figuring out how and where to focus this redevelopment is the key issue facing Detroit government.
Chapter 2- Review of Neighborhood Redevelopment Literature

Many authors have written a wide array of books and articles on the subject of urban redevelopment. Since it is impossible to review them all, I look at those writings which discuss redevelopment at the neighborhood level, primarily focusing on the physical realm of the city. Other aspects of redevelopment, such as economic and social needs, always play into physical building projects, so I have also included assessments of which programs worked best in conjunction with housing development. The goal is to be able to better understand the ability of the city to revitalize the neighborhoods and offer suggestions for picking target areas and actions.

If there is one point of agreement of almost all authors, it is that successful redevelopment is unlikely in neighborhoods which are extremely rundown and abandoned. Clay\textsuperscript{8} assessed the processes of “incumbent upgrading”, the upgrading of housing stock by long-time residents, and gentrification, the upgrading of housing stock by middle class outsiders moving into older neighborhoods. Incumbent upgrading generally happens in newer parts of cities, in areas which have basically sound housing and little deterioration, and in neighborhoods that are dominated by families with children. Gentrification happens in close-in neighborhoods when cities acquire a cachet as an exciting place among singles, gays and lesbians, and young couples. In both methods of redevelopment by residents there are inherent social and physical advantages in the neighborhoods that are upgrading.

\textsuperscript{8} Clay, Phillip, Neighborhood Renewal, 1979.
Carmon\textsuperscript{9} also points to inherent advantages such as location and demand as key ingredients in redevelopment. She advises staying away from extremely deteriorated areas because their problems are much deeper than just physical abandonment. According to Carmon, the first step in such neighborhoods should be improved social services and the crafting of a community development network that involves residents in local decision-making.

Zielenbach\textsuperscript{10} conducts an intriguing study comparing two neighborhoods in Chicago which are in very poor conditions. He contrasts two neighborhoods which have similar problems but are on widely divergent paths, with Englewood struggling to improve and North Lawndale making real strides in neighborhood revitalization. The problems in Englewood are multifarious, but Zielenbach identifies a few key reasons why the area has not rebounded like North Lawndale. Englewood’s location, while not that far from downtown Chicago, does not have nearly as good public transit or freeway access. There are no strong large institutions which are rooted in the Englewood community, leaving a shortage of powerful organizations which offer jobs and have reason to care about the neighborhood.

Finally, and possibly most importantly, Englewood’s location is not in the “path of development”, meaning that recent real estate activity is not heading in the direction of Englewood. Zielenbach theorizes that developers and funders are more likely to be interested in a neighborhood if it is seen as the next logical step of urban redevelopment.

Kromer\textsuperscript{11} categorizes urban residential neighborhoods into three types: higher income areas close to downtown which may be experiencing problems but are generally

\textsuperscript{9} Carmon, Naomi, \textit{Urban Renewal and Neighborhood Regeneration}, 1996.
\textsuperscript{10} Zielenbach, Sean, \textit{The Art of Revitalization}, 2000.
in good shape, “wrecked outlying ex-communities nearing extinction”, and neighborhoods that are somewhere in between. His analysis generally concentrates on the in-between neighborhoods, which he considers to be the key to making inner cities places where all people can feel comfortable living. These are areas that have experienced some decline but still have strong resident commitment and interest in the neighborhood. He believes that well-managed redevelopment projects can work, especially those that work closely with local residents and other community members.

Keating and Krumholz\textsuperscript{12} assess the experiences of different rebuilding strategies in eight cities, including a review of attempts at revitalization in Detroit. They end with hope for the future in even the worst neighborhoods, based on successful community development efforts, primarily in cities other than Detroit. Keating and Krumholz concentrate mainly on the responsibility of the federal government to radically change the way that governments in the United States work with cities, advocating for universal social services and substantial changes in suburbia. These changes are not likely forthcoming, so they also hold out hope for “well-organized networks of community organizations developing comprehensive neighborhood plans” and working with government and foundations to implement these plans.

These authors also attempt to lay out the ingredients for successful redevelopment and rehabilitation of urban neighborhoods. Zielenbach asserts that the reasons for the relative resurgence of North Lawndale hinge on the strong involvement of powerful players such as hospitals, charitable foundations and influential CDCs. He also points to the advantageous location of North Lawndale just 3 miles west of downtown Chicago, linked by two rapid transit lines and a freeway. The biggest success in North Lawndale

has been the redevelopment of a former Sears catalog facility that was vacated in 1987. The land languished for a few years until a large developer came up with a plan to build homes and retail stores on the site. This developer was successful because he had a strong interest in the area and a willingness to be involved for a long period of time in order to make the project work. The support of the Stearns Family Foundation and Mt. Sinai Hospital has also proven incredibly helpful in improving the area and enticing new residents into formerly abandoned areas.

Carmon addresses the issue of gentrification, stating that it occurs almost exclusively in the hearts of cities with vibrant downtowns and a housing stock with historical architectural charm. This model of upgrading is based on market dynamics, and Carmon believes that the role of a city in such a situation is to manage and administer gentrification in order to reap its benefits for local residents. She also thinks that the city should encourage builders to concentrate on housing types that are in high demand for the area. Garvin\textsuperscript{13} advises a similar physical location for revitalization, seeing blighted locations just outside of downtowns as logical locations for residential redevelopment.

Keating and Krumholz directly address the down side of gentrification, worrying that cities which revitalize downtown and surrounding neighborhoods are only serving to create a dichotomous city. The central areas are full of high income residents, mostly without children, while the outer neighborhoods are full of poor, mostly minority families. This pattern is definitely playing out in Boston, Chicago, New York, Washington DC, and San Francisco, but it has not taken hold in cities like Detroit, Cleveland and Indianapolis.

\textsuperscript{13} Garvin, Alexander, \textit{The American City}, 2002.
A final review of revitalization strategies is a paper about the Sandtown-Winchester Neighborhood Transformation Initiative in Baltimore\textsuperscript{14}. This project was a large-scale effort in a severely distressed area of the city to rebuild the neighborhood in both physical and social forms. The project was primarily the work of the city of Baltimore and the Enterprise Foundation, a nationwide non-profit that assists community development groups. Over the course of ten years over 1,000 affordable housing units were either built or rehabilitated, schools showed test score improvements, city streets were cleaned up, and hundreds of residents received job training and placement, along with many other achievements. This sort of initiative is much larger in scope than the Far Eastside Project, in that it attempted to address many needs of residents beyond housing and retail services. The report has a cautionary tone about the future of such projects, listing lessons learned such as:

- Invest in community capacity early through leadership training and community organizing. Growth should occur at the pace of capacity growth.
- Embed community building in every activity.
- Ground expectations in an explicit strategy. The strategy should realistically reflect capacity and resources.
- Build residents’ economic self-sufficiency through training and employment connections.
- Use neighborhood-focused intermediaries to connect decision-makers to community members.

\textsuperscript{14} Brown, Prudence; Butler, Benjamin; Hamilton, Ralph; \textit{The Sandtown-Winchester Neighborhood Transformation Initiative: Lessons Learned About Community Building & Implementation}, 2001.
All of these readings point to a few key conclusions. The first is that neighborhood revitalization should not be jumped into quickly, that strategies for dealing with many issues, both physical and social, need to be developed.

The second lesson is that severely distressed neighborhoods are probably not good places to start a residential revitalization project because of the large social and economic problems in such areas. Better opportunities exist in historic areas just outside of downtowns and neighborhoods which still have strong social structures.

Finally, any redevelopment project needs the backing of community residents and the support of strong institutions and organizations, especially if the city government does not have the capacity or ability to take on these projects itself.
City of Detroit Map Highlighting Areas Featured in Text

Detroit City Limits

Source: U.S. Census Bureau, modified by Solana Rice
Chapter 3- Review of the Far East Side Project

In November 1993, the voters of Detroit elected the first new mayor in 20 years, Dennis Archer. He came to office with high expectations after many years of sclerotic leadership under Coleman Young. Archer soon set out to tackle some of the long-term issues affecting Detroit, including future land use and redevelopment potential. A “Land Use Task Force” was appointed to look at these issues and offer general guidelines. The task force produced such guidelines and recommended a further, community-oriented planning process be put in place. This process became known as the Community Reinvestment Strategy (CRS). The city was divided up into ten clusters, and groups of residents and community leaders met to come up with goals and a vision for each cluster.

Cluster 3 was located in the southeasternly corner of the city, bordered by the Detroit River on the south, I-94 on the north, Mt. Elliott St. on the west, and the city of Grosse Pointe Park on the east (see map on page 23). This area had been identified by the city as containing an important section that would get more attention in the future:

The City of Detroit is also investigating strategies for encouraging housing redevelopment in the 1300-acre area bounded by Warren, Jefferson, Conner and Alter, where City ownership of parcels in most census tract block groups ranges from 40-55%.

Focus groups that included residents, business owners and local leaders came up with a set of goals for the area, including new and improved housing. They pointed to “city land banking and lack of enforcement of city ordinances as the greatest barriers to new

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16 Ibid.
17 Cluster 3 Community Reinvestment Report, Page 3-46
They also expressed a preference for fully half of new housing to be priced to be affordable for low and moderate income households, with about one quarter priced for higher income households, and one quarter for middle income homeowners.

Other housing recommendations from the cluster workgroup included:

- Increasing home ownership rates to between 50-75%
- Give special attention to Detroit-based and African American developers
- Increasing the availability of low interest loans for home improvement/rehab

These recommendations applied as a whole to the whole of cluster three. The report also contained this recommendation about the future Far Eastside Project area:

Capitalize on the concentration of vacant, city-owned land in the Warren-Jefferson-Conner-Alter area to plan a new community including open space and commercial, service and civic uses, housing rehab and infill, and the construction of new for sale and rental housing in different price ranges. Prepare a plan for phased implementation with input from community groups and citizens.

It was obvious that the city interest in the FEP area was shared by the residents and leaders who helped draft the CRS plan. They saw this area as a virtual tabula rasa, a blank area that could be used to create a whole new neighborhood, one without the problems of older, more established areas of the city. Concentrating rebuilding efforts in a mostly vacant part of the city was seen as causing fewer problems than choosing an area with more residents, some of whom might have to be moved in order to carry out

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18 Ibid, Page 3-46
19 Ibid, Pages 5-5 and 5-6
development plans. It was now up to the city to decide how to follow through on this vision of a new neighborhood.

The Creation of the Far Eastside Project

The two square mile area on the east side had been identified in the mid-1990’s by the city’s Planning and Development Department as a potential area for redevelopment. This area was further referenced by the CRS stakeholders as an area for a new, primarily residential neighborhood. Now the planning department had to figure out how to create this type of neighborhood.

They began their work by commissioning a design firm, Archive DS, to study the area, tentatively calling it the “Far East Side Study Area”, for lack of a better name. Archive DS is a small firm located in downtown Detroit that is, according to its website, made up of, “architects and urbanists who are experts at revitalizing urban areas”\(^\text{21}\). The firm was commissioned to complete a study analyzing the neighborhood in its entirety, aiming to do more than just create a basic urban design. The firm first conducted an inventory of all of the lots in the study area, cataloging empty land as well as the condition and uses of buildings\(^\text{22}\). This was done to get a more complete idea of the conditions of the area, as well as to begin to divide the area up into more manageable neighborhoods.

The firm also conducted a series of four stakeholder meetings over the next two years, meeting with residents and business owners in the study area to understand their needs and concerns. The other major information gathering technique was a set of

\(^{21}\) Archive DS website- http://www.archiveds.com/page1.html
\(^{22}\) This section based on interview with Dorian Moore, manager of the study for Archive DS.
meetings with local developers and community organizations, getting input and ideas for the area. This information gathering period lasted for approximately two years, with the individual lot cataloging taking up the bulk of that time.

The next step was to create the urban design for the area. This process proved to be difficult, as the firm had to work with the planning department as well as negotiate political demands from other city officials. The first major decision was to divide the two square mile study area up into nine neighborhoods, each with some sort of retail options and public open space. The cataloging of the lots showed that in five of the nine neighborhoods 50 to 70% of the lots were empty and city owned. The four other neighborhoods had lower levels of empty lots as well as better conditions of the homes that were still occupied. Therefore, the study area was broken up into two areas.

The five more empty neighborhoods would be almost completely redeveloped, sometimes with entire empty blocks newly subdivided. The other four neighborhoods would be rehabilitated with more spotty new development, fitting in with the existing homes.

This division proved to be helpful both as a heuristic device and as a way to think about the future development teams. It was eventually decided that the best way to deal with these two areas was for the city to appoint a private master developer for the five rebuilt neighborhoods. This developer would have full reign to build and market all empty city owned land in those neighborhoods, using the FEP urban design guidelines and working with the city and all appropriate subcontractors. The city-owned land in the other, less abandoned neighborhoods would be sold on a more standard request for proposal (RFP) basis, as the city tried to work with community development corporations.
and smaller, local developers. This strategy was devised as a way to expedite the process of disposing of the bulk of the city-owned land in the area. It was also seen as a good compromise between the speed and efficiency that a large experienced developer would bring and other goals the city had for the project, including affordable housing and encouraging local businesses.

The process of picking the master developer for the largely abandoned areas took a long time to develop, with some rumors of a developer being selected and then backing out, and other city activities taking priority. Finally, on February 24, 2004, mayor Kwame Kilpatrick announced that the city had picked two firms, Kimball Hill Homes of Chicago and American City Vista, as a team to be the master developers for the project. Also announced as project partners were a local developer, Phoenix Communities, and a community development corporation, U-SNAP-BAC. Very little other information about how these companies will work together on the project has been revealed, but American City Vista is a for-profit developer focused on revitalizing inner cities. It is run by former HUD secretary Henry Cisneros, and has primarily worked in the southwest and California.

The Urban Design of the Far Eastside Project

This thesis will not concentrate on the urban design of the FEP, but a short discussion is useful. The design of the FEP was created by Archive DS, the firm hired by the city to study the area. The firm used its in-depth analysis of the study area to create a design that would recreate a large neighborhood divided up into walkable sub-

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23 Interview with Terrance Henry, Detroit Planning and Development Department.
neighborhoods. The design aimed to accomplish many goals, but the primary objective was to “reestablish neighborhoods in Detroit’s east end faltering mainly due to decay and abandonment”. The design is focused on recreating the neighborhood in a similar style to what existed fifty years ago. This will be accomplished by building moderately sized homes on narrow (by current building standards) lots. The effect will be a streetscape full of homes bunched closely together, much like what the neighborhood used to look like. This is in stark contrast to a new development called Victoria Park that was built in the mid-1990’s about one mile away from the FEP area.

This development was constructed as a gated community with a suburban style, with curving streets and cul-de-sacs. It was constructed like this to appeal to the average buyer, who is often concerned with resale value and security. According to the designers of the FEP, city officials often pressed the design firm to change the streetscape of the FEP to resemble Victoria Park. But the firm felt that this suburban style design would not work if the neighborhood was to have a real sense of belonging for everyone who lived there. Therefore, they adopted many New Urbanist techniques, mostly focusing on rebuilding the neighborhood as it once was. This means that lot widths will be much smaller than in most modern suburban neighborhoods, in order to encourage higher density and more active street life.

There will also be a series of small parks and “greenways” which will facilitate pedestrian and bike traffic throughout the area. The overall effect is to try and recreate the neighborhood as a walkable, pedestrian friendly environment. The pictures on the next page are examples. The first picture is a nearby street that has remained intact since

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the 1930's. The second picture is of one of the first developments of the FEP. It shows the style of homes being built and their proximity to each other.

Photo of existing homes in a stable Detroit neighborhood, by author- January 2004
Theories and Strategies behind the Far Eastside Project

Now that the basic history of Detroit and the Far Eastside Project has been laid out, it is important to understand the underlying motivations and theories that have animated the city of Detroit in its creation and support of this project. The first, and perhaps primary, motivation is the tax revenue issue that was in Chapter One. This motivation is stated in promotional material about the Far Eastside Project produced by the Planning and Development Department:

After the 15-year redevelopment initiative is complete in 2015, the area will produce revenue for the city well into the future. The following information identifies the specific benefits to the City of Detroit:
Property and income tax revenue is projected at $20 million per year starting in 2015.\textsuperscript{26}

This revenue will make up for the large costs that the city is anticipating to upgrade the infrastructure in the FEP area. The next sentence in that promotional material states that the city expects to incur costs of approximately $225 million over 15 years to improve roads and sewers and pay for existing home improvements. This estimate does not explicitly include funds required to subsidize the development of affordable housing, which could reach levels above $50 million over the term of the project\textsuperscript{27}. With all of these costs the city is contemplating investing over $250 million in this project. The city is also looking to create a “Neighborhood Enterprise Zone” that will offer a 50% property tax break for 12 years for those who purchase a new home or renovate an existing house\textsuperscript{28}. This is a further investment, deferring tax payments to encourage new development. Some of this investment may be recouped from land sales to the developers, but it is likely that the city will have to pay for most costs out of the general fund or some sort of special grant or program. The city expects a return on this investment, and this return will come in the form of greatly enhanced property and income tax revenues.

It is useful to analyze this project as a major investment by the city in the future viability of residential development. But there are other motivations for the city, other visions of the future. These visions include creating viable local neighborhoods, places that offer a full range of housing and retail services to residents. They include inducing new residents to the city of Detroit. They include upgrading a deteriorating city, creating

\textsuperscript{26} FEP Summary Document dated January 2003, Detroit Planning and Development Department

\textsuperscript{27} This is a very rough estimate, and will be discussed in depth in later sections.

\textsuperscript{28} Detroit Free Press, May 3, 2003. “East side project is a renaissance”.
http://www.freep.com/realestate/renews/east3_20030503.htm
a template for future redevelopment in other neighborhoods. The question that the city planners have had to grapple with is how to go about creating these visions.

There are many ways to analyze the plans of the Far Eastside Project, but based on discussions with city officials and looking at the materials of the FEP, I have pieced together three different strategies that the city has employed. None of these strategies has been identified by the city planning and development department, which has focused more on the physical plan for the area than on underlying theories and strategies. I believe these are the implicit ideas that underlie the FEP plan.

**Strategy Number 1: Urban Renewal Without Displacement**

Urban renewal is a phrase that is used to describe many different things. In this case the phrase refers to the federal programs in the 1950’s and 60’s that offered funds to cities in order to “renew” the “slums” in and around downtown areas. This often took the form of cities condemning occupied homes and apartment buildings because they were not up to the middle class standards of the time. In their place were built new, often luxury buildings for those with higher incomes. Urban renewal condemnation power was also used to build offices and roads. It was thought that this type of rebuilding was the only way to get middle and upper class people to move back into cities. The outcome proved to be disastrous.

All over the country, low income residents were removed from their homes, often with little assistance in finding new housing, as entire blocks of cities were leveled. In Boston the West End was “renewed”, creating a new luxury enclave called Charles River Park, wiping out a thriving immigrant neighborhood. In New York, Robert Moses used
his condemnation powers to destroy most of a neighborhood called East Tremont in order to make space for the Cross Bronx Expressway\textsuperscript{29}. Urban renewal also has a bad history in Detroit, when a large section of the city just north of downtown was cleared to make way for the Detroit Medical Center in the 1960's. This incident was a classic example of urban renewal at its worst: the removal of poor, black residents by white politicians for the assistance of rich, white developers and patrons.

The Far Eastside Project shares many traits with the old urban renewal projects. In both cases the city is talking about turning over large tracts of land to developers for a small amount of money, in the name of “renewal” or revitalization. In both cases one goal is to move higher income residents into the city. And in both cases the rhetoric of a renaissance in the city tends to overwhelm discussions of the current residents (only 50% of the land is vacant, meaning that many people still live on the rest) and the role they play in the renewal. One major difference is that the FEP does not have the backing of major federal funds like the old renewal projects, a difference that could make it financially impossible for the city to carry out the plans.

The twist that the FEP brings to urban renewal is that the land is not being taken from anyone and the city intends to keep current residents in the neighborhood. According to Mayor Kwame Kilpatrick, “The focus of the project will be on rehabilitation and revitalization, not on displacement. We will not use eminent domain or condemnation proceedings to force current residents out of the neighborhood. We will work with residents to fix up their homes as we fill the vacant lots between them.”\textsuperscript{30} Since the city owns approximately 40% of the land in the area, including a few whole

\textsuperscript{29} Robert Caro, \textit{The Power Broker}, chapter 37, “One Mile”.
\textsuperscript{30} State of city address, February 24, 2004.
blocks, no one will have to be removed from their homes. Furthermore, the city has made many pledges to "accommodate...existing residents to stay in the area if they wish". This plan to allow current residents to stay in the area was crafted in part to avoid the pitched political battles that often affect large developments. The idea is to bring current residents on board so that they become a force of support for the project.

Another way that the city has tried to accommodate existing residents is to promise that a significant amount of the homes built in the FEP will be priced at affordable levels. This has been done so that residents in the area have options of new homes that they can afford to buy if they wish to.

Despite this major twist, the FEP still resembles urban renewal projects in that they are both about the city government working with large developers to come in and completely change a neighborhood. And like urban renewal, the FEP has been short on details about how current residents will be included in the project other than the promises of no displacement. Promotional materials refer to a program to pay for upgrades to existing homes and improvements in the general quality of life that the project will bring, but they do not address any type of social program designed to create a sense of community or give renters opportunities to buy their homes. In short, the idea appears to be to provide nice new homes to outsiders, set aside some money to fix up dilapidated occupied homes, and let everything else work itself out. This type of thinking, that physical redevelopment is the key to city renewal, was the hallmark of the urban renewal programs. And it appears to be the central focus of the FEP.

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31 FEP Summary Document dated January 2003, Detroit Planning and Development Department.
Strategy 2: Suburban Development in the City

Another way that the city of Detroit appears to think about the FEP is as a modified form of suburban development. This idea first came up during an interview with Clarence Lee, an executive in the Planning and Development Department. While discussing the Far Eastside Project, he stated that, “It’s like a suburban development. We have all this vacant land, and we have an opportunity to rebuild almost from scratch.” This view is understandable considering the facts of the project. The vacant lots alone total almost a full square mile, and the planners intend to eventually build 4,000 homes over the next ten years. This type of development is very similar in form to basic suburban development, in which empty land is cleared in large tracts and hundreds or thousands of homes are built in a short time frame, taking advantage of economies of scale. Most modern suburban developments are built at much lower densities than is planned for the FEP, but many older suburban developments look very similar to the urban designs for the project.

The decision to bring in a major suburban developer, Kimball Hill Homes, illustrates that the city is serious about the suburban method of development. A quick search through current developments on the Kimball website indicates the firm is currently building exclusively in suburban areas outside of central cities. The company appears to have extensive building experience but little background in urban development. This does not mean that the company is not qualified to build in Detroit, just that their expertise is obviously concentrated in the business of construction, not in the complexities of redevelopment in a city like Detroit. According to city officials, the

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32 Interview with Clarence Lee conducted on January 23, 2004.
33 State of the City address, February 24, 2004.
34 http://www.kimballhillhomes.com/us_map.asp
master developer will not necessarily do all of the building and other activities, but act more as a manager and liason between the city and other developers.35

Another similarity between the FEP and suburban developments is that both are much more focused on physical development than on the social characteristics of a future neighborhood. Suburban developers do not care who buys homes in their developments, as long as they pay enough for a sufficient profit. Likewise, the city has done little investigation or planning about who exactly they would like to target as residents for the new homes. They believe that market exists for the new homes, based on some nearby, much smaller developments that have sold quickly. But this is development of a different sort altogether. It is the construction of a whole new set of neighborhoods, and the issues involved with mixing new residents with current residents need to be considered. The laissez-faire attitude of bringing in any new residents who can afford to buy the homes is what drives most suburban development, creating segregated communities and metropolitan areas.

**Strategy 3: New-Town-In-Town**

The plan for the Far Eastside Project also shares similarities with the New-Town-In-Town (NTIT) developments that have occurred in different American cities. In most NTIT projects, a large plot of land was either newly available or newly created inside a large city. Examples include Battery Park City in New York, Dearborn Yards in Chicago, and Century City in Los Angeles. Other examples abound, but the basic premise of these developments is that one developer (or a state agency acting as developer) has control over a large amount of land and creates what is essentially a “new

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35 Interview with Terrance Henry, neighborhood planner for the city of Detroit.
town” inside of the city. The idea is to have housing, retail and office space in one contiguous area, with each sector reinforcing the other. If the developer times its moves correctly and is able to pull in a critical mass of buyers and renters, the returns can be substantial. The returns for a city are mainly realized in a higher tax base, although there are often costs associated with new towns, primarily in the form of tax deferrals and bonds.

The FEP resembles many of these NTITs in that it is a large site that is largely under the control of one entity, in this case the City of Detroit. Most NTITs had at their center a plan to develop many new housing units, which is the focus of the FEP. The rhetoric of NTITs and the FEP is also similar, a vision of recreating a new town with all the promise that the original city once had. Unfortunately the FEP looks like those NTITs that have been considered failures, unable to pay off debt and not delivering on their original promise. One example of such a failure is the housing development on Roosevelt Island just east of Manhattan. The plan was to build enough apartments and homes for 20,000 people, with tax-exempt bond offerings by the State of New York serving as the major financial investment in the development. The idea was to create a viable new residential neighborhood that would encourage private developers to offer housing, retail and office space on the island, creating new tax revenue to pay off the bonds. In the end some housing units were built, but the big boom predicted by the state never occurred, primarily because of the physical isolation of Roosevelt Island from the rest of New York City. Control over development was eventually passed to the Roosevelt Island Operating Corporation, which does not have the authority to issue
bonds, and thus does not have the financial ability to create much more residential development.

Failed NTITs such as Roosevelt Island “often turn out to be colossal housing projects rather than the vibrant communities that were envisioned.” 36 Those NTITs which did not work well “simply moved city residents from one part of town to another without bringing any new business to the city” 37. This most often happened when the NTIT was built as an island of development that was not well connected to the rest of the city. This is one potential problem for the FEP, which, according to city officials, was originally picked because of its strong borders (the DaimlerChrysler plant to the east, Grosse Pointe Park to the west, Jefferson Avenue to the south, and Warren Ave and I-94 to the north), which help define the neighborhood. But these strong borders will also mean that development can not grow out beyond the project area very easily. This is one of the goals of most NTITs, to be catalysts for growth that stretches beyond the project.

The following is a list of ingredients that have been identified as keys to success for NTITs 38:

- Market- NTITs that succeed are surrounded by a strong real estate market in the city and larger metro area, creating demand for housing and office space.

- Location- Good NTITs have locations near to downtown and good transit connections, making them good locations for offices and residents.

- Design- A good NTIT integrates well with the city, creating connections to other neighborhoods.

36 Garvin, The American City, p. 355.
37 Garvin, p. 359.
38 Garvin, p. 368.
• Financing- All NTITs relied on patient capital, in the form of insurance companies, very large developers or government bonds. The key is that returns are often very long-term, so short-term investors will not put up any money.

• Entrepreneurship- Strong leadership is necessary in order to keep an NTIT plan going over the long-term.

• Time- Most NTITs took several decades until they offered an adequate return on investment. Those which did not work never offered a return to their investors.

These three strategies are the closest match I could find to the implicit strategies employed by the city of Detroit. I was not able to obtain any communications from the planning and development department which described the high level ideas behind the FEP, nor any examples which it was compared to. These strategies appear to be the thinking (or at least similar to the thinking) of those who decided to go forward with the FEP.

Can the Far East Side Project Work?

Thus far this thesis has recounted the history, theory and strategy behind the FEP, and reviewed literature on redevelopment projects, begging questions of analysis and conclusion. It is my belief that as the FEP is currently constituted it will not able to progress nearly as far as planned, and even if fully built out it will only serve to house the residents of its homes, not be a prototype for future development in Detroit as hoped for by the city39. It is commendable that the city of Detroit is trying to do something about

39 Interview with Terrance Henry, city of Detroit Planning and Development Department.
the empty land in the city, trying to bring new residents into redeveloped neighborhoods. But there are too many factors working against the plan:

- **Market.** There is no indication that there is a large demand for new single family homes in the city of Detroit. Much smaller nearby developments have sold, but they have other amenities that the FEP does not have, such as gated communities and Detroit River access. Put simply, it is difficult to understand who exactly would want to buy 4,000 homes priced at around $200,000 each. The average household income of area residents in 1999 was about $19,000, meaning that the average area resident could afford a home worth about $60,000. City officials are looking to former city residents who would like to move back as a potential market, but the amenities of the suburbs, especially the school systems, have a strong allure. The strongest growth area for most cities in the 1990’s was immigration from outside the United States, but this is not a big factor in Detroit, which has not been a major port of entry in the last few decades. So the only likely market is residents in other parts of the city who are attracted by brand new homes, an option they do not currently have inside the city limits. “Given a city’s soft housing market, [rehabilitation and new construction] may simply be shifting the abandonment problem to another neighborhood.” If this shift in residents occurs, the city will still be facing the same problems, just in a different place.

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40 The price for new homes in a nearby development closer to the Detroit River, Jefferson Village.
41 2000 U.S. Census, Wayne County Michigan, Census tracts 5123, 5124, 5126, and 5129.
42 Interview with Terrance Henry.
• **Cost.** The city has estimated direct costs of approximately $250 million over the course of the FEP, with the money going towards street and sewer reconstruction and funds for existing renovations. If the city meets the goal of 20% of the new housing at affordable prices, subsidies of another $32 million will also be needed. These subsidies will likely have to come from the city because of cuts in state and federal funding. Therefore, the city is looking at costs of about $280 million. Even if the 3,200 market rate parcels are sold for $10,000 each, this will only raise $32 million. Issuing bonds based on future tax revenues will not work because of the lowered tax rates for the next 12 years. If the city cannot shovel the streets after a snowfall, it seems unlikely that it can come up with $25 million per year for 10 years to pay for this project.

• **Demographics.** The FEP plan clearly aims to reestablish a neighborhood of single family homes aimed at the middle class who can afford new homes. But the demographics of America and cities in particular do not support this vision. “Detroit has lost 29,500 students -- about 16 percent of its total enrollment -- in the past eight years.” The declining school enrollment is being felt all over the metro area as the population of the region ages. In general, people are waiting longer to get married, and they have fewer children than in the past. Families with children are a falling demographic. The new markets in cities are singles, childless couples and empty nesters. A plan that looks like a neighborhood from 1930 will not work for the households of 2004.

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44 $120,000 construction cost-$80,000 purchase price= $40,000 subsidy per home. At 800 subsidized homes, this totals $32 million.
• **Location.** The FEP has a relatively poor location that does not offer any advantage over other locations in the suburbs or the city. It is located somewhat close to the Detroit River, but not near enough for an easy walk. It is located somewhat close to downtown Detroit (five miles), but the travel time is similar to many inner suburbs. The proximity to downtown Detroit is not a very big amenity because most jobs in the Detroit area are in the suburbs, with most good jobs concentrated in Oakland County and western Wayne County, areas that are far from the FEP area.

Finally, the area does not have any special features such as unique parks, arts facilities or businesses. In short, the FEP area does not have much to offer a potential resident other than a new home for a reasonable price. But there are plenty of other places in the metro area that can offer similar housing quality and more amenities. There is little incentive for a potential resident to choose the FEP area over other housing options.

• **Lack of Community Support.** The city has not been especially successful at involving community members in a truly meaningful way. The lack of support has arisen because of the problems of urban renewal, with even more recent poor decision-making by the city making local residents wary of any new plans. Very nearby to the FEP area was a plan for a similar development on a smaller piece of land, involving a large retail center and housing. The city had difficulty obtaining some of the land for the developer and eventually used eminent domain powers to remove some recalcitrant landowners. Many local residents objected to these actions and have been concerned that the FEP will repeat this process. Therefore the city was starting from a position of weakness, having to win over the community and get them
on board with the project. Community meetings were held, and leaders of groups
have been consulted, but they have not been partners with the city in the development
or execution of this plan. In an interview, the leader of a local business assistance
organization expressed general support for the plan but was very concerned about the
lack of consultation on issues of interest to local business owners. The promises of
affordable housing have also been a cause of disagreement as the Planning and
Development Department has yet to agree to set aside the full amount of affordable
housing that was originally promised. All of these problems indicate strong
community resistance into the future as the development processes scale up.

- **Lack of a Strong Partner.** Most of the successful major development projects in
Detroit over the last twenty years have occurred only because of the strong support
from a strong private or public partner working with the city. Examples of successful
developments and their sponsors include: Fox Theatre (Mike Illitch), New Tiger
Stadium (Mike Illitch), Ford Field (Detroit Lions), Renaissance Center and Riverwalk
renewal (General Motors), and new headquarters for the Compuware Corporation.

There are many examples of failed developments, most of which occurred because
the city did not have the political or financial power to push a deal without a strong
partner. Among these examples are:

- The Book Cadillac Hotel, a historically significant building that has gone through
various redevelopment schemes with different sponsors, but still sits vacant.

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46 Interview with Libby Pachota, Jefferson East Business Association
47 From newsletter of Warren-Connor Development Corporation, March 2004. According to the article, the
city has not yet promised that at least 20% of the new homes built in each of the nine neighborhoods of the
FEP area be priced at affordable levels, probably in the $70,000-$80,000 range. The concern of some
community members is that certain neighborhoods will have the majority of the affordable homes,
segregating those with less money away from the market rate buyers.
• The riverfront site for the “permanent” casinos, which was never fully acquired by the city and then fell apart because the casinos decided that the market did not support such a large site.

• The Michigan Central Depot building, which was formerly the main train station for the city of Detroit but has been vacant since 1988. Many plans have been floated for the reuse of this large and impressive structure, the most recent being a plan to move the city of Detroit police headquarters into the building\(^4\). The city auditor called the plan a “fiscal pipe dream”\(^4\) that was essentially unworkable.

The main partners on the FEP, Kimball Hill Homes and American City Vista, will need to be the drivers behind the project, putting up large amounts of money and credibility to make it happen. It is unclear if they are willing to invest the monetary and political capital that will be necessary to see the project through. If they decide to pull out, as the previous developer was rumored to have done, there does not appear to be any way that the city can continue with the project.

• **Unrealistic expectations.** The history of development in Detroit, as in so many other disinvested cities, is the promise of the “silver bullet” project that will start the city back on the road to progress. The Renaissance Center, a large office and hotel development on the Detroit River was supposed to be the catalyst to bring office workers back to downtown Detroit when it opened in 1977. Instead it

\(^{48}\) Press Release, city of Detroit, March 4, 2004
drew business from the smaller, often marginal and undermaintained hotels and office buildings in the city. Rather than boosting core commercial activity, this complex merely provides a new locus for existing activity\textsuperscript{50}

The casinos were supposed to be the key to new downtown cultural life, bringing in suburbanites as well as tourists from the regional area. They have been very successful at creating tax revenue for the city of Detroit as detailed earlier, but have so far not produced any real improvements in the neighborhoods around them. These are two examples of the unrealistic expectations that have been attached to most large developments in Detroit. The FEP also has many of the same expectations. The first article in the Detroit Free Press on the project was titled, “East side project is a renaissance”\textsuperscript{51} The explicit plan from the beginning was that the FEP could be a prototype for future residential development in the city, that other neighborhoods with similar vacant and city-owned land could use the FEP model to redevelop. The mayor showcased the project in his February 2004 State of the City address, stating that the city saw “growth, hope and prosperity” in the area. The FEP is yet another silver bullet, a way for Detroit to reclaim its past glory. This will make it hard for the city and other stakeholders to step back and make real decisions about the future of the project if problems begin to occur. If the rhetoric was toned down a bit, if the project was not touted quite so wide and far, there would be less to lose and more freedom to change the project as time went on.

The future for the FEP is still unclear. As of this writing the developers have not made any public statements about their involvement. A few homes are under

\textsuperscript{50} Clay, Phillip, \textit{Neighborhood Renewal}, p. 12.
construction and will be finished by the fall of 2004, but the major development has not yet begun. The main urban designer even expressed concern that the prospects for the main parts of the project are not good\textsuperscript{52}. These signs indicate that the Far East Side Project may not be able to survive in any recognizable way as time advances and city attention shifts to other priorities.

Another Node of Development Activity

The problems and unclear future of the Far East Side should be a cause for reassessment and reconsideration of the project. The project is made up of pieces of urban redevelopment strategies, none of which are especially applicable in this area. The neighborhoods of the Far Eastside Project are simply not a very good place to attempt large-scale residential redevelopment. The literature on urban redevelopment revealed a few key components that the city should look for if it wants to attempt revitalization in another location:

- Building from strength instead of weakness. This involves concentrating efforts in areas which already have assets such as employment centers, cultural facilities, and retail/entertainment establishments.

- Aiming for a well-defined sub-market of those looking to move into the city and keeping people who might leave Detroit.

- Working with a strong partner that has experience and desire to work in Detroit.

- Choosing areas of concentration which have the ability to grow outside their boundaries so that the growth can radiate out into other areas.

\textsuperscript{52} Interview with Dorian Moore.
There is one area in Detroit which satisfies most of these requirements. It is the part
of the city just north of downtown, bisected by Woodward Avenue and bound by
freeways on all four sides: I-94 on the north, I-75 on the south, M-10 (Lodge) on the
west, and I-75 on the east (see map on page 23). The total area is about two square miles,
approximately the same size as the Far East Side Project area. It is home to Wayne State
University, the Detroit Medical Center, the Detroit Institute of Arts, the main branch of
the Detroit Public Library, and Symphony Hall, the home of the Detroit Symphony
Orchestra. The area is too large to be one contiguous neighborhood, but is made up of
the University and Medical Center in the northern section, Brush Park in the southeast
and the Cass Corridor in the southwest. The entire area has recently been rechristened
“midtown Detroit” by area boosters, and it is already undergoing major redevelopment
and gentrification. It is the best opportunity for large scale residential redevelopment in
the city of Detroit. For the purposes of this thesis the area will be referred to as Brush
Park or the Cass Corridor, even though those terms generally refer to a smaller area. The
name “midtown” is of such recent incarnation that it has little historical significance.
Chapter 4 - Review of Brush Park and the Cass Corridor

This area is among the oldest developed parts of Detroit. Its location just one mile north of the Detroit River but outside the main business district made it an excellent site for early industrialists to build their homes. The area was known for its ornate mansions and stately townhouses, many of which were built in the 1880s and 1890s.

As time passed, however, the advent of the automobile brought changes to Brush Park and the Cass Corridor just as it had everywhere else in Detroit. Soon the wide boulevards radiating out from downtown were paved and travel to distant places became easier. The richest businesspeople in Detroit moved out further, up Woodward to Boston-Edison and Palmer Park, and up the Detroit River to Indian Village and Grosse Pointe. The areas east and west of Woodward began a slow decline, as the large mansions gave way to single room occupancy hotels and tenement style apartment buildings.

By the 1930s the area became the primary “landing area” for migrants coming to Detroit for jobs in the auto plants. The area just east of Woodward was called Paradise Valley, and it became the hub of Black Detroit from the 1920s until the mid 1950s.

“Whites, mostly from Appalachia, stayed west [of Woodward]. The Detroit race riots of 1943 took place mostly along Woodward in the area.”53

Urban renewal decimated the area in the 1950s and 60s, especially east of Woodward, as land was cleared for the I-75 freeway54, the Detroit Medical Center, and public housing projects. The Cass Corridor area west of Woodward also declined as whites moved to the suburbs and blacks, finally able to live in the now desegregated city.

54 I-75 is named, like many other Detroit freeways, after an automobile company. It is called the Chrysler Freeway.
spread out from the cramped segregated sections to areas formerly occupied by middle class whites. According to Patrick Down, area resident and president of the Cass Corridor Neighborhood Development Corporation, “the population [in 1968] was probably 10 times what it is now.”\textsuperscript{55} As the population in the area fell, the only residents left were those who lived in public housing, Wayne State dorms, and a substantial population of the poorest citizens of Detroit. By the 1970s the area, especially the parts south of Wayne State, was made up of vacant lots, collapsing homes and a mix of public housing, dilapidated apartment buildings, and homeless shelters. The extreme poverty of the area continues to this day; census tract 5206 in the Cass Corridor was the poorest in the city of Detroit as of 1999, with a median household income of $8,317. Crime was also an extreme problem, with the Cass Corridor developing a reputation as one of the most dangerous sections of the city. The depopulation of the area exacerbated the problem as fewer residents meant more space for criminals to operate and less “eyes on the street”\textsuperscript{56} to watch out and help prevent crime. In sum, the area was overwhelmingly poor, deserted, and crime ridden. It had all of the worst problems in Detroit concentrated into a small area.

\textsuperscript{56} Jacobs, Jane. \textit{The Death and Life of Great American Cities.}
An example of the crumbling old buildings in Brush Park- Photo copyright Lowell Boileau, http://atdetroit.com

Points of Hope in Brush Park and Cass Corridor

At the same time that the area was decaying, there were a few people who believed in the Cass Corridor and Brush Park. Some were long-time residents who stayed. Others were artists and "urban pioneers", the types of people who are traditionally the first to re-inhabit abandoned city neighborhoods. Wayne State University was also running into a problem as it tried to expand and improve its programs: virtually no one lived on or near campus. If the school was to improve life on campus it had to encourage people to live nearby, which meant living in the northern Cass Corridor. Therefore the university had to find a way to improve the condition of the
housing close to campus. This meant battling with difficult landlords, the city and the land court system.

The main actor in this battle has been the University Cultural Center Association (UCCA), a group of major organizations in the area such as the Detroit Institute of Arts and the Detroit Science Center as well as many businesses and service organizations. “The UCCA was organized to support the physical maintenance and development of the area and to enhance public awareness, appreciation and use of Midtown Detroit.” The UCCA was founded in 1976, but expanded in 1987, becoming a dues paying group, providing it with the resources to better support development in the area. The UCCA essentially acts as a combination business improvement district (BID) and community development corporation (CDC), providing maintenance and cleaning services as well as encouraging and accelerating development of housing and retail in the area. It is a unique organization, backed by the finances of some of Detroit’s largest and wealthiest cultural organizations as well as the major university inside the city, Wayne State.

The UCCA has primarily worked as an enabler for developers who wanted to construct or rehabilitate buildings in the area. The organization has focused on the northern section of the Brush Park/Cass Corridor area, because that is the area closest to Wayne State and most of the museums. But the UCCA has recognized that it is best for itself and local residents if the entire area is improved. Therefore, it has provided technical assistance, predevelopment financing, and marketing support for developers, especially those building housing in the area. The general idea was to encourage people to live in the city, both students and others who would be attracted to the cultural and

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58 Ibid

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educational amenities of the area. The only way that these people would live in Detroit was if they had good places to live. The UCCA helped fill this gap by assisting developers through paperwork, money problems, and regulatory requirements. Its work mirrors similar work done by community developers all over the nation, but the UCCA has focused primarily on market rate housing and it has much more financial support than most CDCs. The UCCA has even entered into a bit of development itself, as it has managed the renovation of four historic mansions just off the Wayne State campus, converting them into a 42 room luxury bed and breakfast hotel spread through the buildings.

While the UCCA has probably been the key actor in the redevelopment of the Brush Park/Cass Corridor area, many other groups and developers have been involved in the neighborhoods. The list is long and varied, from institutions that are expanding, such as the Detroit Symphony Orchestra, to large housing developers like Crosswinds Communities, to businesses relocating in the area, like the C-Pop Art Gallery. In total the UCCA estimates that “Over $1 billion in investment has recently been completed, is under construction or in advanced planning. Over 2,400 new or renovated housing units will be completed by 2004.”

Other developments in the area just outside of Brush Park/Cass Corridor have helped to expand the activity beyond the freeways that are natural edges to the area. The new Tiger Stadium (baseball) and Ford Field (football) are located just south of Brush Park, bringing in thousands of fans for sporting events. The Fox Theatre/Hockeytown

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complex, owned by Mike Illitch⁶², further enhances the northern part of downtown which borders Brush Park. Eastern Market is the main farmers market in Detroit, located just east of Brush Park. While it has been in existence since 1841, the market is planning a significant upgrade to improve the facility and its environs⁶³. Just to the west of the Cass Corridor the Jeffries Homes, a notoriously rundown public housing project, is receiving HOPE VI funding to rebuild a new set of structures to be known as Woodbridge Estates.

Finally, just to the north Wayne State is creating a 47 acre Research and Technology Park that will host the state of Michigan’s alternative energy research program, called NextEnergy. This technology park will serve to connect Wayne State to the New Center area, an office and entertainment district one half mile to the north. All of these developments are examples of ways that the redevelopment and renewal in the Brush Park/Cass Corridor area can move beyond its borders.

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⁶² Mr. Illitch also owns the Detroit Tigers (baseball), Detroit Red Wings (hockey), and Little Ceasars Pizza.
The previous building rebuilt, with the new Tiger Stadium and the Renaissance Center in the background- Photo copyright Lowell Boileau, [http://atdetroit.com](http://atdetroit.com)

Development Forces

The development in the Brush Park/Cass Corridor area can be described as a modified form of gentrification. In many American cities this term has negative connotations, implying outsiders taking over a neighborhood from long-time residents who can not afford to pay increased rents. But the story in Detroit is a bit different because of the extreme depopulation of the area over the years, which has left many empty lots and abandoned buildings. This reality changes the nature of development and its impact on area residents.
Gentrification is a term fraught with multiple meanings and definitions, but it will be defined here as simply as possible: large scale migration of middle-class residents to a city neighborhood formerly primarily occupied by moderate and low income residents. The following is a list of forces that tend to encourage middle-class resettlement of city neighborhoods:

- The central city has energy and action surpassing the suburban areas
- The city is convenient to work opportunities
- The price of housing in the suburban areas has escalated in recent years
- There is a perception that crime has stabilized or dropped
- Lifestyle factors- many singles and childless couples are attracted to city neighborhoods, as are gay and lesbian couples

The Brush Park/Cass Corridor area qualifies on four out of the five factors listed, the outlier being housing prices, which have risen in the metro Detroit area but are still at affordable levels for most residents. The other factors are all positive for Brush Park/Cass Corridor, especially the convenience to work opportunities, with so many large employers located in the area or within a short distance.

Gentrification is generally thought to be a process that ends up forcing out lower income residents who can not afford to live in the newly upgraded neighborhood. This is obviously a large issue, especially in the lower Cass Corridor, which is home to many homeless shelters and transitional homes for individuals with substance abuse problems. There will be pressures, both economic and political, to move many of these services to

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64 Clay, Phillip, Neighborhood Renewal, p. 15.
other sections of the city. There is room to devise solutions to this problem, if for no other reason than the large amounts of vacant land still left in the neighborhood. These parcels will allow land swaps and other deals which can accommodate current and new residents. Nevertheless, the issue of displacement is a major concern that must be addressed as development moves forward.

**Development Strategies and Role of the City in Brush Park and the Cass Corridor**

The primary mover behind the redevelopment and gentrification of the Cass Corridor and Brush Park has been the UCCA, a small organization that has the backing of the major institutions in the area. The UCCA has only four full-time staff members, along with part-time staff who assist with arts-related activities affiliated with the Detroit Institute of Arts. This capacity is bolstered by board members who are power brokers throughout the city and region. The ability of the UCCA to partner with a wide array of service providers, city government and developers has been the key to its success.

The UCCA strategy has been to first develop housing that would attract middle and high income residents to its service area, as a way to begin the redevelopment process. The UCCA has worked with a local CDC, the Cass Corridor Neighborhood Development Corporation, in order to create a good mix of income groups in the area, with the CCNDC concentrating on creating quality affordable housing and the UCCA working with market rate developers. Now that the area is acquiring a cachet as a place to live, the organization is branching out into business development and assistance.\(^\text{65}\) It is creating a voluntary business improvement district in the Woodward Corridor, providing

\(^{65}\) This section based on an interview with Tim Colbeck, Community Development Manager for the UCCA, conducted April 21, 2004.
enhanced services to businesses that contribute dues payments. The UCCA is also creating a façade improvement matching grant program and offering assistance with small business loans, all in hopes of fostering improved retail and commercial opportunities in the area for residents and business owners.

The UCCA is also working closely with a new organization, the Greater Downtown Partnership (GDP), which was created in 1996. The GDP is supported by corporate and foundation grants and is essentially acting as a planning agency for the downtown area, creating detailed plans and implementation strategies for each area. The plan for the Cass Corridor/Brush Park area is being enacted by the UCCA with funding assistance from the GDP. One major piece of the plan is a set of “greenways”, bike lanes and wide sidewalks that will encourage people to walk around the area and create a pedestrian friendly, more urban environment. This plan is integrated with the façade improvement program, which is targeted at the greenway streets.

The city of Detroit has not played an especially active role in the process of redevelopment in the Brush Park/Cass Corridor area. The Planning and Development Department is the agency responsible for dealing with city-owned land, but this department does not have capacity to respond quickly to developer requests. Oftentimes the president of the UCCA uses connections with city leadership to expedite especially important projects. Even when the process is expedited the time to complete purchases of city land often takes more than one year. The city appears to be uninvolved in the redevelopment of the area because it figures the UCCA is doing a good job. Many tasks formerly performed by the city, such as median upkeep and graffiti removal, are now

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66 The Michigan law to establish a mandatory BID is quite strict and it will take a long time to meet the requirements.
67 GDP website, http://downtownpartnership.org
handled by the UCCA. The UCCA believes that improved city services, especially in public lighting and security, will further induce people to live, shop and work in Detroit.
Chapter 5- Recommendations and Conclusions

This thesis originally began as an assessment of the Far Eastside Project, an ambitious plan to build thousands of new homes on vacant city-owned land in Detroit. The basic finding of that assessment was that the city has not laid a strong enough foundation of community support, monetary resources and market readiness in order to proceed with the FEP as planned.

This proposed development was contrasted with ongoing development in a similar sized area just north of downtown Detroit. This development has produced thousands of new and rehabilitated housing units and is sparking a rebirth of this area of the city. While there are questions about the needs of low income residents in Brush Park and the Cass Corridor, this development is sorely needed in Detroit and offers a much better model for future development than the Far Eastside Project. How can the city of Detroit better target its resources to encourage residential and retail redevelopment?

Location, Location, Location

This phrase is supposedly the mantra of real estate professionals, and it should be the mantra of Detroit planners. One of the driving ideas behind the FEP was the large amount of city-owned land, which in theory made it easier to create a new neighborhood. This basic idea, that land availability should be a reason to pick a location for redevelopment, goes against just about every theory of urban revitalization. It is even more surprising given the difficulty that the city of Detroit has in disposing of land that it owns. The location of the FEP does not have any inherent qualities such as transportation access or unique institutions like hospitals and parks that attract residents.
The Brush Park/Cass Corridor area was used as a counterpoint to the poor location of the FEP. There are major employers, a university, a hospital and historic homes and buildings all located inside the area. These are the types of amenities that will attract new residents to Detroit and keep current residents in the city. If the city wants to drastically increase the number of housing units in a neighborhood, it should have some of these types of amenities.

Another key to location is choosing a neighborhood in the “path of development”, like the North Lawndale neighborhood in Chicago, which is benefiting from development radiating west from downtown Chicago. Similarly, Detroit officials might concentrate on neighborhoods such as Boston-Edison, an historic neighborhood along Woodward just north of the office area called the New Center, which is just north of Wayne State. This neighborhood is home to many beautiful mansions and a significant amount of vacant land. Development in Boston-Edison would be the logical next step of the new development reaching up Woodward. If there are historic buildings owned by the city it could turn them over to developers who would like to split them up into condominiums or create a special tax district like those in other parts of the city.

**Build From Strength**

The Far Eastside Project seems to be a development project out of the movie “Field of Dreams”: if you build it, they will come. But most potential homebuyers don’t look at a place and imagine how it will be in the future. They see the place as it is today. Trying to rebuild an emptied out neighborhood from scratch might work if there was high demand for housing in Detroit, but the market is very soft, with prices below those in the
A better strategy is to find a place that is already desirable and fill-in vacant lots and expand the boundaries of the neighborhood. There are several neighborhoods in Detroit that would qualify. Many parts of the northwest side are in good repair, with only a few vacant lots. If the city wants to attract more homebuyers, packaging these properties for developers would make more sense than starting over from scratch. The northwest side also has a strong asset in that the University of Detroit-Mercy is located in the area, and like Wayne State is mainly a commuter school. Encouraging a more lively campus area through residential development would be a good place to start.

**Capitalize on Current Development**

The planners of the Far Eastside Project were on to the right idea when they decided to pick a location nearby other successful development just north of the Detroit River. Applying this same logic to the Brush Park/Cass Corridor development one would conclude that the next logical places for development are the areas just outside of the development core. This means the Eastern Market area to the east and the New Center area to the north. There is already some development happening in both places, and the Eastern Market area is the focus of a major revitalization scheme, focusing on the retail space. A good place to move is new residential development in this area, reaching to Lafayette Park just south of Eastern Market. This would be an excellent place to attract families with children as it is outside the main downtown core but still close to the heart of the city. Lafayette Park has a bad history as an urban renewal project which destroyed the homes of thousands of poor residents, but in recent years it has been one of the few
ethnically diverse places anywhere in metro Detroit. Capitalizing on that strength and connecting Lafayette Park with Eastern Market is a strategy that can work.

**Build to the Market**

Any residential development strategies should consider the housing market and current trends. A market study for the Far Eastside Project was unavailable, and it is unclear if one has ever been conducted. Newspaper articles pointed to subsidized homes and river access homes to indicate demand, not considering that this demand may not translate to non-subsidized, non-river access homes like those in the FEP. It is likely that the builders selected for the FEP will conduct market studies to understand demand and demographics of likely buyers. This should have been done as an initial step by the planning department.

The Greater Downtown Partnership has conducted a market study for housing demand in the area around downtown, including the Brush Park/Cass Corridor area.\(^{68}\) The study points to the need to both attract new residents and retain residents who are leaving the city. It determined that 73% of the demand for housing in Detroit comes from residents already living inside the city, while 69% of the demand for housing in and around downtown comes from current city residents. The study also determined that approximately 4,000 people would locate to the downtown area if appropriate market rate options were available. This type of market study and understanding is an important part of the process of determining target areas for redevelopment.

\(^{68}\) Conducted by Zimmerman/Volk Associates, March 2002.
Community Development

The role of community development in neighborhood revival was mentioned in almost every article and book reviewed. By community development I primarily mean the network of community based organizations that build housing, encourage neighborhood economic development and organize residents around important local issues. The community development movement has not been able to solve all of the problems of urban America, but it has definitely improved life in those neighborhoods where it has thrived.

Unfortunately, Detroit does not have a very strong community development movement or tradition, according to Victor Abla, a program officer at LISC, an organization that supports community development corporations (CDC) with funding and technical assistance.69 According to Mr. Abla the CDCs in Detroit have improved significantly in the last few years, but are still behind well-established organizations in other cities such as Boston and Cleveland. The CDCs in Detroit do not have enough organizational capacity nor enough support from city government.

The city Planning and Development Department should spend more time and money on fostering community development in Detroit neighborhoods. According to Mr. Abla the department has had a reputation as being averse to working in the neighborhoods, but this reputation is changing as younger planners are brought on board who have more interest in community development. This progress in supporting community organizations should continue, and the city should consider adding to staff in the neighborhood development division of the planning and development department. The community development model has not been the key to development in the Cass

Corridor and Brush Park, but it will be a key component of redevelopment plans in outlying neighborhoods like the FEP area. These areas, which do not have the inherent advantages of institutions and location, need strong community support and organizing if they are to be reborn.

Another area of growth in community development is getting more city owned parcels into the hands of community groups with the capacity and community support to develop the land. LISC is working with the city of Detroit on a program called the “From the Ground Up Campaign”, which aims to work with the city and CDCs to reengineer the city’s land disposition system, revitalize neighborhood commercial strips, and build capacity in twelve CDCs. This program is noteworthy in that LISC is working with a consulting company to analyze and recommend changes to the land disposition process, a sorely needed change in a city with over 40,000 city-owned vacant parcels. This work should continue and be bolstered with increased funding and support from the planning and development department, since the returns from a successful program will be long lasting, benefitting the city and residents into the future.

Streamline and Improve City Operations

This is a suggestion that has been made by many others, including the Detroit News in an excellent series published in December 2001. The series includes recommendations to eliminate many city departments, streamline others and create new directorships with enough power to make change. Mayor Kilpatrick made a step toward this when he created the role of Chief Development Officer (CDO), overseeing multiple

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70 http://www.liscnet.org/detroit/about_us/campaign_4179.shtml
city agencies and two non-profit organizations, all related to development in the city. This action was taken in an attempt to offer more guidance to development in the city from a mayor’s cabinet position. This is a welcome move, but the two departments mentioned by the UCCA as those which often slow down revitalization efforts were the law and public lighting departments, neither of which fall under the CDO command. Efforts made to improve development in Detroit must be undertaken at every level of city government.

Find and Work with Strong Partners

As detailed in the critique of the Far Eastside Project, most successful development in Detroit has happened because of the support of a strong business or institution. The city simply lacks the financial power and the institutional capacity to make deals happen on its own. Possible partners include hospitals and universities, using the model employed in Brush Park/Cass Corridor. Another likely partner is DaimlerChrysler, which has three large plants on the east side of Detroit. General Motors has recently made major investments in Detroit, but DaimlerChrysler moved its headquarters out to the far suburbs in 1993 and has shown relatively little interest in Detroit. If DaimlerChrysler was persuaded to be a better corporate neighbor on the East Side it would put some of its economic might behind community development and housing projects in the area. Similar companies and organizations, many of whom want to work with the city but have not found useful ways to be involved, should be encouraged.
Help Foster Immigration into Detroit

The story of the rebirth of many American cities in the 1990s is due in large part to immigration from outside of the United States, primarily from South and Central America. These immigrants moved into cities with declining populations like Chicago, Boston, and New York, creating new communities and fostering economic growth. All three cities saw population growth during the 1990s, led by large increases in the immigrant population. Detroit has not been a traditional “landing place” for Latino immigrants, although the number of Hispanic residents in the city of Detroit increased from 27,000 to 45,000 from 1990 to 2000[72]. Latino immigration is a major demographic trend in America today, and Detroit has only begun to benefit from it. Immigrants from Latin America will likely be a major force in a repopulation of Detroit. Another growing group in Detroit is the Arab population, with many immigrants coming from Iraq, Syria and Lebanon. The Detroit area is home to the largest Arab population in the world outside of the Middle East, although most of these immigrants have settled in the suburban areas outside the city. These immigrants are also settling in southwest Detroit, mostly near the Dearborn border.

The primary Hispanic community in Detroit is also on the southwest side, centered on a neighborhood called Mexicantown, near old Tiger Stadium and the foot of the Ambassador Bridge. The area is going through changes as the state is considering building a large intermodal facility to improve freight transit, especially across the Detroit-Windsor border. Mexicantown borders the neighborhood known as Corktown, which is gaining some renown as a neighborhood for young people, a place open to artists and musicians. To the southwest of Mexicantown is a large Arab population,

which is growing rapidly in the Detroit area. Finally, Habitat for Humanity is also
working just north of Mexicantown, constructing homes across a 16 block area. All of
this activity offers many opportunities for future growth. Federal funds will flow to the
area to improve the freight terminal. If the city and state are proactive they can also get
funds for mitigation of construction and activity impacts, which have some flexibility of
use, including building parks and improving services. The city should consider
southwest Detroit as its next area of residential redevelopment. Moving many of the
principles and ideas of the Far Eastside Project to southwest Detroit could prove to be the
key to fostering growth and repopulation in the city.

Conclusion

What does the future hold for the Far Eastside Project? In order to find an answer
to that question, it is worthwhile to analyze the actions of the city planning department in
focusing so much on this area of the city. I think that the city motivation to focus on this
area came out of a sincere desire to effect positive change in the residential
neighborhoods of the city. Mayor Archer had been widely criticized throughout the city
for his attention to downtown business growth, such as the casinos and stadiums. It was
believed by many that he had given up on the neighborhoods, concentrating city money
and effort only in the downtown core. The Far Eastside Project may have been the
rebuttal to that criticism, a way to show residents that the city cared about them and was
trying to come up with new ways to rebuild the residential parts of the city. This idea
arose during an interview with the city planner responsible for the East Side, Terrance
Henry. He expressed hope that the FEP, if successful, could serve as a template for other
areas of the city. It appears that this desire to find a big solution to the abandonment of homes in Detroit is a key reason that the planning department has concentrated on the FEP.

Another reason for this effort is the relative ease with which it can be accomplished because of the abundance of vacant, city owned land. Detroit’s dark history of urban renewal and eminent domain takings has made everyone in the city understandably resistant to plans which would require removing people from their homes. The strength of this plan is that the land vacancy eliminates this issue, leaving enough space to carry out large scale redevelopment. But the availability of land should not be the sole factor in deciding on target areas to allocate scarce resources such as federal funds and staff time.

The concentration of those resources on the East Side is probably one of the reasons that the planning and development department has not played a major role in the development going on in Brush Park and the Cass Corridor. I think that the city saw the activities of the University Center Cultural Association and decided to let the UCCA do its work unimpeded. This calculation was made because the city saw the capacity and connections of the UCCA and decided that the organization could handle the task of overseeing development in the area.

This type of benign neglect of the most promising area of the city cannot continue if the planning department wants to have a major role in both encouraging and shaping future development. The department needs to focus on playing the facilitator and negotiator role that Carmon suggests city governments should play in gentrifying areas. This would involve forging close relationships with developers, offering improved
service and speed in return for needed amenities such as affordable housing and quality open space. This strategy is especially important in dealing with the issue of removal of homeless and drug dependent individuals who rely on services in the Cass Corridor. The city should be able to negotiate a suitable solution to this problem if it can offer developers appropriate incentives. Similarly, creating a strategy to dispose of nearby land that might be developed in the coming years is also an important task for the planning department. By getting out in front of development the city can play a much more important role in that future shape of Detroit.

The Far Eastside Project area, however, is not likely to be one of these high growth areas for quite a while. The city planning department should move away from large development projects and focus more on neighborhood and community development. This would involve increasing funding to community development corporations for affordable housing and community organizing activities. The city should target those CDCs which have already exhibited strong leadership. On the east side this would mean the Warren-Connor Development Corporation and U-SNAP-BAC, among others. These are good organizations that have traditionally had somewhat adversarial relations with the city. Increased funding and institutional support would therefore serve two purposes. First, it would be a way to improve relations with important community organizations. More importantly, it is a tangible way for the city to play a realistic role in improving these neighborhoods.

Another way for the planning department to think about development in the Far Eastside Project area is to use a more incremental approach. This strategy builds on the surrounding strong neighborhoods, namely the area just to the south along the Detroit
River and the neighboring city of Grosse Pointe Park. Instead of attempting to rebuild the entire area, the city should concentrate on the parts which are already strong and build from there. Many of the houses on the Grosse Pointe border are in fine condition, although there are still a few vacant lots, and the streets become emptier the deeper one goes into Detroit. This area likely has the highest home values on the far east side, making it a prime location for new market rate housing. Potential buyers would be attracted by proximity to Grosse Pointe as well as the general quality of the area.

Concentrating city resources in this part of the FEP area would likely produce a high return on investment through increased tax revenues and home values.

The other area of incremental growth is the area just north of Jefferson Avenue. One of the reasons for picking the FEP area in the first place was the success of the neighborhoods to the south, those lying between Jefferson and the Detroit River. These river neighborhoods have many quality historic homes as well as many homes constructed in the past ten years. The strength of this area could stretch across Jefferson if the business district along the avenue is improved and neighboring homes are rebuilt.

The mayor’s Office of Neighborhood Commercial Revitalization has given a grant to the Jefferson East Business Association to expand their façade improvement program and business attraction program. This relationship with Jefferson East can be improved, using the organization as a catalyst for business development in the Jefferson corridor. Improving local businesses will strengthen the residential real estate market as demand increases for housing in the neighborhood. Just like the Grosse Pointe border area, city investment in this area has potential for high return in tax revenues and home values.

Growth will start in strong areas and radiate outward, just as it has in Brush Park and the

73 Interview with Libby Pachota.
Cass Corridor. This type of incremental improvement is more manageable and pragmatic than the overly ambitious plans of the Far Eastside Project.

Detroit has many problems and some opportunities for improvement. Places such as Brush Park and the Cass Corridor are obvious areas for residential and retail redevelopment because of their inherent advantages. The development component of the planning and development department should focus on these types of areas, those places which exhibit the most promise. The Far Eastside Project area does not possess such inherent advantages and is therefore not yet a place to concentrate too many development resources.

The issues of abandoned neighborhoods pervade almost all of the older large cities in the United States. Overly optimistic “big idea” plans like the Far Eastside Project are not the best way to solve the problems of these neighborhoods. A pragmatic, market-oriented (not necessarily completely market-based) plan for attracting new residents into urban areas is the best way for a city like Detroit to go about redevelopment. With the support of state and federal resources the city could also attempt to redevelop areas like the Far Eastside which do not currently have much potential. There would need to be major changes in the ways that the metropolitan area grows, including restraining development on the outer edges of the area and further incentivizing those who choose to build in the inner city. These fundamental shifts are necessary in order to repopulate the outer neighborhoods of the city.
Afterword

There are many issues which could not be discussed in this thesis because they were too broad to handle in any meaningful way. Foremost among them is race. The racial divide in metro Detroit pervades almost every part of life there. Life in the suburbs is almost exclusively white, and life in Detroit is almost exclusively black. This issue obviously adds a layer of complexity to the analysis of residential development in Detroit because new residents affect the racial mix of the city.

Race also pervades development because most private companies and construction firms are owned by whites and headquartered outside the city, a situation which understandably does not sit well with many in Detroit.

Despite all of the bad blood between the races in the area, it is my belief that whites must move back into the city in substantial numbers if Detroit is to become a major city again. I do not want whites from the suburbs to “colonize” the city, but I feel the economic power of white residents is necessary for the economy of the city to function properly. I also feel that the divide between the races harms all of the people in the metro area, just as it harms all people on this planet.

The only way to truly deal with these problems in the long run is to live in some kind of community. I believe the best place for that type of community is in the neighborhoods of Detroit. Many whites who move into Detroit may go to enclaves which are primarily white, creating the same segregation patterns inside the city as those which exist in the metro area. This is what has happened in New York and Chicago, which are very racially diverse cities overall, but very segregated at the neighborhood level. The evidence of the new development in Detroit is that it is relatively diverse from
a racial standpoint. This is because the new developments of lofts and condominiums are also appealing to middle class blacks who may have left the city without new housing options. There are many opportunities for improved relations between blacks and white in Detroit. Living side by side in the city is one of the best of these opportunities.

The other major issue that I could not discuss at length is the importance of working with other governmental agencies in the metro area, as well as the state and federal governments. One underlying assumption of this thesis is that the city is being left to its own devices, especially by the state of Michigan and the federal government, which have cut back significantly on funding and support. Many authors have written extensively about the massive disinvestment in American cities by individuals, companies and governments. This situation can not continue if Detroit is to be an important city. Detroit is the biggest city in Michigan and the heart of the American automotive industry. The continued vitality of the city is important to the entire metro area and the entire state.
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