

**Holistic Revitalization in Small Post-Industrial Cities: Tools for Urban Housing Development  
by Jeffrey Beam**

Bachelors of Architecture  
University of Notre Dame  
Notre Dame, Indiana (2000)

Submitted to the Department of Urban Studies and Planning and the Center for Real Estate  
in partial fulfillment of the requirements for the degree of

**Master in City Planning**  
and  
**Master of Science in Real Estate Development**

at the  
MASSACHUSETTS INSTITUTE OF TECHNOLOGY

June 2009

© 2009 Jeffrey Beam. All Rights Reserved

The author hereby grants to MIT permission to reproduce and to distribute publicly paper and electronic copies of this thesis document in whole or in part in any medium now known or hereafter created.

Author \_\_\_\_\_  
Department of Urban Studies and Planning and the Center for Real Estate  
May 20, 2009

Certified by \_\_\_\_\_  
Professor Lorlene Hoyt  
Department of Urban Studies and Planning  
Thesis Supervisor

Accepted by \_\_\_\_\_  
Professor Joseph Ferriera  
Chair, MCP Committee  
Department of Urban Studies and Planning

Accepted by \_\_\_\_\_  
Professor Brian Anthony Ciochetti  
Chairman  
Interdepartmental Degree Program in Real Estate Development



# **Holistic Revitalization in Small Post-Industrial Cities: Tools for Urban Housing Development**

by Jeffrey Beam

Submitted to the Department of Urban Studies and Planning  
and Center for Real Estate  
on May 20, 2009 in Partial Fulfillment of the  
Requirements for the Degrees of Master of City Planning and  
Master of Science in Real Estate Development

## **ABSTRACT**

For generations, housing programs have sought to utilize redevelopment projects to accomplish broader community revitalization goals. Contemporary affordable housing practice embodies this idea in large housing development projects, often funded through government programs such as HOPE VI. This “Conventional” revitalization is primarily based on experiences within the distressed housing projects of large cities, on the false premise that the impacts of redevelopment will be the same in a small post-industrial city as in a large, economically diverse one.

Housing developers entering the context of a small post-industrial city must reconsider this idea. They must understand an idea of “holistic” housing revitalization that leverages the development process to make positive economic, physical, and psychological impacts that specifically address the specific challenges in these cities, such low civic capacity, poverty, low governing capacity, large immigrant populations, and an abundance of vacant properties. Fortunately these places possess inherent assets, such as walkable scale, historic architecture and cultural institutions, that present unique opportunities which position them to lead a national economic recovery through sustainable building projects.

This report focuses on three cases of current, innovative housing development:

- An industrial mill conversion that creates a new mixed use neighborhood in Lawrence, Massachusetts;
- An adaptive reuse of a prominent hotel in Flint, Michigan that has sat vacant for 30 years into new downtown student housing; and
- A new apartment community for single-parent, full-time students in Owensboro, Kentucky.

Against the background of the broader evolution of holistic housing development, the cases directly address the unique challenges of small cities. Comparing the cases and their formative partnerships, concepts and strategies yields a wide range of data to support an idea of Holistic revitalization in these places. The primary data include over twenty hours of interviews with project proponents and stakeholders, as well as development proposals, zoning opinions, financing applications, consultant reports and local press coverage. Together, they provide a detailed view of Holistic revitalization and the tools of its implementation in small post-industrial cities.

Thesis Supervisor: *Dr. Lorlene Hoyt*

Title: *Associate Professor of Urban Planning*



## TABLE OF CONTENTS

<b>ACKNOWLEDGMENTS.....</b>	<b>6</b>
<b>PREFACE.....</b>	<b>7</b>
<b>CONVENTIONAL HOUSING REVITALIZATION.....</b>	<b>9</b>
Early History	11
The Rise of Community Development Corporations	12
The HOPE VI Program	13
Comprehensive Community Initiatives	15
The Idea of Conventional Housing Revitalization	16
<b>THE CHARACTERISTICS OF FORGOTTEN CITIES.....</b>	<b>20</b>
Place Matters	21
Defining “Forgotten Cities”	23
The New Reality	25
The Need for a New Idea of Revitalization	26
Local Assets	28
Lawrence, Flint and Owensboro	29
<b>CASE STUDIES: UNION CROSSING, THE DURANT &amp;THE LEARNING VILLA... </b>	<b>33</b>
Case One: Union Crossing (Lawrence, MA)	33
Case Two: The Durant (Flint, MI)	41
Case Three: The Learning Villa (Owensboro, KY)	48
Different Projects, and a Shared Idea	53
<b>THE IDEA OF HOLISTIC REVITALIZATION.....</b>	<b>55</b>
Ten Tools for Urban Housing Revitalization	59
<b>FROM IDEA TO PRACTICE: IMPLICATIONS FOR DEVELOPERS.....</b>	<b>70</b>
The Role of the City Government	72
Limitations of this Study	72
A Note on Method	73
Infrastructure, Sustainability and Beyond: Retrofitting U.S. Cities	77
<b>APPENDIX.....</b>	<b>79</b>
Case Study Interview Method	79
Bibliography	81

## A C K N O W L E D G M E N T S

I am grateful to the individuals associated with the case study projects in Lawrence, Flint and Owensboro. Without exception, the people who served as resources and interview subjects did so openly and patiently, allowing me to overcome the issues of time and distance in getting to know these places and these developments. Special thanks go to Tracey Glasscock, Amy Hovey, Richard Karp and Maggie Super Church, who went out of their way to respond to documentation requests and follow up inquiries.

I would also like to thank my thesis advisor, Dr. Lorlene Hoyt, who ensured that this report made substantive connections to my own previous experience and to my future career plans. Her willingness to engage students interested in these places and these topics is unlimited. Additional thanks go to Susan Silberberg-Robinson, Maggie Super Church and Karl Seidman, who each provided thorough feedback and provoking questions at critical points in the process.

Finally, I want to thank my wife, Sara, whose support allowed me the freedom to use graduate school to test what I think I know. I have never met anyone more perceptive or thoughtful in my life.

This thesis is dedicated to those who live and work in Forgotten Cities, whose efforts will achieve an equitable and sustainable future in these places.

## P R E F A C E



In the summer of 2008, I had the opportunity to work for one of the leading urban housing development nonprofits in the country. One of my tasks was to investigate whether the firm should acquire a property in a western Massachusetts city where a private developer had already gained zoning approval for a mixed income multifamily housing project. The permitting had been enabled by a statewide zoning provision that encourages the construction of new affordable housing by the private and nonprofit sectors.

The city I analyzed represents an interesting snapshot of a small, industrial mill town, with traits familiar to me from college and professional work in similar cities in Indiana, New Jersey and New York: it had an economy built around a single, waning manufacturer; one in three local jobs was in a factory; the city had an attractive, but aging housing stock, where over 70 percent of the housing was built over 50 years ago. Downtown retail featured local merchants alongside many vacant storefronts. A quick demographic analysis yielded further stagnation: the city's median family income was less than \$34,000 per year. Barely 13 percent of adults had at least a bachelor's degree.

Despite all these challenges, the city had a great deal of charm. The City Hall, the public library, the post office and other civic functions remained in handsome, architecturally ornate structures in prominent locations at the city center. Compact city blocks invited walking along attractive streets and in small parks. Not far from the center was a fairly distinct edge, where urban development quickly transitioned to natural forest and wetlands. Despite the low incomes, housing “affordability,” as conventionally understood, was less of an issue, since 71 percent of houses were valued at less than \$100,000.

Walking around the city, one could imagine the impact a stable, occupied new housing development could bring to the city center, with its residents activating streets and public spaces, shopping at local retail, and reinvesting in the community. The psychological impact alone of redeveloping one of the prominent vacant properties in the small downtown would make a big difference.

Alas, that was not the project that had been offered to us or approved by the City. That property was located more than two miles from downtown on a greenfield site adjoining a natural wetland. The parcel was not connected to city utilities nor was within walking distance of daily needs. The proposed site was located there because it was land that was easily assembled, as opposed to a more fragmented or complicated downtown site. The lower land residual of a raw, rural site drew it away from the center. The uninspiring program and design were dictated by what was most financeable with conventional lenders and soft debt financing agencies. The perceived market depended on out-of-town workers who would be attracted by low relative rents and proximity to a state highway that connects to distant, larger cities. As conceived, the project was unlikely to spur revitalization.

Why on earth, I came to wonder, would a developer and the City focus the time, effort and resources on a project with so little potential to address the city’s real challenges or to benefit existing residents? Why does the “affordable housing industry” so commonly produce bland garden-apartment projects that fail to capitalize on any of a place’s inherent assets?

Thankfully, my firm passed on the project, but these issues resonated with me, reinforcing frustrations I had working as an architect and planner on large housing development projects in similar communities around the country. What was it about that small, industrial city that made that typical housing proposal seem so ineffective and wasteful? How could new housing leverage a broader revitalization in these places?

Fortunately, I have been able to consider these questions at length in the past two years, surrounded by the vast resources of MIT’s Department of Urban Studies and Planning and Center for Real Estate. Through my graduate work there and exposure to innovative, committed practitioners working in small, post-industrial cities, I have studied the issues and processes that affect housing development in these cities. My hope is that the discussion in the pages that follow will assist developers in achieving more substantial outcomes in their projects, as I hope to in my own.



## O N E

### *Conventional Housing Revitalization*

Urban housing development is intensely local. Even for large, national firms, the process of site acquisition, zoning and building approvals, design and marketing must all understand and operate in a local context measured in city blocks. When the development is located in neighborhoods wavering on the edge of economic or social stability, local trends, challenges and opportunities become critical indicators for a project's potential impact. To know the correct product, at the appropriate scale, for the right mix of residents and uses requires deep engagement with the social, economic, physical and psychological characteristics of "place." This is especially true in America's small, post-industrial cities, whose unique challenges are becoming more widely understood and whose need for new and innovative approaches to the development of urban housing is increasingly urgent.

My own professional experience has dealt with the design and construction of large housing revitalization projects across the country, from large cities like Washington, D.C. and Cincinnati to small cities such as Bridgeton, NJ; North Charleston, SC and Niagara Falls, NY. In each case, the Development Teams were composed of capable, well-intentioned, dedicated professionals who brought as much efficiency and resourcefulness to bear on the projects as possible. They followed the best practices of contemporary housing revitalization practice, and often the completed projects won multiple national design awards.

In this work, I was struck by two important limitations to our work:

- 1) Design was a vital tool, but it addressed only the a portion of the community's need for total economic, physical and psychological revitalization; and
- 2) A vast difference existed between the large-city projects and those set in the small cities struggling to replace a departed manufacturing industry.

These observations led me to believe that the contemporary affordable housing industry creates projects with a limited impact on a community and the lives of their residents. These impacts are even further muted by some of the stark conditions in small, post-industrial cities. A more holistic idea of housing revitalization is needed, one where practitioners immerse themselves in the local context and conceive projects that produce more than just housing units. This approach would gain a competitive advantage for municipal cooperation and approvals, for public financing and for creating properties with enduring financial and social value.

To achieve these outcomes, practitioners must grasp two primary facets of holistic housing development: first, to develop and refine project concepts from the set of assets and needs identified in community-driven processes, and second, to construct innovative “tools” appropriate for a specific target population, design, construction, management structure, facilities and programs. Holistic housing revitalization leverages the development process and investment to achieve a broader range of impacts that specifically address the challenges and opportunities of a place.

Unfortunately, as I observed in my own work, the majority of urban housing is not developed holistically. Financial necessity, political climate, organizational capacity and sheer lack of time and resources for planning usually dictate the location and type of projects implemented, even by the most conscientious developers. In small post-industrial cities, where financial and political resources are scarcer and there is less civic capacity to marshal, the task of aligning a new project with community needs becomes more difficult as it takes on even greater importance, as the impacts of new development are magnified in small cities.

My intent is to assist neighborhood revitalization practitioners in codifying the idea that has emerged, sometimes unconsciously, about a more holistic development process in their cities, to identify the tools they have utilized or created to implement this idea, and to share replicable aspects of that work with other practitioners in similar contexts. This exploration should also shed light on important questions for the wider urban housing development community, whose capacity will be needed to bring about the transformation of small cities throughout the country: how can a project help restore the civic landscape and build grassroots economic development? How are innovative revitalization coalitions in the community identified and sustained, so projects are conceived, programmed, designed and constructed for the most holistic ends possible?

Before addressing those questions, however, it makes sense to first lay out some of the history of neighborhood revitalization ideas in the U.S. and their connection to housing development. The following pages describe an evolution of the idea of combining housing with community development goals going back more than a century up to the present; the limitations and halting implementation of this idea have established some of the background for what I am calling “conventional” contemporary revitalization practice.

This evolution has been marked by periods of strong emphasis in policy and theory on the pairing of com-

prehensive public goals with housing development. In these periods, housing and community development practitioners attempt to leverage political will, public subsidy and private investment into broader revitalization strategies. Their efforts can be traced through generations of programs, from Settlement Houses during the Industrial Revolution, to the Ford Foundation's "Grey Areas Program," to the 1960's "War on Poverty," to the rise of community development corporations (CDCs) in the 1970's, to the community supportive services (CSS) partnerships utilized in HOPE VI projects in the 1990's and early 2000's.

To practitioners and policy-makers concerned with holistic revitalization, urban housing development goes beyond the repair or replacement of mere shelter. It must provide decent, safe habitat that can also connect communities with the services and resources that allow intended residents to improve their social and economic standing.

## **EARLY HISTORY**

As early as the 1880's, settlement houses emerged as a response to the social problems of industrialization and urban growth, becoming a national movement by 1900.<sup>1</sup> Reformers lived among new immigrants in multifamily tenements, providing a host of services for the residents in their adopted – and often hostile – new homeland. Through these unofficial, in-house social workers, families connected with basic health services, schooling, potential employment and other charitable services.

This era coincided with a broad "Americanization" movement, in which established cultural norms in the U.S. were strongly impressed on newly arrived immigrants, including economic, political and moral standards. This movement was likely seen as a way to both stem the cultural upheaval created by waves of arriving foreigners and as a way for the settlement workers to interpret the immigrants' communities sympathetically to a wary American public.<sup>2</sup> Thus, the first structured, widely employed form of holistic housing was created in the U.S.

In this period, poor urban neighborhoods were largely composed of densely packed multifamily tenement houses, continuing through the first few decades of the 20th century. Though important in the cultural assimilation of immigrants, to most observers these neighborhoods were characterized by deplorable sanitary conditions and terrible overcrowding. Deprived of sunlight and fresh air, and often lacking access to running water and city services, the physical environment of the neighborhoods came under harsh scrutiny. A connection between urban space and social order had been made, with design taking precedent over community and social development. The tenement neighborhoods and their social ills were to be rooted out, and the redevelopment tool came in the form of Urban Renewal.

Accompanying the sweeping Modernist movement in the mid-20th century, Urban Renewal spread rap-

---

<sup>1</sup> Crocker (1992)  
<sup>2</sup> *Ibid*

idly worldwide, partly as a response to the conditions in industrial urban centers. Urban Renewal relied on extremely heavy handed, design-obsessed ideas about housing revitalization that wiped out entire neighborhoods in most major cities, critiques famously leveled by James Q. Wilson, Jane Jacobs and others.<sup>3</sup> It is largely in response to this draconian approach that the modern era of community development and holistic housing revitalization emerged, beginning with the federal Model Cities program and the advent of community development corporations (CDCs) in the 1970's.

## **THE RISE OF COMMUNITY DEVELOPMENT CORPORATIONS**

Created by a Congressional Act in 1966, Model Cities stood out from more singly focused programs such as Urban Renewal, bringing an emphasis on comprehensive planning that included economic, social, and physical concerns.<sup>4</sup> Model Cities was designed to bring the full range of federal programs to bear on select neighborhoods in a locally relevant fashion. In stark contrast with previous revitalization programs, objectives were defined across a more holistic range of impacts that encompassed planning, mobilization, participation and innovation. The performance measure criteria within the Department of Housing and Urban Development (HUD) sought "innovation in planning process or products," "shifts in resources" to and around the impact area, "agency coordination," "institutional change" and "citizen participation," measured in membership on neighborhood boards and review panels.

At this point, these criteria were largely unquantifiable. Yet they have largely formed the basis of performance assessments in subsequent revitalization ideas and programs to present. The difficulty and debate has been in how to measure outcomes in these categories, and in determining their relative priority order.

While the Model Cities Program was limited to a handful of selected neighborhoods across the country, community development corporations arose in the late 1970's as a widely utilized organizational structure to create more local control, accountability and participation. They concentrated mainly on building housing as a means to combat urban decay. Gradually, CDCs became complex, professional real estate development organizations in order to compete with the private market. They became narrowly organized around technical expertise in finance, architectural design and construction. The focus on real estate created controversy, where many felt that CDCs had become distracted from their "core missions" to create comprehensive approaches to neighborhood needs and broad-based community participation.<sup>5</sup>

In the 1990's, CDCs returned their attention to services focused on people, not property. As Mercer Sullivan observes, "the 'more than housing' strategy arose from a realization that the strength of the neighborhood fabric was as important as the quality of housing."<sup>6</sup> Housing and community development practitioners renewed the effort to understand the ideas behind truly holistic revitalization.

<sup>3</sup> Wilson (1966) and Jacobs (1961)

<sup>4</sup> HUD (1973)

<sup>5</sup> Sullivan, edited by Pierson/Smith (2001)

<sup>6</sup> Ibid

Simultaneously, the federal HOPE VI program was authorized and funded with hundreds of millions of public financing dollars designed to boost private investment in urban housing revitalization. The dollars targeted the revitalization of highly distressed public housing complexes in inner cities, created under Urban Renewal, which were now perceived as physically obsolete places that created an overconcentration of poor residents and isolated them, socially and physically, from their surrounding neighborhoods.

## **THE HOPE VI PROGRAM**

Housing revitalization ideas had come full circle, returning to traditionally planned, dense blocks that somewhat resembled the neighborhoods demolished half a century earlier. More than trading one design philosophy for another, however, the HOPE VI program emphasized two significant changes in urban revitalization projects.

First, it required grantees to leverage the federal subsidy with large amounts of matching public and private capital. In meeting the new HUD leverage requirements, Low Income Housing Tax Credits (LIHTC) became an important financing tool. LIHTCs allowed developers access to capital by allowing banks and firms to make tax exempt investments in the project, creating a stream of private investment in affordable housing production. According to the financing rules, these units are targeted for Low Income renters, earning up to 50 or 60 percent of the Area Median Income.

Secondly, HOPE VI established requirements for a variety of Community Supportive Services (CSS) to accompany the physical redevelopment. Plans for resident participation and capacity-building, better relocation and tracking practices, workforce training and job creation were all measured and scored for projects applying for HOPE VI funds. Importantly, the CSS resources provided by HOPE VI were not a permanent funding stream, so keeping them in place after their initial phase meant identifying another source, usually in a completely different federal department.

By 2006, more than 78,000 public housing units had been demolished under HOPE VI Revitalization grants, with more than 10,000 more slated for demolition. In their place, nearly 104,000 mixed income urban housing units will be built under current grantee plans.<sup>7</sup> Along with replacing some or all of the public housing units, many of the new units target low income and moderate income households (so-called “Tax Credit units” funded through LIHTCs). Many others target market rate buyers. Despite some of the legitimate criticisms of the HOPE VI program and its implementation in various cities, it is difficult to argue that has not impacted major American urban areas and had a transformative effect on public housing neighborhoods.

The aims of HOPE VI, however, did not fully translate to the smaller city contexts of later project awards; the program was not conceived with those places in mind. Bruce Katz, former HUD Chief of Staff, de-

---

<sup>7</sup> Cabrera (2007)

scribes targets for HOPE VI intervention in a 1999 interview:<sup>8</sup>

*There was a feeling that probably about a tenth of the public housing inventory was highly distressed... There was a heavy concentration of poverty, especially among African-Americans, sometimes with 85 to 90 percent of a given development on welfare. No one was working, in neighborhoods with no jobs, where crime was high. What was called for was a fundamental overhaul.*

The overhaul was aimed squarely at severely distressed housing projects in large cities, such as Chicago's Robert Taylor Homes, whose redevelopment received a \$35 million grant in 1996 (See Figure 1.1). Of the 65 HOPE VI grants awarded in the first three years of the program (1997-99), over a third were given to cities of over 500,000 residents (in the 1990 Census) or an immediately adjacent suburb, such as Jersey City, NJ. Fewer than 20 were awarded to cities with fewer than 250,000 residents, though there were hundreds of these cities in need of significant revitalization as they struggle with the collapse of manufacturing.

In later years of the program, when many of the highest-profile projects had been revitalized and program funding was greatly reduced, smaller cities received more attention. In the three years from 2004-06, there were 19 total awards, of which 11 were to cities with fewer than 250,000 residents.<sup>9</sup>

**Figure 1.1:** The Demolition of Chicago's Robert Taylor Homes (Image Source: Flickr user chicagoeye)



<sup>8</sup> Jacobson (1999)

<sup>9</sup> Analysis of HUD HOPE VI program awards by author (March, 2009). Data sources: HUD Office of Public and Indian Housing, U.S. Census Bureau

## COMPREHENSIVE COMMUNITY INITIATIVES

Through each generation of urban housing redevelopment, there has been continuous tension in focus between people versus places, private versus public, central administration versus grassroots organizing, and categorical versus comprehensive priorities. In the 1990's, community development practitioners attempted to ease these tensions through a hybrid approach to each of these issues, known collectively as Comprehensive Community Initiatives (CCI). These implementation approaches grew out of a service delivery problem, and combine strategies of community organizing, rehabilitating infrastructure, expanding local economic potential, reforming social service delivery and strengthening informal social networks.<sup>10</sup>

Building on the evolving understanding of holistic revitalization, CCIs encompass housing, economic development, human services, recreation, culture and education – all of the aspects of a neighborhood that affect quality of life for residents. Not all CCIs are similar, however. Some focus primarily on children and families while working to restore a community's economic fabric to support family life, acknowledging the importance of the connection. Others developed similarly to the housing programs described earlier, broadening physical development to more comprehensive goals. Conceptually, all CCIs share “an appreciation of the interdependence of physical, economic, and social development strategies and a desire to create synergy among them.”<sup>11</sup>

Practitioners in CCIs operate under the premise that combining interventions will stimulate greater and faster improvement across all the categories.<sup>12</sup> Similar to the Model Cities program, CCIs limit their focus geographically, bringing resources to bear across the categories in a targeted city or neighborhood. The primary differences of CCIs from traditional community development and coordinated-services strategies are the bridging of systems (human services, economic development, etc.) – moving beyond concurrent, parallel programs to more organic, mutually supportive connections – and the focus on enhancing institutions and mobilizing broad participation.<sup>13</sup> These indicate major steps toward more holistic community development efforts in the past two decades. Yet there is still a great deal to resolve.

First, understanding and assessing CCIs is problematic. By definition, these initiatives involve broad coalitions of stakeholders, an absence of steps between long-term goals and short-term outcomes, and a focus on not just individual change, but also neighborhood and institutional change, which are less easily measured. It is difficult to articulate what Carol Weiss has called the “theories of change” in comprehensive community initiatives because they are so necessarily open-ended to facilitate a collaborative process.<sup>14</sup>

Second, Comprehensive Community Initiatives are primarily based in large cities. They are funded by national grantmaking foundations, in partnership with local government and a network of strong, com-

---

10 Kubish, Stone, edited by Pierson/Smith (2001)

11 Brown (1996)

12 Kubish, Connell, Fulbright-Anderson, edited by Pierson/Smith (2001)

13 Brown (1996)

14 Kubish, Connell, Fulbright-Anderson, edited by Pierson/Smith (2001)

munity-based organizations.<sup>15</sup> Given this model, they are not likely to be implemented in environments that lack these building blocks. Likewise, the incorporation of private partners with real estate development capacity in this model is difficult – for a CCI to address housing development needs, a sophisticated, mission-based development partner must exist in the targeted community.

Third, there is nothing in the theory of CCIs that is structurally rooted in “place.” It is an abstracted process expected to adapt to the setting. So, while CCIs have generated a tremendous amount of knowledge about affecting change across systems, focusing resources, broadening partnerships and community-based organizing, they may have less to teach housing development practitioners for now.

If these issues can be resolved as they mature and evolve, Comprehensive Community Initiatives could spark advancement in housing revitalization practice that builds toward a much more inclusive process with holistic ends. In the meantime, practitioners work within the constraints of the contemporary affordable housing and community development process, which is examined in the following pages.

## **THE IDEA OF CONVENTIONAL HOUSING REVITALIZATION**

The assessment criteria for contemporary housing revitalization projects builds on the earlier programs, seeking desired outcomes related to design quality, quality of life, employment and income, stabilized municipal tax base, rationalized land uses and enhanced aesthetics. But, the problem remains: how should one measure these outcomes?

In their book, *Cityscapes and Capital: the Politics of Urban Development*, Pagano and Bowman assert that municipalities should assess project success based on three tangible, observable results:<sup>16</sup>

- (1) An increase in private capital investment and property values in the project area,
- (2) Altered physical appearance of the project area, and
- (3) A shift in class of user in the project area.

Unquestionably, projects achieving these results create striking, visible changes in their neighborhoods. Successful urban revitalization, in the view of many, is achieved when a project area has less blight, less crime, higher income residents and a tidy physical appearance, fairly universal ends among revitalization practitioners. Holistic revitalization, however, is as concerned with the means as the ends, seeking positive results by and for the people already in the community while making the neighborhood attractive to potential residents, as well. These practitioners seek not just measurable demographic change, but also substantive answers to these questions:

---

15 Hershel (2005)

16 Pagano and Bowman (1995)



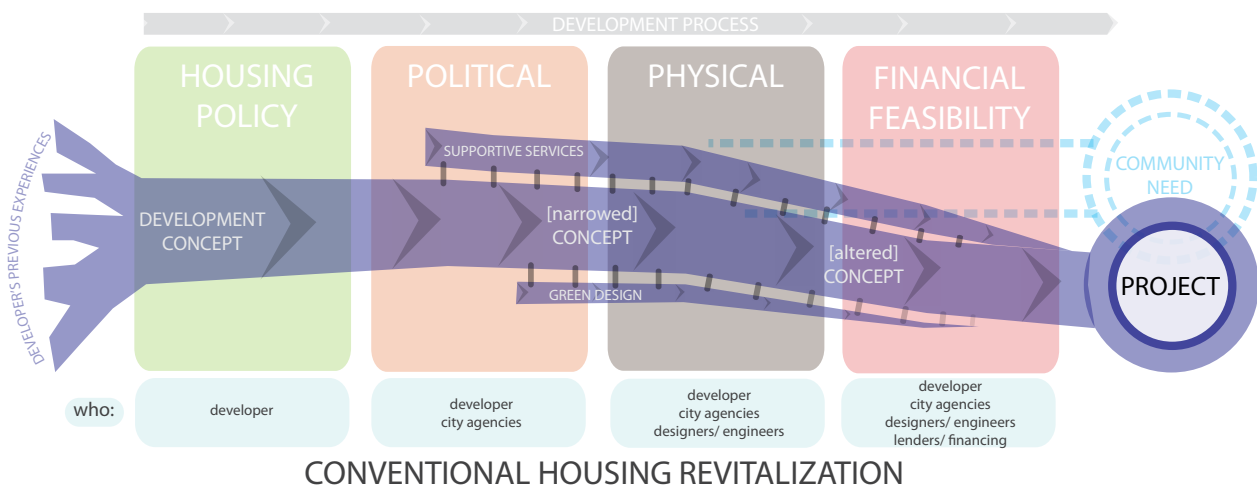
## CONVENTIONAL HOUSING REVITALIZATION

- Who is generating the higher incomes? Is it due to better opportunities and preparation for existing residents, or because development attracted new residents to the neighborhood?
- Have families and individuals developed greater capacity, or are they marginalized? Have neighborhood organizations or institutions developed greater capacity and self-reliance?
- Is better appearance due to greater resident and visitor pride and respect for the neighborhood, or due to maintenance-intensive management?
- Is the reduction in crime because behavior has changed and there's greater cooperation between residents and public safety officials, or because a "bad element" was relocated?

These questions define much of the debate about the idea of Holistic revitalization, but this debate is not always reflected in the actual implementation of those ideas. The instances where actual development diverges from abstract idea reveal the divide between theory and practice.

Urban revitalization theory is often disconnected from the form and function of real-world development participants, asking them to play roles or pursue goals that do not reflect their individual mission, such as asking private real estate developers to guide comprehensive community visioning, or overwhelmed city agencies to manage complex financing risk. So, a hybrid approach dominates, grounded in the realities of the development team's capacities but attempting to capture a greater good through their projects, often referring to previous experience in other places for guidance. I refer to this approach as Conventional housing revitalization. These projects negotiate the development process through a series of different "arenas" that impose changes and restrictions on the project as it goes from concept to physical development. Figure 1.2 demonstrates this process.

**Figure 1.2:** The Conventional Housing Revitalization Process



Conventional housing revitalization begins with the convergence of a developer's idea and the availability of public subsidy, through any number of housing policy programs (LIHTC, housing trust funds, HOPE VI, etc). At this convergence, the development concept is formed, with the developer's prior experiences and the housing policy's limitations as the principal guides. The Concept in this early stage is usually defined by a rough program and building type, as in "approximately 60 units of multifamily, garden apartments with one- and two-bedroom units."

The developer moves this concept through necessary approvals and feasibility tests in city/state politics, physical design and financing, adding consultants and partners to the development team as needed. This process is iterative and the different feasibility arenas overlap—projects can spend years moving between each and looping back to previous approvals. In this demanding process, the development concept will shift direction, narrow and/or take on additional conceptual goals, such as green design elements. These supplementary goals carry good intentions, usually, but their late timing and additive nature make them difficult to incorporate into the original concept.

In the process of attaining public approvals, the most pressing needs of the community are often uncovered, along with the proposed project's shortcomings in addressing them. The developer may encounter negative feedback and delays in project approval. Even if the developer persists, the project will have a limited impact in the community because of the missed opportunity to address entrenched challenges.

In the end, a successful developer in the Conventional revitalization process will have completed the project in a reasonable time period with a total development cost that remains financeable. It may even retain much of the basic concept envisioned at the outset. The finished project may not align with the most pressing community needs. (In fact, given that the Concept was formed by developer experience and housing policy, it often doesn't even begin in alignment with these needs.) Efforts toward greater community, economic or environmental benefit tend to vary from project to project.

Developers in this difficult process must be satisfied with creating decent, new affordable housing as the primary end. In large cities with diverse economies and functioning land markets, this is a valuable result, as housing costs are the biggest part of the challenging cost of living. With a stable base of housing, families are more able to take advantage of employment, social and educational opportunities. Most development practitioners approach other settings based on these experiences in large cities, on the false premise that the impacts of redevelopment will be the same in a small, post-industrial city as a large, economically diverse one. This is a mistake; the context of the revitalization is as important as the process.

The idea of more Holistic Revitalization is rooted in "place." Renewal must draw on available resources and create strategies that address a particular city's challenges, so a revitalization strategy or program utilized in one city may not have the same impact in another. Some of the small cities that received HOPE VI awards in the latter years of the program pose this dilemma for Conventional revitalization. These

“Forgotten Cities,” scattered throughout the U.S. and representing aggregate millions of people, present a different context, in which Conventional revitalization is less effective and less appropriate. The next chapter discusses these places in detail.

T W O

*The Characteristics of Forgotten Cities*

Large and small, old and new, cities must cope with different problems and different social and economic conditions. Major federal revitalization programs have always prioritized large urban centers because of their concentration of political power and media attention. With the exception of Model Cities, which was deliberately implemented across a small, diverse sample of cities, the majority of government funding has targeted large, highly distressed neighborhoods perceived as crime “hot spots” within major cities such as New York, Chicago and Los Angeles. Along with implementation efforts, the impact of revitalization ideas has also been focused on neighborhoods in large cities.

For a variety of reasons, these severely distressed neighborhoods in large cities often defy metro-level socioeconomic improvement. They are often physically differentiated from their surroundings by inwardly-focused, Modernist site design. Along with an overconcentration of poor and at-risk inhabitants and a lack of political connections or institutional resources, their housing isolates their neighborhoods, so residents tend to fall behind other metro area communities in economic and social advancement. Then a vicious cycle takes hold, inflicting generational poverty and other systemic problems. Thus, the focus of revitalization efforts lies in reintegrating these neighborhoods into the city so that residents can take advantage of the city’s employment base and services. This approach, which I call “Conventional” development, has in recent years often utilized large-scale housing redevelopment based on New Urbanist design principles as the primary revitalization strategy, complimented by small community development programs such as job training or adult education.

Macro-level reinvestment and renewed economic development efforts in urban centers in the past twenty years enabled housing developers to leverage large amounts of federal and private capital for these projects, completely transforming some city neighborhoods. While each project has achieved varying levels of suc-

cess, their proponents usually take the conventional development approach described above, as though the essential ideas about housing revitalization vary little between cities of different sizes and ages.

In reality, though, city contexts and needed interventions can vary tremendously. Small, post-industrial cities are unique places possessing characteristics that undermine the effectiveness of the conventional approach. Often, these cities lack local resources and functioning civic participation, so they are unable to direct development toward the most effective location, form and intended population for housing revitalization.<sup>1</sup>

## PLACE MATTERS

The claim that small, post-industrial cities possess unique characteristics that limit the conventional development approach requires background explanation. The following pages synthesize some of the recent literature on these places, outline their shared traits, challenges and opportunities and discuss selected cities in more detail. In recent literature, these small post-industrial cities have been called “Forgotten Cities.”

Forgotten Cities were once production capitals for textiles and machinery in the 20th century, but the loss of those industries forced a “wrenching economic restructuring,”<sup>2</sup> where the booming past quickly faded from memory. Now, they are often considered dangerous, ungovernable places that inhibit productive actions and “have generally been written off by many outsiders and even those who live in or near them.”<sup>3</sup> Forgotten Cities are defined as “old, small and poor,” using quantifiable measures discussed later in this chapter. Though some of these cities experienced less dramatic growth and decline, it is the similarities that are of primary concern here.

Foremost among their similarities is that these places often share histories marked by a period of industrial dominance followed by traumatic economic restructuring, leading to social and economic decline. The industries and leaders of decades ago seem barely relevant in the day-to-day life of current inhabitants, yet the past looms over much of their lives. The present environments in such cities present challenges to revitalization, and the national economic downturn that began in the fall of 2008 threatens to further undermine progress made in recent years. However, the current federal and statewide attention to infrastructure and economic recovery may provide opportunities unique to Forgotten Cities.

Until recently, these places remained unexplored in academic writings and professional reports. For instance, although there is a tremendous amount of literature on downtowns, the research findings and resulting policies have been based largely on experiences in large urban areas. To the extent that smaller downtowns and commercial areas have been studied, they have usually been suburbs in large metro

---

1 Exemplified by the city described in the Preface  
2 Hoyt and Leroux (2007)  
3 Ibid

areas. Literature on the downtowns of small cities in general is limited to descriptive, non-analytical accounts of the author's experience in a single city.<sup>4</sup>

Much more attention has been given to the extremes of the system. On one end are the cities of national importance, large in population and economically, socially and politically domineering within their regions. Such places differ from the small cities of concern here in a variety of ways:<sup>5</sup>

- Small cities have more walkable, human scale, lacking skyscrapers and super-block projects;
- Small cities usually do not have problems of congestion and traffic associated with big cities;
- Small cities lack the recent "signature projects" of big-city economic development, such as a stadium or arena, convention center or downtown shopping mall;
- The downtowns of small cities are generally not divided into separate specialty districts for financial firms, entertainment or medical research, nor dominated by a corporate presence;
- Owing to the small size and relatively low land values in small cities, there is a higher percentage of historic buildings remaining and a more direct connection between residential areas and downtown; and
- In small cities, there is greater reliance on informal networks in the inner workings of political and social organization.

At the other end of the scale from large urban centers, there have been numerous studies of the informal organization of unincorporated places of fewer than 20,000 people, which have even less similarity to small cities. The middle ground of historically important regional centers, lies mostly unexplored. As a result, planning practitioners and developers in the small city context have little reliable information to go on. They do not know if patterns and trends identified in large cities can be generalized and applied to their cities, and so they must rely on research and practices that may not be applicable to their situations.<sup>6</sup>

In particular, a small scale has magnifying effect on change of any kind of these cities and them across a range of characteristics. Forgotten Cities have less diversified economies, and often a single major employer can represent a large percentage of the employment base. In a much smaller urban area, a handful of vacant buildings or lots can visually depress the entire downtown, especially those in prominent sites or along thoroughfares. Socially, the outward migration of residents can pair with the arrival of immigrants or minority racial or ethnic groups to rapidly change the city's demographic composition and shift long-standing political and social traditions. Perhaps most importantly, there is no psychological distance in small cities; they are usually too compact to allow for much distance between neighborhoods, or to allow for mental partitioning between a "good" and a "bad" part of town. Physical and social familiarity and

---

4 Robertson, edited by Burayidi (2001)

5 Ibid

6 Ofori-Amoah (2007)

interaction is a fact of life.<sup>7</sup>

Before entering a small post-industrial development context where there is physical blight and widespread poverty, housing developers must grasp the characteristics that make a Forgotten City so different from newer or larger cities. They must recognize the limitations of conventional development ideas in this setting, and realize the vast potential presented by a Forgotten City's rich history, compact size and significant infrastructure. This understanding leads to an idea about housing revitalization with more meaningful impacts and greater potential for successful outcomes, departing from Conventional housing development practice. Observation of successful efforts in Forgotten Cities reveals specific development tools that enable more effective urban housing development.

### **DEFINING "FORGOTTEN CITIES"**

In recent years, scholars have begun to fill the research gap described earlier, focusing on small, post-industrial cities which have disappeared from public consciousness and the federal policy agenda. These Forgotten Cities share three main criteria,<sup>8</sup> which will serve as categorical definitions here:

- (1) **Age:** Forgotten Cities are old by American standards, arising out of the Industrial Revolution. In every case, they had a population of at least 5000 persons by the year 1880.
- (2) **Size:** Often having declined from an earlier peak, city population ranged from 15,000 to 150,000, as of the 2000 census.
- (3) **Poverty:** Owing to a waning or departed manufacturing industry, the Average Median Income (AMI) in Forgotten Cities remains below \$35,000 per year.

Forgotten cities are located throughout the country, but tend to be concentrated in the formerly industrial, "Rust Belt" regions of the Northeast and Midwest. In 2000, there were 150 cities that met these criteria, inhabited by a total of over 7.4 million people.<sup>9</sup> Often geographically or socially isolated and in the background of urban policy debate, the economic boom and urban revival of the late 1990's largely bypassed these places.

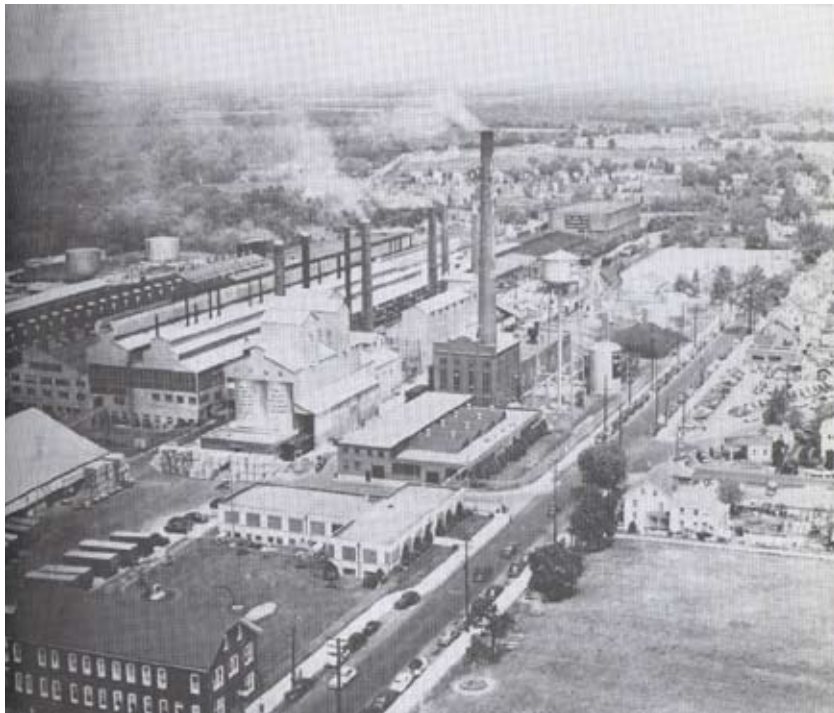
Beyond these basic characteristics, small industrial cities often share similar historical narratives, marked by stark periods that Hoyt and Leroux call "domination, decline and new reality."<sup>10</sup> During the period of dominance, a Forgotten City served as regional hub and as an economic and cultural center. Often, the city's name became synonymous with a product, or even a particular manufacturer, such as Flint, Michigan and General Motors, or the wood furniture-makers of Jamestown, New York.

---

7 Fox and Axel-Lute (2008)  
8 Hoyt and Leroux (2007)  
9 Ibid  
10 Ibid

Almost mythologically, this era of dominance survives in the public consciousness, coloring public perception and casting a shadow over current residents and their efforts. This period saw the creation of the city's signature infrastructure, industry, institutions and identity, as well as an accelerated period of in-migration of Europeans or southern African-Americans moving north. Giant industrial mill buildings, neo-classically designed libraries and public buildings, and leafy districts of elegant Victorian houses are all vestiges of

**Figure 2.1:** Bridgeton, New Jersey in a period of relative dominance



this time, and they remain an active part of each city's physical identity. See Figure 2.1 as an example of one such small industrial city.

The decline of U.S. manufacturing in the second half of the 20th century and growth of the southwestern "Sun Belt" produced a fundamental shift in the country that ruined the economies of many smaller cities, driving them into a period of steep decline. During this period, resources became scarce as institutions faltered and the tax base fled. Hoyt and Leroux describe five elements experi-

enced in Forgotten Cities during the slide from dominance: the shock of a plant closing or massive layoff, the slippage in public services, self-destruction in the form of arson, vandalism and violent crime, the stigmatization caused by the sensational coverage of this decline, and the shame that accompanies the internalization of failure by city inhabitants.

In this period, the function of governance and civic participation faltered. Many cities became incapable of providing basic services related to sanitation and public safety. Some small industrial cities had a less dramatic decline, but still struggled to diversify their economic base or maintain growth. In most cases, young residents departed, headed for the rapidly growing suburbs in larger metropolitan areas or for regions with greater economic opportunity, leaving the city with an even greater deficit of financial and community resources. Some policy makers doubted the prospects of small industrial cities in the new service economy, and protested the use of federal and state resources for their survival.



## THE NEW REALITY

In the wake of this decline comes a new reality, a period in which “local leaders and residents struggle to understand and accept a new set of local conditions,” which Hoyt and Leroux describe:<sup>11</sup>

*High-wage manufacturing jobs have been replaced, if at all, by low-wage service employment. As a result, the public and nonprofit sectors have become wage leaders and gained importance to the local economy. Environmental degradation has made redevelopment of industrial areas cost prohibitive and in some cases impossible. Additionally, property values have plummeted and generated waves of arson and abandonment.*

This new reality is marked by common characteristics found in nearly every Forgotten City, defining the set of challenges faced by revitalization practitioners across a range of physical, economic, social and even psychological issues.<sup>12</sup> Among these, there are significant challenges for housing development, which can be sorted into the aforementioned “arenas” of the development process:

- **Political challenges:** fragmented civic capacity, residents isolated by racial or ethnic differences and low governing capacity;
- **Physical challenges:** aging infrastructure and vacant, polluted industrial brownfields; and
- **Market and financial feasibility challenges:** struggling schools and extensive poverty that discourage new investment and further diminish the tax base.

Ineffective or absent institutions, underperforming schools, shifting demographics and polluted industrial sites can be found in cities of all sizes and historical narratives. What makes these challenges significant

**Figure 2.2:** Images of the landscape of decline in Bridgeton, NJ



<sup>11</sup> Hoyt and Leroux (2007)  
<sup>12</sup> Ibid

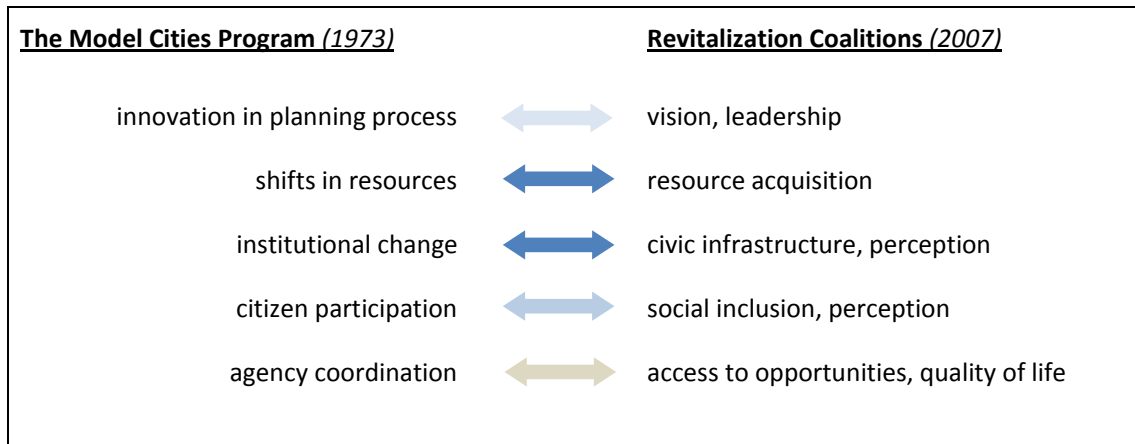
in a Forgotten City is the scale of impact relative to the city’s smaller economy, population and building stock. Across a number of indicators, from population change, to employment change, to poverty concentration, to educational attainment, small post-industrial cities tend to lie at the extreme ends, consistently better in a few indicators and much worse in others. The problems found in large industrial cities are not found in a smaller scale in their smaller counterparts, rather they are often felt more dramatically.<sup>13</sup> When combined with a lack of political attention, inadequate resources and an undiversified economy, Forgotten Cities often find themselves unable to escape a vicious cycle of decline.

**THE NEED FOR A NEW IDEA OF REVITALIZATION**

The regional isolation of these cities and the lingering psychological effects from decline provide a context for housing development that varies considerably from that of Conventional development derived in large cities. The Forgotten City context demands that practitioners consider different ideas about revitalization that respond to the challenges found in these places in order to have meaningful impacts on the community and enduring economic success. Through discussion with a variety of practitioners working in and/or studying revitalization efforts, Hoyt and Leroux identify the pivotal pieces addressed in building innovative revitalization coalitions in Forgotten Cities: leadership, civic infrastructure, vision, social inclusion, quality of life, access to opportunities, resource acquisition and perception.

Their observations were not intended for direct comparison with the range of criteria established by HUD’s Model Cities revitalization program (recall from Chapter One the goals for planning innovation, shifts in resources, institutional change, citizen participation and agency coordination). One was a federal agency’s explicit, methodical self-assessment; the other infers a list of priorities perceived in recent revitalization efforts. Still, an interesting comparison can be made, if only to understand the two approaches relatively. This comparison is shown in Figure 2.3.

**Figure 2.3:** Comparison between a 1973 Model Cities assessment and the 2007 Hoyt/Leroux analysis



Comparing the two, there are clear parallels in the need to connect with resources and to rebuild civic capacity in people and institutions. There is recognition of the importance of engaging those affected by the process and the outcome. The comparison also reveals differences, however, that highlight the challenges presented by Forgotten Cities.

With Model Cities, HUD addressed the need for adjusting the planning process and products to achieve greater effectiveness. In Forgotten Cities, the civic landscape has often been eroded to a point where the planning infrastructure needs to be completely rebuilt; there is a more fundamental need for visionary leadership. Another difference evolved over the years, as rote citizen “participation” on committees and panels has been replaced by an emphasis on more substantive “inclusion,” giving citizens the power to set the redevelopment agenda. Additionally, coalitions today seek to change the perception of the process to one driven by a broad set of equal stakeholders, not by political and economic elites.

Not surprisingly, HUD’s assessment saw the streamlining and coordination of agency functions as a criterion unto itself. In contrast, revitalization coalitions prioritize only the criteria that directly impact the lives of residents, such as quality of life and access to economic and social advancement opportunities.

To be sure, the Conventional Revitalization process formed over the past several decades to revitalize neighborhoods in large, economically diverse cities is often not appropriate or effective in meeting the challenges of small post-industrial cities. The scale, isolation, and years of decline in some Forgotten Cities present systemic problems that make the mere provision of subsidized housing an incomplete solution. Places like Flint, MI; Youngstown, OH; and Niagara Falls, NY have shrinking populations, leaving the market flooded with inexpensive private housing and depressed market demand. Each of these cities has smaller households and nearly double the vacant share of housing than the national average.<sup>14</sup> These places have almost nonexistent local economies and an increasing dependency on outside subsidy.

Other Forgotten Cities, such as Lawrence and Chelsea, MA and Bridgeton, NJ have a contrasting problem: due to an influx of immigrant families, they have tremendous demand for housing, so large families (or multiple families) squeeze into private housing that is often substandard and not in a supportive environment for residents. However, the low price and avoidance of tenant background checks or income documentation make it an attractive option. These cities have fewer vacant units and confront difficult social problems associated with the dramatic shift in ethnic makeup.<sup>15</sup>

Both of these situations require innovative approaches to housing revitalization based on holistic outcomes to adequately address the challenges. New affordable housing production must be connected with resident empowerment, increased civic capacity, and build on local institutions and assets. Fortunately, innovative developers will find that the unique local assets presented by Forgotten Cities provide fascinating opportunities.

---

<sup>14</sup> U.S. Average: 2.6 persons/household, 11.6 percent of units are vacant, versus Flint (2.4, 21.5); Youngstown (2.3, 20.9); and Niagara Falls (2.2, 21.0). Data source: U.S. Census Bureau

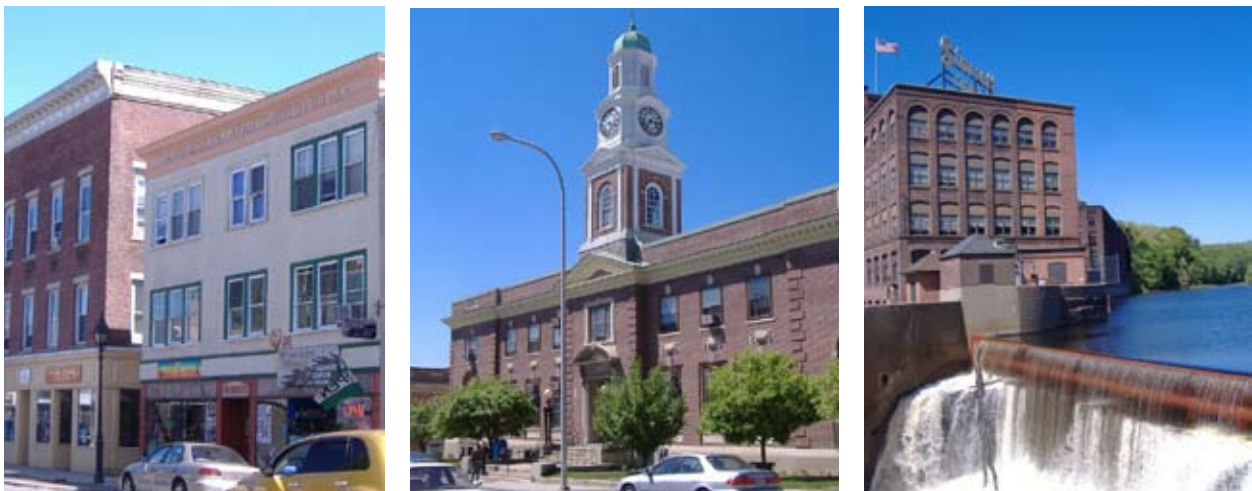
<sup>15</sup> Lawrence: 2.9 persons/household, 74.8 percent speak a language other than English at home, 8.4 percent vacant units; Chelsea (2.8, 64.5, 10.4); and Bridgeton (3.1, 24.2, 10.3). Data source: U.S. Census Bureau

**LOCAL ASSETS**

Even as they struggle to comprehend and address their new realities, Forgotten Cities possess a variety of physical, social and cultural assets that position them to lead a national economic recovery through sustainable infrastructure and building development. Indeed, during their periods of dominance, these were the characteristics that made these cities attractive places to work or live, aside from industrial employment. Many of these traits are durable, meaning they still exist after a period of decline and economic restructuring. Hoyt and Leroux identified many of these assets, including these that are especially relevant to housing redevelopment:

- **Layout and infrastructure:** Very often, small industrial cities were originally planned communities along valuable waterways, and they retain an inherent walkability and organization. Many still possess rail lines, parks and picturesque bridges.
- **Architecture:** Historic homes, mills, commercial buildings and other rich architecture remain from the period of dominance (See Figure 2.4). Many cities still showcase this legacy, as in the walking tours of Bridgeton, New Jersey’s Victorian District, the largest historic district in the state.<sup>16</sup>
- **Cultural assets:** As with the physical legacy, Forgotten City residents inherit artistic and educational assets, such as symphony halls, museums, and small colleges.
- **Identity:** People in Forgotten Cities, especially longtime residents, are often fiercely loyal to the place and its history. There is a ready willingness to volunteer time and resources. Business leaders see their success connected to the city’s success.
- **Scale:** There is an intimate scale, both physically and socially. Downtown can often be accessed on foot. Elected officials can be easily accessed.

**Figure 2.4:** Some common architectural assets in a Forgotten City (Image Source: author’s photos)



16 Cumberland County, NJ official website (2009)

This last point on scale can be expanded to describe the lack of bureaucracy caused by informal political networks in Forgotten Cities. Approvals and negotiations can be more personal, avoiding unnecessary process delays. In other cases, the regulatory infrastructure can be almost nonexistent in cities with low governing capacity, which has a similar effect in not constraining diligent developers.

Innovative developers, often working in nimble coalitions, capitalize on these assets in crafting new projects by responding to challenges in creative ways. This approach enables housing development projects that may have a deeper, more enduring contribution to their community by providing access to economic opportunity and helping to rebuild civic capacity in addition to providing shelter. For those entering a Forgotten City context, identifying cases where others have set out to achieve these goals through housing redevelopment will provide experiences and strategies from which to draw out a new idea of Holistic Revitalization.

### **LAWRENCE, FLINT AND OWENSBORO**

Several examples of creative development responses can be found across the country. I have selected three of these projects as cases from which I draw conclusions relevant across many small post-industrial cities, as they are located in places that demonstrate their variety.<sup>17</sup> The cities are geographically diverse: Lawrence, Massachusetts is located in central New England, just south of the New Hampshire line and less than an hour from the Atlantic Ocean. Flint, Michigan is famously in the historic heart of the U.S. auto industry, situated in the “Rust Belt” along the eastern Great Lakes. Owensboro straddles the geography and customs of the Midwest and the South in western Kentucky, on the southern bank of the Ohio River.

Several other immediate observations reveal much more that differentiates the three cities. These places vary in size, as Flint has more than double the population of Owensboro, and have strikingly varied demographics, with a different racial or ethnic majority in each city: Hispanics in Lawrence (69 percent), African-Americans in Flint (54 percent) and non-Hispanic whites in Owensboro (89 percent).<sup>18</sup>

Despite these differences, they share structural similarities among Forgotten Cities. Many of these characteristics derive from the three defining criteria discussed earlier; relative to other American cities, these cities are old, small and poor (See Figure 2.5).

Beyond these basic observations, each city’s history is defined by a rise to regional—even national—prominence due to a vibrant manufacturing industry in the first half of the 20th century, followed by a difficult period of restructuring as manufacturing waned. The periods of dominance and decline varied by city, but at the turn of the century, each found itself adjusting to a stark new reality.

Figure 2.6 exhibits these phases of growth and decline and their relative impact in each city. Lawrence’s population peak came amid its booming textile production in the 1920’s, before a steady loss of mill jobs

---

<sup>17</sup> The process for selecting these cases and extracting data is detailed in Chapter Five and the Appendix  
<sup>18</sup> 2005-07 American Community Survey three-year average, U.S. Census Bureau

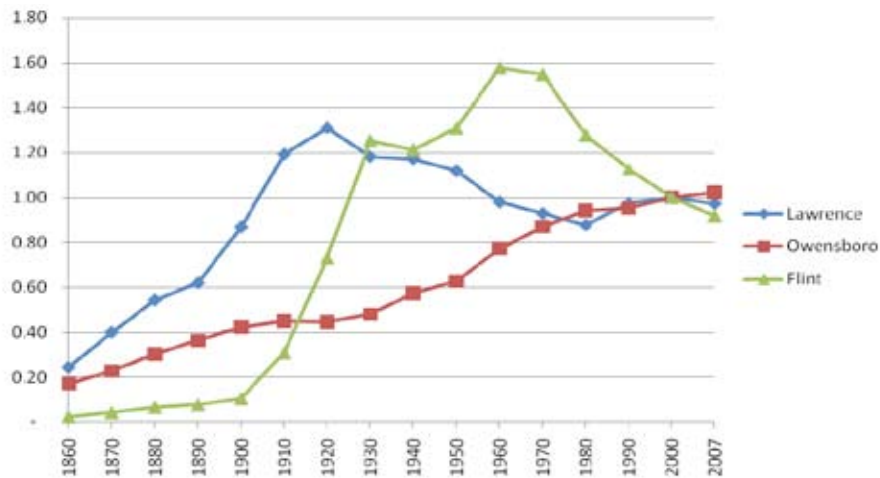
HOLISTIC REVITALIZATION IN SMALL INDUSTRIAL CITIES

**Figure 2.5: Old, small and poor: defining traits of the case study cities (US Census Bureau, 2005-07 ACS estimates)**

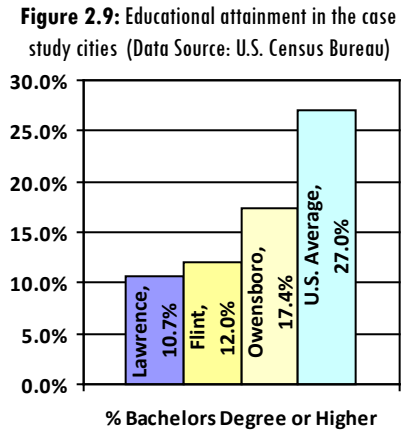
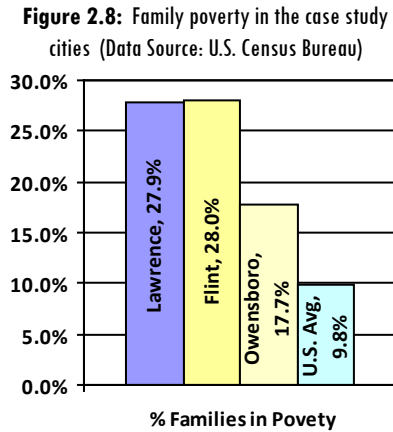
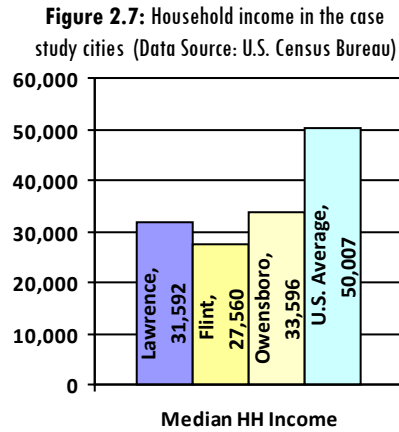
	<b>OLD</b> (population greater than 5000 persons in 1880)	<b>SMALL</b> (current population between 15,000 and 150,000)	<b>POOR</b> (median household income less than \$35,000)
<b>Lawrence, MA</b> (Lawrence City)	Incorporated 1847 (1880 population of 39,151)	71,319	\$31,592
<b>Flint, MI</b> (Flint City)	Incorporated 1855 (1880 population of 8,409)	108,304	\$27,560
<b>Owensboro, KY</b> (Owensboro City)	Incorporated 1817 (1880 population of 27,730, Daviess Co)	53,408	\$33,596

led to a six-decade decline, where the city lost nearly a third of its residents. The city’s population has grown slightly over the past 30 years, countering a regional trend of decline in other cities, driven by the influx of families from the Dominican Republic and Puerto Rico. Flint began its own dramatic advance around 1900, with a fifteen-fold growth in population over the next six decades and the rise of General Motors, before peaking at nearly 200,000 in the 1960s. As the automotive industry in Michigan began its decline, so did Flint, losing nearly half its population by 2000. Despite some signs of stabilization in the city, the population continued to decline in 2007. As shown in Figure 2.6, Owensboro experienced much less severe fluctuation. It grew slowly and steadily until the 1930s, before an accelerated period saw the population double by 1980. Growth in the city has flattened in recent decades, as the city struggles to retain young families.

**Figure 2.6: Historical population change in Lawrence, Flint and Owensboro (U.S. Census Bureau)**



Today, the cities find themselves in similar circumstances, as they struggle with low academic attainment, concentrated poverty and fragmented civic capacity. Figures 2.7-9 illustrate some of the critical indicators of these struggles, showing how each city significantly lags the national average.



Other shared Forgotten City characteristics are less quantitative, such as the sense of isolation felt in all three cities. The people of Lawrence experience the cultural isolation of first-generation immigrants—nearly three-quarters of residents speak a language other than English in their homes. Historically, similar waves of immigrants came to Lawrence to work in the mills, but the city now lacks that assimilating structure for new arrivals. Flint is isolated politically, always overshadowed by Detroit, located 45 minutes south. In its prosperity and then its desperation, Detroit has drawn most of the attention and resources of the region. (In fact, some interviewed observers felt Flint Mayor Don Williamson’s contentious resignation in February 2009 was long delayed by the state’s preoccupation with Detroit Mayor Kwame Kilpatrick, who was forced to resign and face criminal charges in September 2008). Owensboro is geographically isolated, two hours from a population center (Louisville) and in a minor media market.

Fortunately, Lawrence, Flint and Owensboro also share many of the unique assets introduced earlier that are common to small, older cities. Each retains much of the beautiful, historic infrastructure and architecture along its compact street grid. Owing to their industrial beginnings, each has an intimate relationship with a scenic riverway, from Lawrence’s Merrimack, to the Flint River, to the mighty Ohio River at Owensboro. Significant cultural institutions remain, some dating back to the periods of dominance, despite each city’s small size. Owensboro, a city of barely more than 50,000 residents, boasts respected museums for fine art, science and history, and bluegrass music, along with the RiverPark Arts Center and five universities. So, while the Conventional development approach in Forgotten Cities has been to lure new buyers and renters from stronger markets by capitalizing on lower land and development costs, Holistic projects instead seek to build on their local assets and revitalize from within, building wealth and opportunity in the city, fostering economic and social improvement.

Holistic revitalization in these cities must build on these existing assets while addressing the root causes of their shared challenges. An analysis of three specific case studies of innovative development projects follows, in order to guide practitioners in the creation of more successful urban housing development projects. These case studies provide evidence for the existence of a shared “idea” about Holistic housing development in small post-industrial cities, and provide useful data on how innovative revitalization coalitions collect them.

Additionally, development practitioners working in newer cities may benefit from understanding the issues addressed in the cases. While small post-industrial cities present a unique challenge, they represent a crystal ball of sorts for some of the issues that will face new, suburban edge cities once they begin to feel the effects of infrastructural aging, declining socioeconomic statistics and the in-migration of racial and ethnic minorities—trends which Forgotten Cities have been adjusting to for decades.



## T H R E E

### *Case Studies: Union Crossing, The Durant & The Learning Villa*

Lawrence, Flint and Owensboro are different, but share structural characteristics found in many small post-industrial cities. Very often, these characteristics work at odds with Conventional housing revitalization strategies developed elsewhere. This chapter examines three current housing revitalization projects and the story of how they were conceived, refined and executed by differing types of real estate development entities. From community outreach strategies, selection of partners and consultants, financing strategies and other tactical decisions, these projects have differentiated themselves from Conventional development practices and offer lessons for future Holistic development. The innovations they are making contribute an inventory of planning and development strategies as “tools” for Holistic Development in similar cities.

#### **CASE ONE: UNION CROSSING (LAWRENCE, MA)**

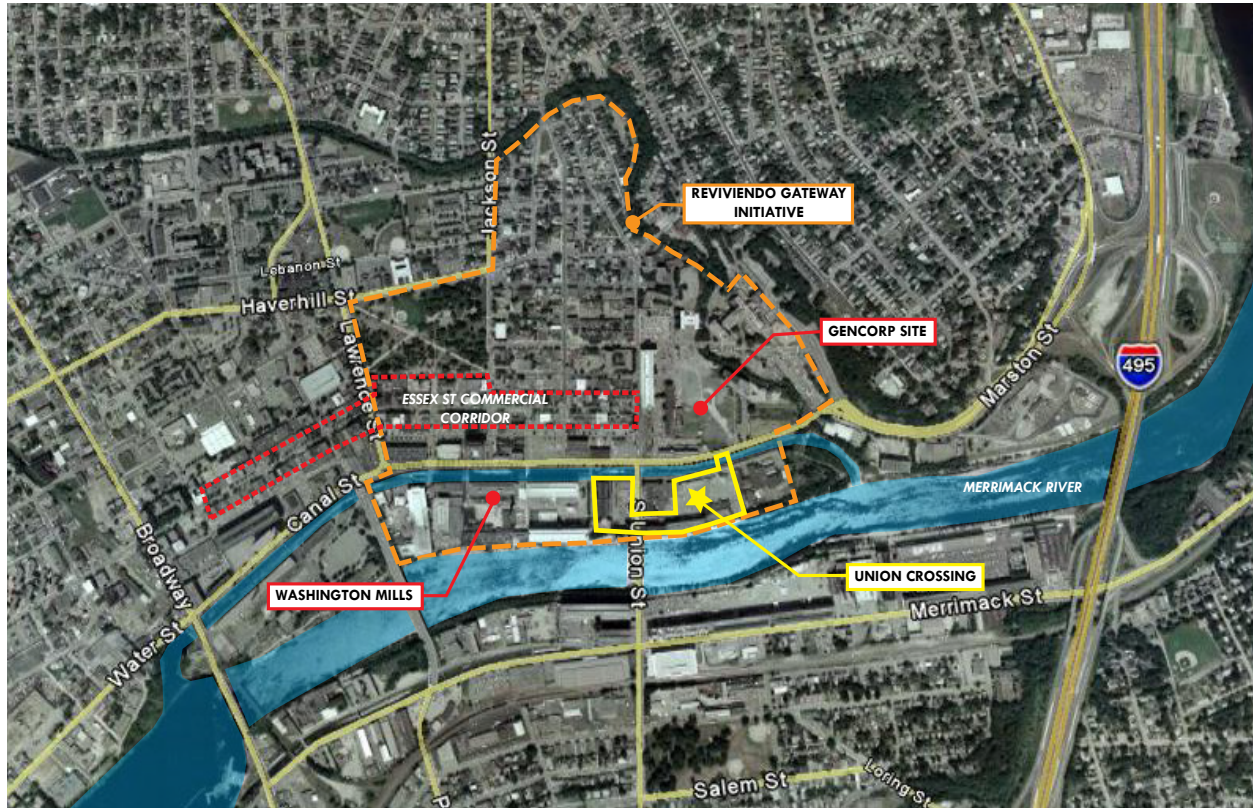
##### **Background**

Amid the social and economic decline in Lawrence mentioned in the previous chapter, a few events formative to the current housing development project took root. In 1987, GenCorp, the multi-national corporate owner of a prominently-sited former industrial property, partnered with federal, state and local governments to clean up and remediate the land for redevelopment. The 8.6-acre site was contaminated with pollutants and waste materials left over from an industrial firm which had ceased operating in 1981.

The remediation project was the most notable result of ongoing discussions between the firm, government agencies, and neighboring commercial property owners regarding the area’s revival. Given the

site’s location at the eastern entrance to the city center, the effort was dubbed the “Lawrence Gateway Project,” and was intended to entice new business and development that would stimulate the commercial revitalization of the city. To some observers, the Gateway Project was yet another representation of the city establishment’s entrenched mindset that “some [outside] entity would save the city”<sup>1</sup> and re-establish economic vitality.

**Figure 3.1: Annotated Map of Lawrence, MA**



The assembled commercial property owners and government agencies of the Gateway Project connected with the proponents of Project Reviviendo, an initiative led by Lawrence CommunityWorks (LCW), a local CDC, together with Groundwork Lawrence. Project Reviviendo was an ongoing effort that was “transforming vacant lots and abandoned buildings into new homes, playgrounds and community spaces,”<sup>2</sup> in the city’s North Common Neighborhood. Through the broader partnership, the Gateway Project found an avenue to demonstrate public support and attract additional funding opportunities. On the other side, LCW found an opportunity to leverage its organizing capacity and experience into a broader coalition and greater political traction in Lawrence to benefit its projects and members.

Rather than simply endorsing the Gateway Project’s plans or negotiating token concessions, LCW engaged in broad outreach to residents and stakeholders, along with the government agencies, mill owners and

1 Interview with Ezra Glenn (01/12/09)  
 2 Super Church (2003)

private firms, in a series of focus groups and public meetings that allowed Lawrencians to re-imagine Lawrence’s post-industrial future through the lens of the project. The scope broadened from the original 8.6 acre site and free-way interchange to include the Mill District, Downtown and the North Arlington neighborhoods. Collectively, the effort became known as the “Reviviendo Gateway Initiative,” or simply, “RGI.” The public launch in November 2002 attracted over 350 people.

Almost a year later, in October 2003, the Lawrence City Council unanimously approved the Reviviendo Gateway Overlay (RGO) District. While allowing for existing uses,

the RGO articulates the shared vision of the community-driven process that formed it. It unlocks the re-development potential of the mills by removing regulatory barriers to residential conversions and by standardizing regulations for non-manufacturing users such as biotech or publishing firms. The RGO includes measures to protect current Lawrence residents through a 10 percent inclusionary zoning provision that served to ensure that affordable units would be part of any future residential development. The overlay represented the first major change in the City’s zoning ordinance in over 60 years.

Beyond the formal zoning changes, however, RGI addressed a host of other priorities for LCW and its partners. Through the process, the organization brokered a new set of relationships with residents, organizations and mill owners that would be extremely valuable in the coming years. RGI also established a working dialogue with the city, which was in the process of rebuilding its Community Development Department with a HUD consultant team. The process and its outcomes established LCW’s “seriousness” in the eyes of potential partners, which in the eyes of the CDC, was crucial: “you have to have an organization that has earned the confidence and respect of the local community, who can help convene conversations that people will pay attention to,” claims Maggie Super Church, the current Union Crossing Project Director.<sup>3</sup> The process built on LCW’s smaller, earlier work including the development of a cluster of affordable housing on Summer Street and a revitalized parcel now known as the Reviviendo Playground. These actions built a history and reputation of “walking the walk,” allowing the organization to be a trusted third-party convener for major issues facing the community.

More importantly, RGI helped break down the social fragmentation and lack of communication between stakeholder groups.<sup>4</sup> It created an inclusive, communicative platform from which stakeholders “could envision possibilities beyond cleanup” of the sites. As one of the community organizers noted, the significant outcome of RGI would be a group, not a project.<sup>5</sup>

3 Interview with Maggie Super Church (01/06/09)

4 Leroux (2005)

5 Interview with Liz Gutierrez (02/05/09)

Figure 3.2: Lawrence’s North Common Neighborhood



An interesting aside from this process: perhaps the clearest indicator of the success in the joining of the Gateway Project and Project Reviviendo is that nearly a decade later, observers remarked that each side felt it profited from the arrangement and achieved its own goals through the discussions—the definition of “win-win.” This result was made possible through the broadening each side’s cohort of partners, with the Gateway Project involving more community participation and input and Project Reviviendo connecting with the established political clout of the mill owners.

### Partnership

As envisioned, the years immediately following RGI saw increased development interest in the mill district in Lawrence. Coinciding with a booming real estate industry and constrained land market in eastern Massachusetts, the overlay district zoning opened the door for regional and national developers to initiate redevelopment discussions for nearly every mill in the city. Having helped enable their own competition, LCW remained hopeful that they could acquire a mill for their own redevelopment project.

In October 2007, RGI began to bear fruit. Architectural Heritage Foundation completed the first successful residential mill conversion in Lawrence. The Boston-based, nonprofit developer revitalized the Washington Mill in a \$40 million redevelopment creating 155 rental apartments in the heart of the mill district. Several additional mill conversion projects were in progress as of this writing, but all were stalled by the severe economic downturn beginning in late 2008.

Throughout the renewed interest in Lawrence’s mill district, mill owners kept tabs on each other’s plans through the informal set of relationships often found in smaller cities. To Chester Sidell, owner of a cluster of mill buildings in the East Island part of the District, experienced businesspeople in cities like Lawrence “know the players and their needs; we have knowledge of their thinking.”<sup>6</sup> Through one such relationship,

**Figure 3.3:** The Southwick Mill



---

6 Interview with Chet Sidell (01/15/09)

he learned that the owners of neighboring Southwick Mills were considering the sale of their property, including 240,000 square feet in two adjacent mills and a large surface parking lot.

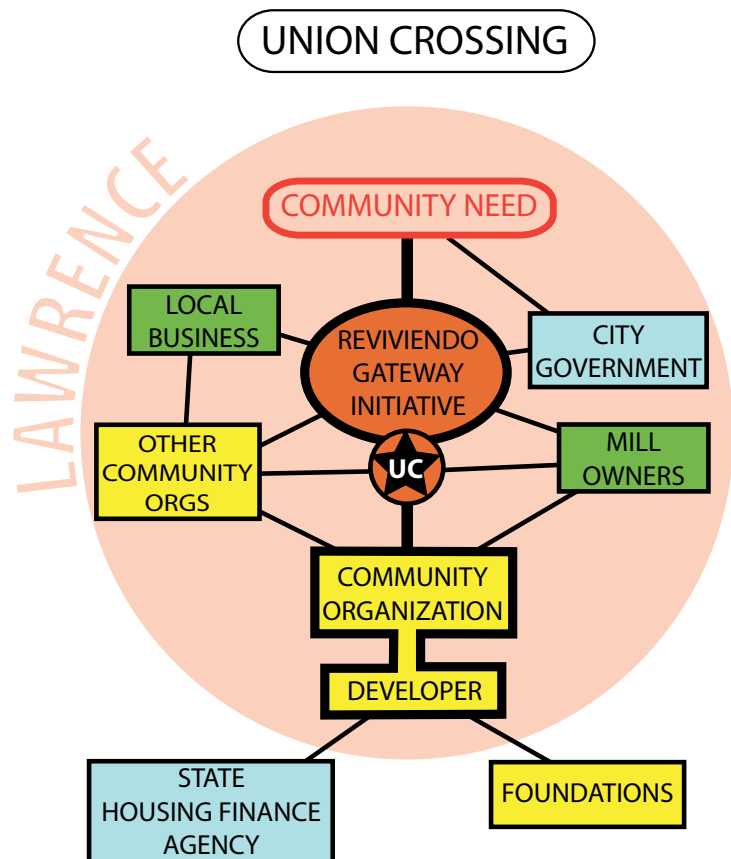
Because of his experience and business savvy, Sidell did not believe in waiting on outsiders to “rediscover” Lawrence. Intuitively, he believed Lawrence’s revitalization would come from within, as he puts it, “from ‘local people’ who make deals together.” Along with his son and business partner, Gary, he had been an active participant in the RGI process, and was a helpful ally for LCW with the other mill owners. Through RGI, the Sidells developed trust and familiarity with LCW (who was also one of their commercial tenants), and knew of their ongoing efforts to acquire a mill property for redevelopment. They also knew of LCW’s capacity to plan and develop housing, which the Sidells had never done.

After making this connection, LCW took the lead in a real estate development partnership with the Sidells to transform the mill complex and advance the goals of RGI. An option to purchase agreement was made with the owners of Southwick.

Rounding out the core partnership, mill owners Lou and Juan Yopez joined the group to lead the commercial portion of the development. The Yopez brothers were neighboring mill owners and businessmen who knew the partners from RGI and other community development efforts, such as the annual Spicket River cleanup organized by Groundwork Lawrence.<sup>7</sup>

Figure 3.4 illustrates the partnership diagrammatically, with LCW as the lead community organization driving the development project (the star, at middle), directly connected to RGI. The Reviviendo Gateway Initiative is the center of a network of local businesses, mill owners, community organizations and the city government, connecting the development partners directly to the community to identify needs and goals. As the lead developer, LCW has reached out to outside housing finance and foundational resources.

Figure 3.4: The Union Crossing Partnership



<sup>7</sup> Interview with Heather McMann (01/29/09)

## Development

Through a wide-ranging series of public meetings and through dialogue among LCW, the Sidell and Yezpe families, and potential commercial anchors, the partners conceived a holistic project that would have meaningful impacts for Lawrencians and would transform the mill district. Through RGI, they had already established the vision for a pedestrian-oriented, vibrant, mixed use district that included genuine measures of sustainability and affordability. For the Southwick redevelopment (plus the nearby, 120,000 square foot Duck Mill and an adjacent riverside property purchased from the Sidells in 2008), LCW crafted a program that supported the Development Team's commitment to Lawrence's broader revitalization and to social and economic development goals.

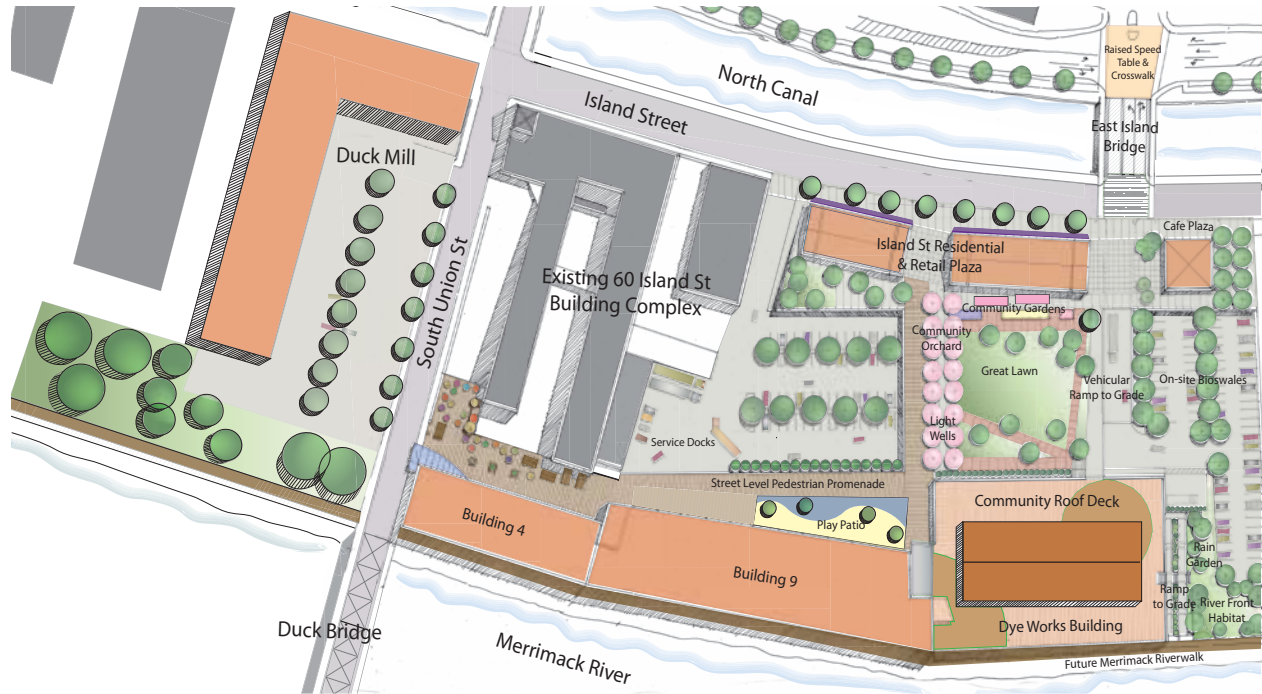
The new development, which will be called Union Crossing, seeks several core outcomes: to redevelop the historic mills; provide family and workforce housing; support local economic development; set a standard for energy efficient, healthy housing; build resident assets and wealth; and promote education and wellness. Toward this end, the four mill buildings will be transformed into a complete neighborhood, containing:

- Up to 150 housing units across a range of income targets;
- Nearly 140,000 square feet of commercial space, including onsite daycare;
- Public infrastructure, including a new vehicular and pedestrian canal crossing and programmed community open space; and
- Shared parking sufficient to serve the entire development, which will be integrated with innovative Low-Impact Development techniques for storm water management in a flood-prone site.

**Figure 3.5:** Southwick Mills, before redevelopment and a rendering of Union Crossing (Image source: Coldham and Hartman Architects)



**Figure 3.6:** Union Crossing Site Plan (Image source: Coldham and Hartman Architects and The Planners Collaborative)



During the RGI visioning, residents connected to the idea of retail to enliven the street and provide jobs, but few realized what is necessary to support it. A marketing consultant for Union Crossing drove home an important reality: in Lawrence’s heyday, residents spent 80 percent of their income where they lived. Now, that proportion is 20 to 30 percent. To support a rich, retail-fronted streetscape – the kind of environment which everyone envisioned in RGI – you need three to four times the amount of housing as existed in the past.<sup>8</sup> An economically sustainable project must get the programmatic balance right.

From the beginning, LCW and the development team have sought commercial partnerships that would provide for resident needs and connect them to job opportunities, including Lawrence General Hospital and the Community Daycare Center of Lawrence. In keeping with LCW’s philosophy to spur development at the family and individual level, some of the residences, called “Wealth Creation Units,” have rent structures that actually build equity through an Individual Development Account (IDA) program. All discussions of “green design” and sustainability have focused on preserving long-term affordability for residents through energy efficient systems and construction that create predictable, decreased utility bills, as well as “creating a healthy indoor and outdoor environment through careful attention to ventilation and mechanical systems, material finishes, and plantings.”<sup>9</sup>

Because of Lawrence’s depressed rents, very little of the total development cost (TDC) can be covered by conventional debt (\$3.6 million of nearly \$22 million TDC in the first phase of housing development). That economic reality, however, has enabled the project to tap federal and state programs that encourage development in the city through multiple, overlapping subsidies. These constitute more than half of the

<sup>8</sup> Interview with Maggie Super Church (01/06/09)  
<sup>9</sup> Ibid

project's financing sources, most notably the use of both Low Income Housing (LIHTC) and Historic Tax Credits (HTC).

Even with the tax credits, LCW and their partners have goals for Union Crossing that exceed those of a typical affordable housing project, which have necessitated their looking beyond conventional housing development subsidies to fill the gap between regular debt/equity and project cost (over 81 percent of TDC). They have sought innovative solutions from a variety of sources:

- **Program-Related Investments:** Reaching beyond conventional hard and soft debt, Union Crossing has sold its innovative program and holistic goals (as well as the severe need in Lawrence) to grantmaking foundations, specifically targeting those that make Program Related Investments (PRI). These are mission-furthering investments that produce modest capital return for charitable foundations, an appropriate resource for projects that will not attract much private investment capital. The project secured a commitment for a \$1.8 million investment by the Paul and Phyllis Fireman Foundation in early 2009.
- **Infrastructure Grants:** Capitalizing on Lawrence's access to Community Development Block Grants and other Entitlement Community sources, the project utilizes a range of public financing tools to fund project-related infrastructure, since the redevelopment is designed to make connections with the surroundings. With a new public park over the ground level parking deck and a new canal bridge crossing, the design approach is not easily split into "horizontal" and "vertical" construction costs allowing some flexibility for the City's Community Development Department, who is the administrator of infrastructure spending. The CDD has actively supported the project from the start, a result of years of work fostering a productive relationship between LCW and the City. In the coming years, massive amounts of federal spending will be directed toward infrastructure as part of a federal economic stimulus package, making this strategy that much more relevant in the next several years.
- **Purchase Power Agreement (PPA):** With a focus on measures that reduce costs for residents, LCW has deliberately not pushed for high-tech building technologies and the required capital expenditures. The three buildings and their acres of flat rooftop, however, represent an outstanding opportunity for solar energy production. Union Crossing's solution: partner with Boston Community Capital (BCC), a community development financial intermediary that funnels investment from socially concerned investors to serve low-income communities. The project is pursuing a combined PPA for the photovoltaic system with leased equipment for the solar hot water system. According to Super Church, this will allow the project "to tap into renewable energy for the project without covering any of the capital expenses for installation, and allows a third party (BCC and their investors) to take full advantage of the various tax credits for renewable energy."

LCW anticipates the first phase of infrastructure improvements commencing in mid-2009, with the first residential units coming online in 2010.



## Lessons

On the surface, Union Crossing resembles a conventional tax credit housing development project, albeit a very complex and ambitious one. Several key elements set it apart as a more holistic revitalization, though – one that specifically responds to the challenges and opportunities of a small post-industrial city.

First, rather than dropping any feasible tax credit project into the context, Union Crossing is grounded in a community-driven vision for the mill district, physically manifesting (and advancing) the goals of RGI. Second, the team is strengthened by the informal relationships and personal dedication of mostly local partners. The project’s importance is heightened by the city’s size and the prominence of the project site along the Merrimack River at the southern and eastern entrances to the city center. The building program and targeted residential and commercial tenants have been formulated to build on LCW’s parallel efforts in grassroots economic development. The actions LCW has taken to scale up its real estate development through this significant project complements its community development work rather than competes with it, since the project contributes to the growing capacity and size of LCW’s member network.

## CASE TWO: THE DURANT (FLINT, MI)

### Background

As Michigan’s manufacturing economy has collapsed over the past few decades, abandonment and vacant property became a serious burden on Flint and many other cities. Throughout the decades of decline, there was not a clear, effective system for the disposition and redevelopment of these properties. The foreclosure process took anywhere from four to seven years, and even then did not produce clear title. This cumbersome process allowed properties to become blighted and a drag on their communities.

Figure 3.7: Saginaw Street in Downtown Flint



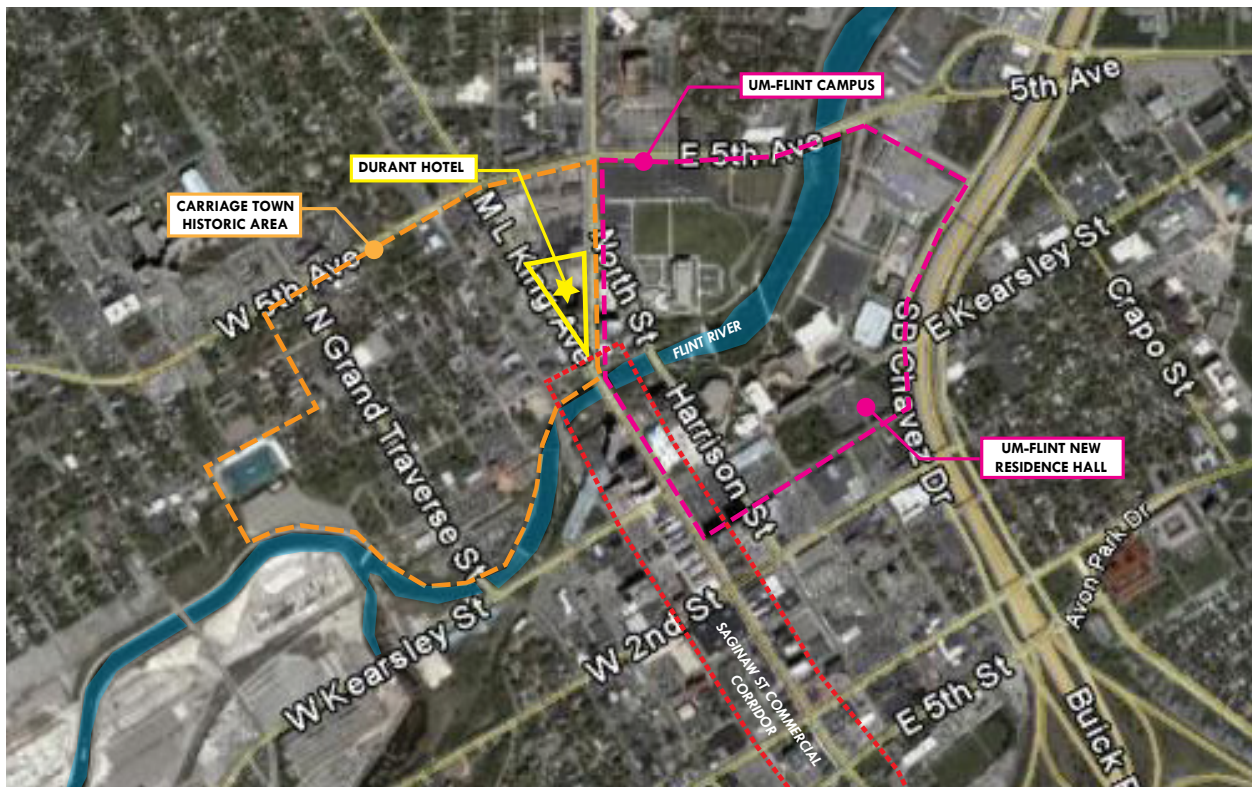
In 1999, the State passed Public Act 123, which amended the law to move tax-delinquent property through the forfeiture, foreclosure and sale process within a 25-month period. Through the efforts of its Treasurer, Dan Kildee, the Genesee County Land Reutilization Council produced the first organized attempt to utilize the new regulations. After further statewide legislation in 2004, the Land Reutilization Council became

the Genesee County Land Bank Authority, or GCLBA. For the first time, a public authority now had a legal mechanism to move tax-delinquent or vacant properties through a disposition process with enough speed to limit the damaging effects of neglect on the surrounding neighborhoods, and the Land Bank immediately got to work in Flint, Genesee County’s biggest city. As is found in many Forgotten Cities, Kildee is personally dedicated to the revival of his hometown. He has been a Flint public servant since his election to the Flint School Board at the age of 18.

Kildee actively supported the legislation because he recognized the misplaced incentives of the acquisition process for properties in arrears on taxes. In most cities the focus is on realizing the highest possible liquidated value, but that system had failed industrial cities. In the context of struggling industry and a declining economy, he notes “real estate is not a disposable asset.”<sup>10</sup> He pushed for the new state law and the resulting GCLBA to reconcile liquidation goals with the responsible management of land and properties. Since 2002, the organization has acquired over 4000 properties and created ten different programs to support their efforts, and completed the first significant downtown redevelopment in 2005, with the 36,000 square foot Land Bank Center.

In recent decades, Flint has witnessed a series of “comebacks” for downtown that had failed to realize much sustained revitalization. A local economy dominated by a single (declining) industry, a lack of local governing capacity and a variety of social problems ensured that no one project or initiative could reverse

Figure 3.8: Annotated Map of Flint, MI



the tide. Nonetheless, Kildee and the GCLBA's efforts, when combined with two other positive developments, have produced extraordinary results in a short period of time.

One of these concurrent efforts began in 2002, when eight private Flint businessmen formed Uptown Development, "a diverse group of community leaders that share a vision of reinventing downtown Flint with a focus on solid real estate investment."<sup>11</sup> The eight are owners and managers of local companies that operate local restaurants, an automotive parts supplier, property management and a construction company. As lifelong, dedicated Flint residents, they reacted to "carpetbaggers" that came in to "try and develop things with other people's money," who often abandoned efforts once they encountered difficulty.<sup>12</sup> Instead, Uptown reinvested "real money," meaning private equity earned in the local economy, back into revitalization projects that did not always have solid financial return expectations. Their personal dedication ensured their investments could act as patient capital, giving the projects time to succeed. Their focus has primarily been the downtown core, south of the river and inside Interstates 475 and 69.

The second effort has been the steady transformation of the University of Michigan-Flint from a small branch campus of the UM system to a growing downtown institution with rising enrollment rates and a growing need for on- and near-campus housing. Launched several years ago by then-Chancellor Juan Mestas, UM-Flint was able to construct the first residential hall in the University of Michigan system not in Ann Arbor, which opened in autumn of 2008. The dormitory allowed 310 students to live near campus, adding activity downtown; its huge success (and waiting list) established the demand for more residential development in the future.

### **Partnership**

Alongside these supportive efforts in the past several years, GCLBA's organizations and goals grew, and they brought in partners. First, a key alliance was formed with the C.S. Mott Foundation, a grantmaking entity based in Flint. Despite its global reach, Mott maintains the "Flint Area" as a special region of focus, establishing a pipeline to resources for the city. Additionally, GCLBA became involved in the "Knowledge Sharing Initiative" program of the Local Initiative Support Coalition (LISC). A consultant from a LISC regional office, Amy Hovey, was brought in to build capacity and provide real estate development technical assistance. By chance, Hovey could provide additional capacity in organizational development, which helped GCLBA in its strategic planning. Finally, Kildee recruited the former dean of the College of Architecture and Urban Planning at the University of Michigan-Ann Arbor to direct planning activity and the implications of demolition and/or redevelopment on urban form.

To maximize impact rather than spread resources ineffectively, LISC urged the GCLBA to adopt a strategy of focusing on "concentrated areas with indications of neighborhood health," where land values may have bucked citywide downward trends. One of the areas of concentration is the Carriage Town historic resi-

---

11 Uptown Development website  
12 Interview with Phil Shultz (02/17/09)

dential district on the north side of the river. This neighborhood of 25-30 city blocks retains its traditional streets, many houses of fine architecture, and is within walking distance from downtown. Research by LISC and GCLBA yielded two significant factors that defied conventional wisdom about the near downtown area: while house prices in most of Flint stayed flat in the depressed local economy at \$39,000, prices in the historic neighborhood had been doubling each decade since 1980. Also surprising, the results of surveys of area employees revealed that more than one in four would consider living in the nearby residential area.<sup>13</sup>

In this neighborhood, the GCLBA had found some stability to build on, yet challenges remained on the north side of the river. Beneath any major issue in Flint, the issue of race looms, the river serving as a symbolic divide between the mostly white south side and the African-American north side, which is perceived as the more dangerous and distressed area of the city, despite Carriage Town's relative stability. At the eastern edge of Carriage Town and the northern end of downtown sits the long vacant, eight-story Durant Hotel, looming over the eastern edge of the neighborhood, a powerful symbol of Flint's fall from grace in the second half of the 20th century.

## Development

The Durant opened with great fanfare in 1920, as Flint and General Motors began a period of prosperity and growth. Named for GM founder Billy Durant, the 264-room luxury hotel was built prominently along the major north-south axis of Saginaw Street, facing south across the Flint River from downtown. In its heyday, the hotel hosted a jewelry store, florist, fur shop, haberdashery and other stores selling shoes, men's clothing, lingerie and appliances. It also housed the Genesee County Savings Bank and the famous Purple Crow restaurant.

**Figure 3.9:** Postcard from the Durant's heyday



Its fortunes tied to those of Flint's manufacturing industry, the Durant began a slow decline in 1939, despite a refurbishment. The hotel closed permanently in 1970, a decade prior to GM beginning the shut-down of its Flint factories. The vacant building has continued to decline in the three decades since due to broken windows, vandalism and arson.

Beyond its physical presence,

**Figure 3.10:** The Durant Hotel and park before redevelopment



the building’s image looms psychologically over Flint. To Kildee, the earlier, thriving Durant was “a symbol of the city’s ascendancy, the center of the automotive world.” Now vacant and crumbling, it had become a “constant reminder of the failure of dependency on a single industry.”<sup>14</sup> He envisions a third life for the Durant now, a connection to Flint’s growing “knowledge economy” and a powerful symbol of the city’s revitalization. The building’s prominent site enhances its influence. As one observer noted, as you moved north on Saginaw Street through downtown, it was difficult to notice the progress being made along either side as long as the Durant sat vacant at its end.<sup>15</sup>

Kildee is not the first to recognize the Durant’s importance. In the 38 years since its closing, there have been no less than six attempts to renovate and reopen the Durant, each abandoned amid the city’s economic and social difficulties. In the Land Bank, though, there was finally an entity with enough vision, organizational capacity, political reach and access to capital to acquire the property and follow through on its revitalization. Despite this, after acquiring the building in 2005, GCLBA received no replies to Request for Proposal solicitations for potential private development partners. Committed to the Durant’s renewal, the GCLBA forged ahead alone, but demolition remained a very real alternative.

<sup>14</sup> Interview with Dan Kildee (01/27/09)  
<sup>15</sup> Interview with Phil Shultz (02/17/09)

In nearby Lansing, a private developer named Richard Karp was establishing a reputation for tackling complicated, risky historic rehabilitation projects throughout southeast Michigan and northern Ohio. Consulting on an unrelated Flint project, he came across the Durant, the perfect challenge for his growing practice. Convinced by UM-Flint’s growth and demonstrated housing need, he contacted Hovey in her new role as Interim Director of the Land Bank, and they formed a partnership to complete a \$30 million renovation of the Durant into 93 rental apartments targeted for university students and young professionals. GCLBA, the public partner, conducted community outreach through its existing relationships with neighborhood organizations and acted as a conduit for public financing and foundation grants. As private developers, Karp and Associates brought building and development expertise, as well as experience in raising Historic Tax Credit equity and conventional debt financing.

Karp also brought the support of the statewide Michigan Historic Preservation Network (MHPN), with whom he had worked on previous projects (and who was one of his commercial tenants in Lansing). MHPN had been pushing another important piece of legislation over the previous four years. Previously, state Rehabilitation Tax Credits (RTCs) were limited to 5 percent credits on projects receiving federal credits. Through their efforts, state RTCs were raised to 15 to 20 percent, and the credit for “Major Impact” projects was not included in the total state allocation of credits of \$8 million. The Durant would be one of the first three of such “Major Impact” projects in the state.

Figure 3.11: The Durant Partnership

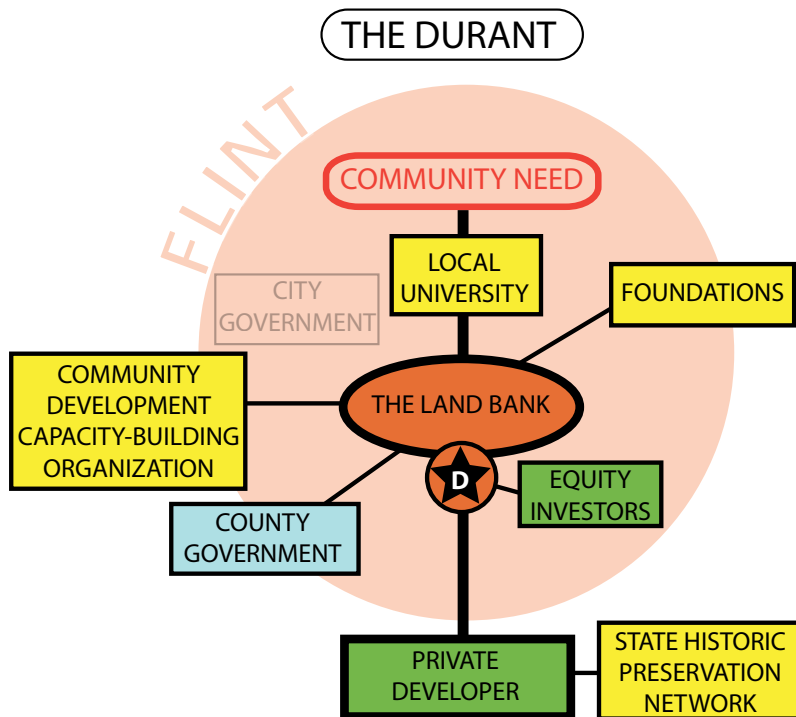


Figure 3.11 maps the relationships between each of these partners, again showing the development project connected to an ongoing public initiative – the Land Bank – that is the hub of a network of local institutions, businesses and county government. The Land Bank also formed partnerships with organizations outside the city that could provide technical capacity in community and real estate development. Though GCLBA worked directly with resident groups in many cases, the connection to the community need (and to the resident market) was made through UM-Flint, a lo-

cal institution with a vested interest in the future of downtown. The city government is notably absent from the network, as several observers noted that, to the extent it was involved at all, the City was more of an obstacle than a partner. The involvement of city government in Holistic Revitalization is discussed in detail in the final chapter.

As the project moves forward through construction, the partners' complimentary capacities have been essential in assembling the financing for the project, projected to exceed \$30 million in total development costs. Projected rental income qualifies for \$4.1 million of conventional debt financing, less than 15 percent of the required budget. To close the financing gap, GCLBA and Karp have tapped a variety of sources:

- **Grants:** The Land Bank's established standing in the community and existing relations with foundations attracted a \$2 million C.S. Mott Foundation grant and a \$1 million Ford Foundation grant. An additional \$175,000 Economic Development Initiative grant came from HUD.
- **Local Private Equity:** Tapping into the Durant's unique importance to so many in Flint, several local businessmen contributed a total of \$1.1 million of mezzanine financing into the project. Some of the contributors are associated with Uptown Development, the "patient capital" behind several downtown projects. To these investors, the Durant also represented an opportunity to overcome another important psychological barrier by revitalizing north of the river—Flint's revitalization would be for all Flint residents.
- **Tax Credits and Tax Increment Financing:** Though RTC and TIF are conventional financing mechanisms in housing revitalization, Flint's economic distress and the Durant restoration and program allow the project to capture exceptional subsidy. The project qualifies for Michigan's new Business Tax Act, enacted in January 2008, and the syndicated tax credits will generate \$3.2 million. Through MHPN's legislative groundwork and active support, the project raised over \$6.8 million from the syndication of state Rehabilitation Tax Credits and federal Historic Tax Credits.
- **Brownfields Tax Increment Financing:** An important resource for post-industrial cities, the project utilizes a state-enabled TIF district for the remediation of the polluted site, raising another \$4.8 million.

As of spring 2009, construction is ongoing, with anticipated completion to coincide with the arrival of university students for the fall 2009 semester.

## Lessons

The Durant project would not be possible without the tax foreclosure and land disposition process reform led by Kildee. The Land Bank and its partners brought a coordinated, managed approach to the use of redevelopment resources, and the organization's focus on technical capacity building, comprehensive planning and community outreach has allowed its scope to grow significantly.

On the financing side, Flint’s depressed rents make conventional housing development completely unfeasible. At the same time, though, it has attracted a wide variety of subsidy sources and tools to act as gap financing, which make up the majority of development budget for the Durant.

Most importantly for the city’s long-term revival, the significance of Flint’s history, design and institutions persists in the minds of those who live and work there. This loyalty allows large-scale redevelopment projects to connect with dedicated, patient private investment and foundation grants from institutions and businesses that have an established interest in the city, a strong example of the enduring potential for revitalization in even the most distressed of Forgotten Cities.

### CASE THREE: THE LEARNING VILLA (OWENSBORO, KY)

#### Background

As it slid slowly from a manufacturing economy to mostly service-sector employment, many in Owensboro saw the city’s quality of life diminishing. They saw the city losing any regional competitive advantage in luring (or keeping) mobile young families. Housing “affordability” was less of an issue than maintenance of the existing housing stock. With little development pressure and low land values, the private market produced very little new housing of any quality in the city. There is a supply of well-kept public housing, but most of it is physically obsolete and carries a “housing project” stigma. As a result, new “low-income housing” has usually been opposed by the community; the Kentucky Housing Corporation (KHC) had been unable to finance a project in Owensboro in a long time.<sup>16</sup> In response, the city Community Development Department consciously shifted focus in their comprehensive planning to raise the quality of the city’s affordable housing supply over the next 20 years.

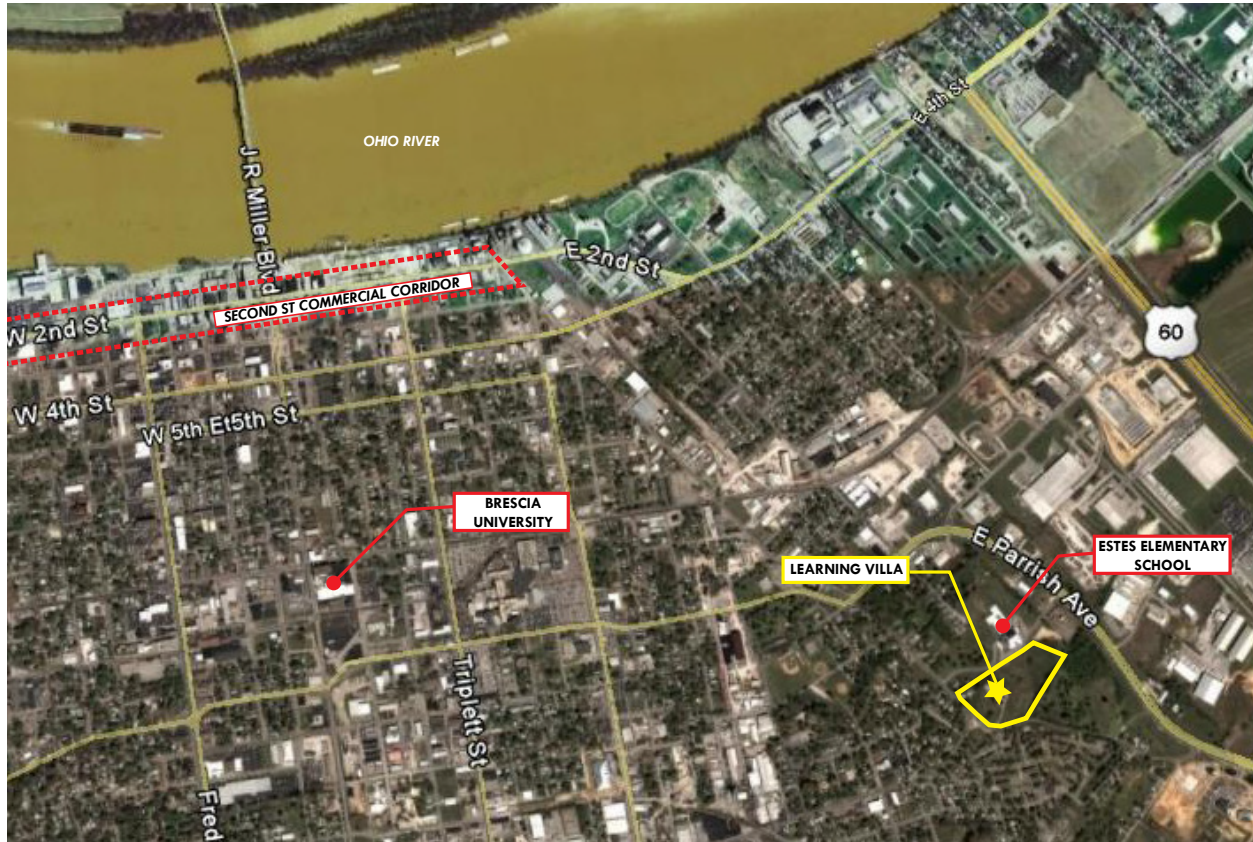
Figure 3.12: Historic Downtown Owensboro



16 Interview with Tammy Stansbury (02/06/09)



Figure 3.13: Annotated Map of Owensboro, KY



Despite a wealth of educational and cultural institutions, especially for a town of less than 54,000 people, levels of educational attainment remain low: only 17 percent of adults in Owensboro have a bachelor’s degree, versus over 27 percent nationally. The post-industrial economy produced few jobs that justified the time and investment of a college education or the need for professional development, and so a culture developed that did not place a high value on education.

With income and educational attainment highly correlated, Owensboro’s relative poverty did not help. Over 70 percent of school children in Owensboro are eligible for the federal school lunch program, one of the strongest single predictors of pupil performance.<sup>17</sup> Even though Owensboro public schools are actually relatively high performing—Daviess County schools are ranked 12<sup>th</sup> in the state—those promoting education did so in spite of unsupportive social and economic circumstances. The cycle was self-reinforcing.

Responding to these conditions, local businessman Malcolm Bryant felt a cultural shift was needed to reverse the city’s low expectations. In a city with five colleges/universities and a changing economy, Owensboro had an opportunity to reinvent itself. Bryant formed a network of businesses, schools and institutions to fund and support the development and collective marketing of Owensboro as “The Learning Community,” with a focus on the “cultural aspect of learning” and quality of life, rather than a

17 Interview with Dr. Larry Vick (02/09/09)

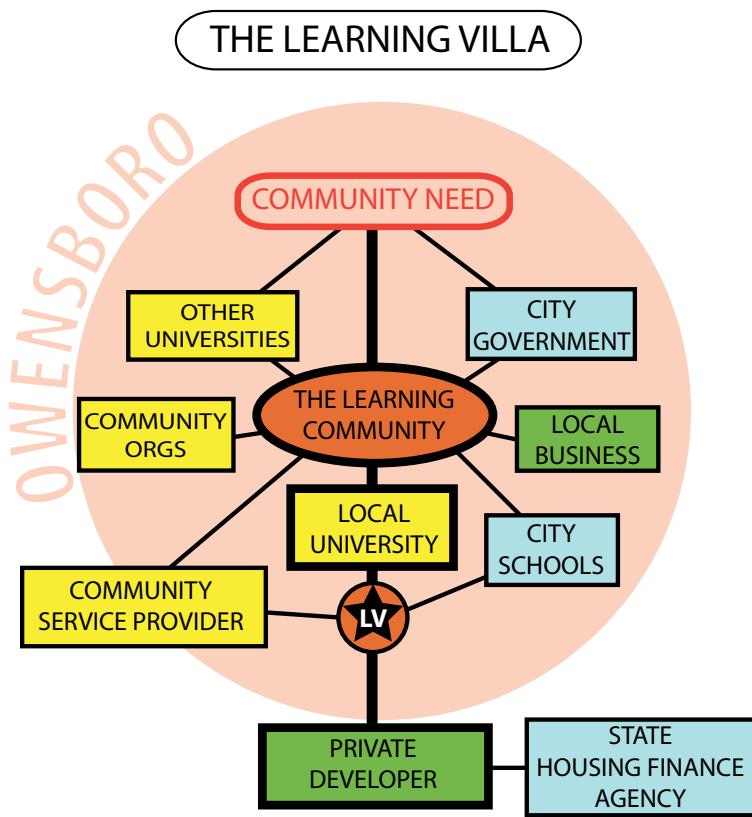
disconnected series of workforce development initiatives. Bryant’s vision was to bring an affirming, proactive change in self-perception to Owensboro residents, students and institutions, and he recruited the Learning Community network around that mission.

**Partnership**

Tracey Glasscock, a real estate professional from Wabuck Development, knew Owensboro well from her accounting studies at Brescia University, a local Catholic liberal arts school. As a private firm in Leitchfield, KY, Wabuck was not part of the Learning Community network. In fact, the firm’s previous development could be described as Conventional Revitalization, as defined in the first chapter. In this case, however, she envisioned a Holistic housing development that could alleviate some of the difficulty for residents attempting to balance a need and desire to complete their education with raising children.

Like Bryant, she saw the local colleges and universities as an essential resource and partner, and presented an idea of a Holistic housing development that created a communally supportive environment for student parents to Sister Vivian Bowles, an Ursuline nun and the President of Brescia. The idea resonated with Bowles, who saw it as “a perfect combination of Brescia’s mission of service and the Ursuline goal.”<sup>18</sup>

**Figure 3.14:** The Learning Villa partnership



Though Wabuck had no connection to the Learning Community, Glasscock had made an intuitive connection between the importance of decent, stable housing and the social and economic goals of Owensboro. Eventually, all five Owensboro schools would have members on the Board of the eventual development.

As a relatively large firm, Wabuck would bring construction and private property management expertise into the project, via affiliate companies. Their ability to deliver a quality development project was easily demonstrated by their state-wide portfolio. Brescia brought “community clout” from over fifty years in Owensboro, allowing Wabuck to operate with the trust of city leaders. Glass-

cock attributes the city's contribution of the project site to Wabuck's partnership with Brescia.

Wabuck sought out an additional partner in Audubon-Area Community Services because of the organization's capacity to provide the kind of family programming that would be needed, and because their statewide operation could draw on a variety of resources. Audubon-Area served as another trusted entity for local and state approvals. When Brescia had to step out of an active role in the project later in the process,<sup>19</sup> Audubon-Area was able to step in seamlessly as the community partner.

As with the other cases, it is useful to map the relationships between the partners in the Learning Community initiative and the Learning Villa development, to see the two as complementary, but unrelated efforts. Figure 3.14 shows the primary role Brescia University played in connecting the network built around the Learning Community, which had tapped into the community need to establish a "culture of learning" in Owensboro, with the housing development team led by Wabuck from outside the city. Audubon-Area, as a community service provider, along with Owensboro schools (the land owner), also serve as links between Owensboro's community development agenda and the concept of the Learning Villa.

## Development

The project would be modeled after Virginia Place, a 15-family development built in 1986 in Lexington, home of the University of Kentucky. Virginia Place was the first Kentucky Housing Corporation supported "Scholar House." KHC's description of the Scholar House program demonstrates the suitability of the model for Glasscock and Bowles' vision:

*The program is designed to help unemployed or underemployed individuals pursue an education to become self-sufficient. Participants in Scholar House attend workshops on health maintenance, parenting skills, management of family resources, nutritional knowledge, problem solving, work skills, and job-search techniques, in addition to their academic or vocational classes. They also receive continuous support from neighbors and staff while fulfilling academic or vocational training course work as a full-time student.<sup>20</sup>*

While the Scholar House concept is holistic in nature, its application to Owensboro is what makes it particularly innovative. The University of Kentucky has an enrollment of over 30,000 students, and Lexington has a population of nearly a half million, so Virginia Place was a "demand side" solution to the many students with a variety of housing and family service needs. Owensboro and its colleges are tiny by comparison, and with the sluggish private housing market, there was not a clear, demonstrated need for affordable housing. Glasscock and Bowles identified a "supply side" solution, creating a real estate product desirable to potential residents who would not have otherwise pursued subsidized housing and in many cases, would not have pursued their degrees. The communal environment, supportive amenities and quality of

---

19 Brescia's concerns had only to do with their role as a tax-exempt institution in a private development. The school remained fully supportive of the project through completion.

20 Kentucky Housing Corporation (2009)

housing enticed residents to fulfill their educational attainment and social development.

Armed with the concept and an operating precedent, the development team sought a site for the project. They identified a parcel that was excess land on the site of Estes Elementary School, in a neighborhood southeast of downtown. In most cases, rental apartments for low-income families and schools are not compatible neighbors, but the mission and the holistic nature of the Scholar House concept made this a perfect fit. The School Board welcomed the project as an alternative to a proposed bus maintenance yard on the site, but acknowledged that Brescia's support of the project was crucial in the Superintendent's buy-in. The City utilized the opportunity to increase connectivity and knit the site into the surrounding neighborhood by requiring that 18th Street be continued through the site, breaking up a large super-block.

Owensboro's Scholar House was named The Learning Villa, and was completed and fully occupied by June 2008 with 56 two-bedroom rental garden apartments. Owing to a clean, vacant site and an efficient design, the project was a rare example of an uncomplicated subsidized development budget, with \$7.6 million from 9% Low Income Housing Tax Credits and \$1.1 million in sponsor equity covering the entire \$8.7 million total development cost. There was no hard debt required to finance the project.

As conceived, the project was to target single mothers enrolled full-time in a college program. In actuality, Fair Housing laws preclude Wabuck and Audubon-Area from excluding anyone from the units based on gender or other characteristics, so residents include families and single fathers. Even non-students can apply for the housing, but rental assistance is only available for student parents.

**Figure 3.15:** A Courtyard in the Learning Villa



The service programs and building programming complete the holistic nature of the project. The community facilities include a daycare, community meeting room and computer lab. An extremely successful Head Start program is run in the daycare facility, drawing children from outside the development. For residents, who are often a head of household for the first time, a range of classes in budgeting, parenting skills, household maintenance and upkeep and other programs are offered. Residents are given a thorough orientation before move-in, and are required to attend at least two of the classes per year. The

Program Manager and the property management staff must necessarily balance compassion for their often young residents' struggle in their own maturation with firm enforcement of rules to maintain an atmosphere supportive of families and students.

The development concept appears to have identified a real need and market niche for Wabuck. Six months after opening the Learning Villa, there was already a waiting list long enough that it could fill a second project. In 2009, the KHC announced that Wabuck would be constructing the state's third Scholar House in Bowling Green, home of Western Kentucky University's main campus.

### **Lessons**

Certainly, the cultural shift promoted by The Learning Community initiative could only support the project. Nearly everyone associated with the Learning Villa acknowledged that the strong presence and participation of the local universities was critical in the project's success. For Wabuck especially, Brescia and Audubon-Area's roles established credibility and support from many in the community from day one. This includes the Mayor, who was instrumental in overcoming the Housing Authority's initial objections to the "competition" brought by the proposed development. The adjacent school (and a future Senior Building on another part of the site), leverage more out of the land through cross-programming and a more mixed population.

More important than any particular innovation, the holistic nature of the project from concept to partnership to programming makes it more than the sum of its parts. The particular combination of unit type/size, community facilities, services and programs create an environment that will allow many parents to finish their college degrees in Owensboro, pushing the Learning Community closer to the goal of doubling the number of degree holders in the city by 2020.

### **DIFFERENT PROJECTS, AND A SHARED IDEA**

These three very different projects were conceived in three wide-ranging geographic and demographic contexts and possess diverse housing and community development goals. Despite their varied resident targets, developer entities and partnership formations, each of the projects challenges the assumptions of Conventional revitalization practice to achieve a more comprehensive range of impacts rooted in the needs of its own communities and settings. These projects together represent a shared idea about Holistic Revitalization in small, post-industrial cities that can be analyzed and codified to inform practitioners in similar settings around the country.

The need to understand and disseminate the idea of Holistic Revitalization – and the tools of its implementation – is critically important now in 2009, at the beginning of a massive public sector response to the economic downturn and with the recognized necessity to sustainably retrofit American cities. Revitalized

through this idea, the “Forgotten Cities” that were once thriving centers that drove regional economies, formed civic institutions and provided stable living environments, can resume that role and help lead a national economic recovery through sustainable infrastructure and building development. The next chapter discusses the idea of Holistic development and its differentiation from the Conventional approach, and begins to codify particular housing development tools (and combinations of tools) that help realize this idea, drawing on the case study projects.

## F O U R

### *The Idea of Holistic Revitalization*

The real estate product produced by a Holistic Revitalization process may not appear much different than the Conventional process. Nor must the housing and neighborhood design be revolutionary, the way the Urban Renewal movement embraced sweeping Modernist reforms (or the way HOPE VI and New Urbanism blatantly discarded them). Instead, the Holistic approach fundamentally alters the process, beginning with a clear understanding of relationships, assets and challenges in a place, ensuring that a community has established the collective capacity and vision required for a transformational project that will enable physical, psychological and economically revitalization.

In successful projects like the case studies, the “table is set” with supportive conditions for housing revitalization before a project is conceived. Who can and should create those conditions is a critical question, one which will be taken up in the final chapter; this chapter focuses on assisting developers in recognizing the supportive conditions and understanding a better development process that capitalizes on them, followed by tools for implementation.

Recall the conceptual diagram of the Conventional Revitalization process (shown again in Figure 4.1). Chapter Two identified some of the challenges of Forgotten Cities and the importance of *place*, providing a clearer understanding of the limits of Conventional Revitalization in achieving meaningful impacts and lasting effects. The proponents of the case study projects understand this, and so their projects evolved in a different manner, where preceding community development activities and local partnerships played an important role. The shared approach in those cases begins to define an idea of Holistic Revitalization that can be achieved through housing redevelopment. Figure 4.2 contains a diagram of this process that demonstrates its contrast with Conventional Revitalization; there are four key elements of differentiation between the two processes, labeled A-D on each of the diagrams:

Figure 4.1: The Conventional Revitalization Process

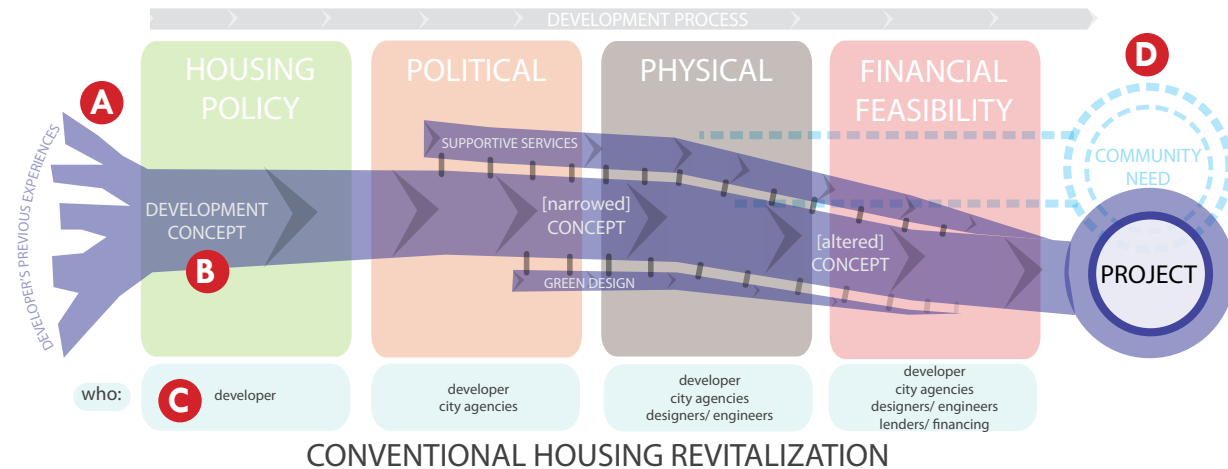
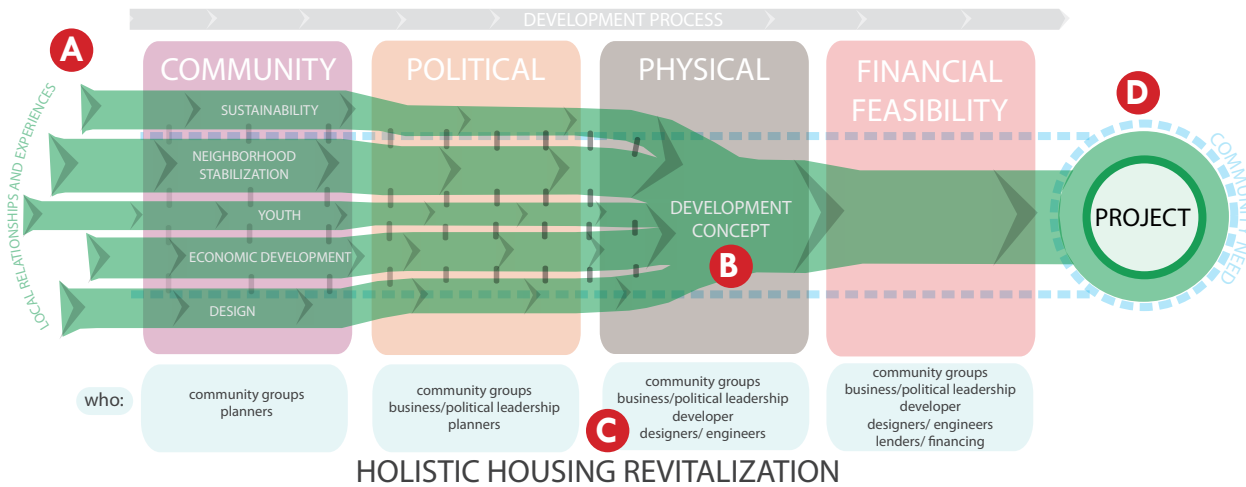


Figure 4.2: The Holistic Revitalization Process



**A) Creating an inclusive community development agenda.** Before a project concept is envisioned in the Holistic revitalization process, a preliminary, open dialogue takes place among community groups, focused on identifying neighborhood and city needs across a wide range of areas. This can lead to what has been called an “equitable development agenda,” in which the community creates “a practical and achievable framework for moving the city forward.”<sup>1</sup>

The agenda-setting process itself is often an end goal, with trusted local institutions convening and facilitating inclusive, productive communication. Not limited to housing or physical development needs, this agenda spans “land use and fiscal policy, infrastructure, economic renewal and neighborhood revitalization.”<sup>2</sup> The discussion can range from economic development and job creation, to youth development, to crime and the provision of public services. Its open-ended nature and variety of participants ensure that early discussion is not directed or limited by current housing programs and subsidy regulations. The goal is to

1 Fox and Axel-Lute (2008)  
2 Ibid



identify community needs as clearly as possible and advance discussion on each of them in parallel, with no predetermined development concept or program into which potential solutions must be shoehorned. The Reviviendo Gateway Initiative in Lawrence perfectly illustrates a deliberate agenda-setting process. In other instances, an agenda is assembled over a series smaller, related activities, such as regular community outreach meetings convened by GCLBA to shape the land disposition process in Flint neighborhoods.

A community development agenda forms through a lengthy public debate that may extend months and years, a delay that would cripple a development project already operating against the “ticking clock” of time constraints imposed by predevelopment financing or funding program rules. Thus, it is necessary that this process is begun through trusted local institutions<sup>3</sup> and reaches a degree of consensus before crystallizing into the development concept and engaging construction funding sources. The critical timing of developer engagement is addressed below.

**B) Program-based versus need-based development concepts.** While the Conventional process begins with a development concept created from housing finance program requirements, the Holistic process delays the formation of the physical concept. In fact, some communities will decide that physical housing development is not part of an effective approach to their agenda, and will instead focus on issues such as education programs or public service delivery.

In the cases where a community identifies housing creation as a revitalization strategy, the physical development concept emerges later, as the process moves through various arenas (political, physical, and financial) to test feasibility of the ideas. In the political arena, community groups and institutions enlist a network of other business and political leaders behind their agenda, making cross-sector connections and narrowing broad ideas to more focused goals. In Owensboro, the Learning Community grew and evolved from the idea of a single businessman, to a loose affiliation of schools, to the current, formal partnership of 64 institutions, public agencies, businesses and community organizations with transparent “values and goals” and concrete mission objectives.<sup>4</sup> The proponents are now able to clearly and publicly articulate community needs.

A large portion of the predevelopment period is spent in strengthening the links between these elements, such as connecting sustainability with youth development, or planning design interventions to help stabilize troubled neighborhoods. Where physical revitalization can support these goals, a team of developers, designers and engineers is brought in to help envision a physical development concept that embodies the broader social goals and can help realize them.

---

<sup>3</sup> The “trusted local institutions” may or may not include City Government, depending on the community. The role of the government in the convening and facilitation of a community agenda-setting process in a Forgotten City is wrought with political complexity, and is discussed in Chapter 5.

<sup>4</sup> The Learning Community, <[www.golearningcommunity.org](http://www.golearningcommunity.org)>

**C) The developer's most effective point of entry.** In Conventional Revitalization, developers are often engaged too early, spurred by an acquisition opportunity or a public financing Notice of Funding Availability (NOFA) into an unfamiliar context. In a typical case, eager community leaders solicit outside real estate developers they believe can bring outside investment and expertise to a preconceived project concept. The development teams are then given the impossible task of helping a community build their way out of problems with deep, systemic causes that may be unrelated to the proposed project or site.

In these projects, the frustrations of both residents and developers alike often churns openly in heated public meetings. An outside developer focused on creating quality housing can feel ambushed by community concerns in which they have little history or influence, such as poor schools, lack of city services and even institutionalized racism or other social problems. The community sees a costly intervention in their community which may not even be relevant to their most pressing challenges.

Seeking a more productive process and more substantive impacts, both the community and the developer should understand the importance of the sequencing of Holistic Revitalization. The developer brings his or her resources to bear most effectively on a concept formed from community agenda-setting that is ready to engage the design and financing processes. Where outside developers and development projects are engaged too soon, revitalization faces daunting challenges by taking on tight delivery deadlines in communities that have not engaged this process, as the projects are forced to circumvent (or even suppress) substantive community input to get the project constructed on time.

It should be noted that the development roles described here can be filled through a variety of arrangements, in organizations from within or outside the city. A community-oriented institution such as a CDC can bring a project from concept to real estate development implementation if it possesses or grows that capacity. Otherwise, an outside developer can come in where clear priorities and goals for the project are already set through a previous agenda-setting process, and focus on the delivery of housing. These developers partner with local organizations and agencies to provide necessary services.

In these instances, the outside developers must be keenly aware of the preceding groundwork for any solicitation, so they can be sure of the community's readiness for the project. In the Flint case, previous attempts at redevelopment in the past 30 years had failed, so GCLBA had significant trouble attracting a development partner to the current effort. Richard Karp, through his familiarity with small, post-industrial cities, understood the challenges and assets of the context, and was able to recognize the critical preceding work of UM-Flint and the GCLBA that would enable the current concept to succeed.

The proponents in each case could name other current projects in their city that were symied by political or financial difficulty in large part because a developer entered without a clear understanding of the context. In the cases and in my professional experience, the timing and scope of developer involvement has far greater bearing on the success of the project than the developer entity structure.

**D) Aligning the project with community need.** As a consequence of the three process differences just described, there is a misalignment between the end project and real community needs in Conventional Revitalization. Beginning with a prescriptive NOFA or a physical development program, which must then be adjusted to the physical and legal constraints of the site, makes it difficult to genuinely respond to community needs identified late in the process with more than nominal gestures.

In Lawrence, the program and scope adjustments made in response to the 2009 financial crisis have been far less severe for Union Crossing than for concurrent mill redevelopment projects which used market and financing strategies from Boston bedroom community development. These other projects struggle to move forward, with some dramatically shifting their program-based development concept, while Union Crossing advances toward the concept based on the real needs identified through RGI.

The Holistic process allows competing priorities and community issues to be resolved into a roughly consensual agenda before physical development is contemplated, and then a concept is formed in concert with the community to realize that agenda. The project (and the process) benefit from clear priorities for guidance as the project moves forward and engages new partners and new challenges. No matter how much financial and physical constraints narrow the Concept (as they do in Figure 4.2), it remains aligned with the community need because the Holistic process begins there.

## TEN TOOLS FOR URBAN HOUSING REVITALIZATION

The idea of Holistic Revitalization is a powerful concept that represents a fundamental shift in approach to neighborhood redevelopment efforts, one that gives communities a more proactive role determining positive solutions, rather than passively responding to a proposed development and resisting its least desirable consequences. To be successfully implemented, however, developers must connect this process to place, understanding the particular challenges, assets and opportunities of their setting, particularly in Forgotten Cities.

The case study projects presented earlier made this important connection to the challenges and opportunities of small, post-industrial cities, and to the unique aspects of Lawrence, Flint and Owensboro. From these projects and some of the development strategies utilized by their proponents, certain development tools for implementation can be identified which “set the table” for housing revitalization projects. There may be many of these tools, with innovative developers generating even more on newer projects in similar cities. What is important to observe is how these tools support the place-specific responses to Forgotten Cities and provide evidence of an idea of Holistic revitalization. The following pages discuss ten such tools.

By necessity, their application will vary from setting to setting. Financing, legal and planning mechanisms

for housing are often administered at the state or municipal level, requiring a customized approach to each city. To add to the complexity, the quantity and scope of these policies not only varies by location, but constantly evolves over time, especially amid the current wave of public sector efforts to stimulate the economy. As of this writing, the specific tools enabled or altered by the American Recovery and Reinvestment Act of 2009 (ARRA), popularly known as the “stimulus,” were not yet apparent, but it is likely that opportunities will emerge based on new funding sources, especially related to infrastructure and energy-efficiency retrofitting.

Still, we can extract replicable tools for Holistic Revitalization in small, post-industrial cities from case studies like the three diverse projects in Chapter Three. They build on the historical evolution—and shortcomings—of the series of holistic housing revitalization ideas outlined in Chapter One. Also, they tie the projects together through a common approach that set them apart from Conventional housing revitalization, having been formed in response to the challenges and opportunities in Forgotten Cities.

Listed below in Figure 4.3 are ten such tools and how they relate to the elements that differentiate Holistic revitalization from Conventional: creating an inclusive community development agenda, forming a Development Concept, timing the developer’s most effective point of entry, and aligning the completed project with community need.

**Figure 4.3:** Ten Tools for Holistic Urban Housing Development

<b>1) Partnering with valued local institutions</b>
<b>2) Engaging (or creating) small, accessible networks of personally committed leaders</b>
<b>3) Changing perceptions, inside and out</b>
<b>4) Introducing a new use</b>
<b>5) Addressing low capacity through community planning</b>
<b>6) Laying the legal and legislative groundwork</b>
<b>7) Defining sustainability broadly</b>
<b>8) Embracing the “planned city”</b>
<b>9) Connecting with context</b>
<b>10) Leveraging the local economy</b>

**1) Partnering with valued local institutions.** The equitable development agenda that drives a Holistic revitalization must be developed through valued local institutions, or in partnership with them. These institutions can be schools, civic associations, longtime employers, or any other trusted entity with deep roots in the community – organizations that have an established “brand” among residents, built through years of dedication to education, economic development, physical infrastructure, health or other elements of community development. It is common in Forgotten Cities for the City Government to lack the

capacity or motivation to act in this role – Flint and its controversial former Mayor are a prime example. Yet in communities where local government has engaged, innovative leadership, the City can be a key development partner, such as in Scranton, PA and Youngstown, OH.<sup>5</sup>

Through their established local standing, these institutions often have access to public and private subsidy sources and have useful statewide political connections. Especially for non-local development entities, these institutions are trusted allies. Wabuck Development, a private firm that had not previously worked in Owensboro, partnered with Brescia University to conceive the Learning Villa. Brescia's endorsement of Wabuck's capacity and concept allowed the project to become more rooted in the community and its institutions, tapping a broader resident pool and potential impact. Later, Audubon-Area Community Services served in a similarly trusted role, especially with state housing finance agencies.

In other cases, such as LCW in Lawrence, the organization that fostered the community visioning can grow development capacity in-house to be able to realize its own physical redevelopment goals. Union Crossing is only possible because of LCW's years building trust and capacity in the city, effectively making the organization and its member network into a new local institution.

**2) Engaging (or creating) accessible networks of personally committed leaders.** Proponents for each of the projects stressed the helpfulness of getting the timely involvement of decision-makers in moving a development idea forward. In all three cases, developers and their partners possess comfortable and informal relationships with public officials and/or business leaders, which often predate the current projects.

Beyond their professional ability, it was observed that the people who drove successful projects are dedicated out of a "driving sense of community." Because of the cities' small size, the network of leaders has mutual trust built from longstanding relationships and a genuine desire to "want good users and uses in my neighborhood."<sup>6</sup> Leadership is local, and the lack of psychological distance in a small city allows leaders to see their own benefit in uplifting any part of it.

Engaging this leadership network is critical to Holistic revitalization since by definition, the process deviates from the status quo. The network grows from collaboration between businesses, groups or individuals who recognize the potential for collective action as a coalition, even if they have previously been isolated or in competition with one another. Hoyt and Leroux define these coalitions as "intentional, strategic efforts to establish new patterns of communication and cooperation where civic disengagement may be pervasive and systemic."<sup>7</sup>

These nimble groups circumvent traditional political processes or invigorate new ones where necessary,

---

5 Fox and Axel-Lute (2008)  
6 Interview with Chet Sidell (01/15/09)  
7 Hoyt and Leroux (2007)

especially in cities where governmental capacity is diminished and civic engagement is low. Depending on where the energy and motivation behind a project are located, these coalitions can emerge from non-traditional sources. Their leadership capacity is built through many smaller, attainable successes, positioning them to drive the inclusive process to create an equitable development agenda that leads to more Holistic housing revitalization.

In Lawrence, the team working together on Union Crossing did not draw from an alliance of the city's business and political elite. The group of businesses, organizations, agencies and resident leaders formed through a variety of smaller efforts: an annual river cleanup service project, small joint grant proposals, citizen planning groups and eventually the larger efforts of the Reviviendo Gateway Initiative. Owing to Lawrence CommunityWorks' network organizing philosophy, any growth in membership, roles and leadership occurs organically, following energy and the motivation to act. There is not the static structure of committees and boards left over from previous efforts; the coalition is built of "loose affiliations of choice."<sup>8</sup> This keeps the coalition nimble, ready to tap a variety of resources and opportunities.

The partnership's purpose for coming together may be instructive, as well. In each case, collaboration did not originate in a joint housing development proposal to catalyze broader community development. Each project was preceded by a multiyear, community-driven initiative that prepared the community for housing development projects that capitalized on—and furthered—the earlier effort's success in transforming perceptions, building individual and institutional capacities, establishing productive working relationships and sometimes even passing enabling legislation for the projects to come. These initiatives are especially critical in communities that have experienced dramatic demographic shifts, such as in Lawrence, where new immigrant families and established Caucasian residents have had difficulty identifying shared community needs. LCW, in its role as a community development corporation rooted in the city, deliberately seized an opportunity to engage new and old residents and stakeholders in a visioning process that reconceived the Mill District to serve Lawrence's present population.

**3) Changing perceptions, inside and out.** Getting residents and stakeholders to change damaging attitudes about their community is an important part of revitalization in any context, but in small, post-industrial cities it is paramount. These Forgotten Cities, decades removed from their periods of relative dominance, exist outside public awareness, except for occasional sensationalistic stories of their decline. In some cases, people feel hampered by a moribund local economy and lack of opportunity; in others there are full-blown feelings of inferiority and hopelessness.

Needless to say, these conditions must change before investment in development of any kind will be successful. Newly immigrated residents in Lawrence struggled with cultural and economic isolation and

---

8 Traynor (2008)

perceived of themselves as outsiders and victims.<sup>9</sup> Lawrence CommunityWorks focused their first steps—long before Union Crossing was conceived—in creating vehicles for trust and engagement with residents to overcome this. In Owensboro, where conditions were less severe, the Learning Community Initiative fostered a “culture of learning” that countered perceptions of low educational attainment,<sup>10</sup> establishing fertile ground for The Learning Villa to come later.

The potential psychological impact of revitalization is an important component. Mired in neglect and isolation from decades of decline, a damaging perception of failure can become self-fulfilling; good ideas hit resistance in overcoming entrenched mindsets about the blighted “identity” of a community. Innovative, holistic projects fly in the face of this resistance, deliberately targeting negative images to combat them. The Holistic revitalization process addresses these issues up front so that the Development Concept can be formulated for maximum impact.

Flint’s most prominent symbol of the departed auto-industry, a hotel named for the founder of General Motors, will become the symbol of its emerging “knowledge economy.” The Learning Villa project and Learning Community initiative were both conceived to flip hurtful perceptions about Owensboro as an uneducated backwater to represent a place that values and rewards educational attainment. All three Development Concepts are physical manifestations of the desire to shift people’s perceptions of place, taking care to first identify and understand those perceptions.

**4) Introducing a new use.** Another key opportunity to change perceptions is offered by introducing a new use to a site or building burdened with a troubled reputation or to one that has long sat vacant or underutilized. Buildings or properties that carry the constant, visible reflection of departed industry, social strife or long abandonment exaggerate conditions of blight and become physical symbols of all that is wrong. By introducing a new, productive use like quality housing, perceptions change dramatically about a neighborhood’s collective future. Entrenched mindsets begin to shift. A new use often benefits the neighborhood by encouraging longer and more intense periods of street life, which supports public safety and increased economic activity.

Additionally, by not redeveloping existing housing, there are no relocation issues or disruptions to existing residents’ lives, which can be lengthy and damaging. Based on my experiences, developers of HOPE VI and the housing programs that have followed spend considerable energy and political capital on the issues of relocation and phasing. It is an area in which the surplus of vacant or abandoned properties near the center of Forgotten Cities can present an advantage for developers, compared to the constraints of the land market in larger cities.

All three case studies develop a housing in non-residential buildings or parcels. Union Crossing converts

---

<sup>9</sup> Interview with Liz Gutierrez (02/05/09)  
<sup>10</sup> Interview with Tracy Marksberry (01/20/09)

an industrial mill building complex to a mixed use neighborhood, while the Durant creates new housing units in a hotel building that has sat vacant for decades. The Learning Villa creates a neighborhood immediately adjacent to downtown on surplus school property in an area between light industry and residential zones. None of these would have the same revitalizing impact on their surroundings if they merely redeveloped housing on the same site.

Admittedly, the strategy of redeveloping housing on failed industrial or commercial property is difficult to implement. Most revitalization programs are administered by government housing agencies which, attempting to limit risk and maximize efficiency, target sites under their control for redevelopment and which are already zoned for multifamily residential use. While these projects can be helpful to their cities by reinvesting in neglected communities, they miss an opportunity for greater impact—in Forgotten Cities wrestling with wholesale revitalization, a housing project redeveloped as new housing is not transformative.

**5) Addressing low capacity through community planning.** Countering the tendency to leave new housing to be developed by, and targeted for, people outside the city, Holistic practitioners emphasize revitalization from within by enhancing civic capacity in current residents and preparing them to take control of the development agenda. Lawrence CommunityWorks builds flexible, peer-to-peer participation in their operation through focus groups and network organizing. Their primary goals in any initiative are to build and maintain a communicative atmosphere.

Similarly, through the community planning process, developers and planners focus on bolstering complementary capacities in other organizations and city agencies, as well as “brokering new relationships” that would be necessary for a successful real estate development. Without these previous efforts, the trust and working relationship required for the project would be impossible.

The most important outcomes identified by the organizers of Lawrence’s RGI were the establishment of trust and the ability to make good decisions in the community, and the formation of new relationships that process created. For outside developers working in a new context, such as Richard Karp’s involvement in the Durant, there is benefit in identifying settings and organizations that have already been established and have credibility. Karp found an ideal partner in the Genesee County Land Bank, which had been working for years to resolve abandonment and disposition issues with an independent Community Advisory Council, with neighborhood organizations, and in annual community meetings.

The size, structure and mission of the housing developer, while important, does not appear to be as crucial to the impact of the project as the grounding of their Concept in a pre-existing community vision and process. These successful projects, intentionally or not, are the physical embodiment of the prior community development initiative.



**6) Laying the legal and legislative groundwork.** Complimenting the “softer” elements of capacity-building and trust, Holistic projects are preceded by an equal amount of work to remove legal and financial barriers. This period is spent on the passage of enabling legislation, adjustment of zoning limitations or enhancement of financing opportunities. These difficult tasks consume time and resources and involve substantive public input and debate, in the face of schedule constraints of subsidy programs or construction financing.

A resolution to this conflict may be found in the sequencing of these tasks, as discussed in the previous chapter. The engagement of the real estate development process for a specific project should come after broad community development goals have been largely settled, allowing the revitalization effort to avoid these serious (and common) tendencies in the Conventional redevelopment process:

- Compromising community-wide goals with site-specific constraints
- Rushing or circumventing public participation and input
- Burdening the development team with perceptions of self-serving goals and motivations
- Forcing real estate development firms to resolve entrenched community political issues

The point of entry into the physical development process for the case study projects avoided these outcomes. In Flint, the County Treasurer helped establish a revolutionary land disposition model that created the Genesee County Land Bank. At the same time, the Michigan Historic Preservation Network was advocating for revisions to the state Historic Tax Credit financing rules. Both would eventually be critical in the Durant’s revitalization. In Lawrence, Union Crossing was preceded by a significant zoning overlay, creating a formal zoning change that enabled the redevelopment of the Mills into housing.

**7) Defining sustainability broadly.** In recent years, the issue of environmental sustainability has leapt into all facets of real estate development. City agencies, public boards, community organizations and public financing entities have all shown concern for projects to incorporate elements of “green design,” often looking to checklists such as the LEED rating system to evaluate projects. Too often in revitalization projects, sustainability is perceived as yet another public good that competes with public space design, affordability and community supportive services for project resources. As seen in the Conventional revitalization diagram in Figure 4.1, green design becomes an additive element to the already-formed Development Concept, easily stripped away under financial feasibility constraints.

In Holistic revitalization, sustainability is defined broadly, considering how it can be used to enhance affordability through reduced auto dependency and greater energy efficiency. A development Concept centered on sustainability can promote healthier neighborhoods, a more environmentally sustainable

city and become the core of an equitable and innovative economic development strategy that creates “green collar” job opportunities. These opportunities range from entry-level to high-wage jobs, in work that includes building, construction, assembly, installation, operation, maintenance, transportation, and manufacturing,<sup>11</sup> several of which are needed or supported by housing development.

Distributed energy generation, regional agriculture, compact development and energy efficiency are key elements of the movement to retrofit American cities and rebuild local economies. These measures are especially suited for small, post-industrial cities, whose transforming economies and changing demographics can allow communities to embrace a “framework for creative reinvention.”<sup>12</sup> Holistic development projects that fit within this broader framework have the potential to have impacts well outside their borders and support the project’s own long-term viability. Creating such a framework for the whole city is not an appropriate task for individual, self-interested development teams to pursue, but the project is only enhanced by integrating complimentary strategies.

For Union Crossing, LCW and Groundwork Lawrence have worked to spur broader revitalization of the Merrimack River and the city’s network of parks and open spaces. Within the buildings, the focus of green design strategies has been on enhancing resident health and enhancing affordability through energy efficiency. Integrating these strategies into the Concept, LCW has worked toward securing project financing specific to these efforts, including negotiating to incorporate utility incentives and exploring the use of Energy Efficiency and Conservation Block Grants included in ARRA. A Purchase Power Agreement creates a mutually beneficial deal between the project and a local renewable energy technology firm.

In addition to these tangible sustainability strategies, there is a psychological effect similar to the third tool to “change perceptions.” Achieving a project with groundbreaking environmental sustainability measures will help Union Crossing overcome the legacy of Lawrence’s industrial pollution and help establish a new “green economy.” The adaptive reuse of the actual mill buildings is a powerful part of this transition.

**8) Embracing the “planned city.”** Housing revitalization presents an opportunity to make a physical intervention in a city that, when well-designed, can repair urban fabric, support commercial economic development goals, enhance resident affordability (by reducing transportation and even healthcare costs) and reverse ingrained perceptions of blight and decline. Development decisions on site, program and urban design have a strong influence on these outcomes.

In Conventional revitalization, the programmatic and site components of the Development Concept are determined by financing requirements or by the developer’s own past experience. It is driven by what program mix is financeable and where land is most easily acquired or assembled, rather than by what is needed. There is much greater potential enabled by the Holistic approach, which roots the development

---

11 White and Walsh (2008)  
12 Tumber (2009)

concept in the inherent compactness and connectivity of Forgotten Cities.

Owing to rapid growth during their heyday, small industrial cities were nearly always consciously planned. Today they retain compact, pedestrian oriented streets and blocks, prominent civic architecture, formal parks and an adjacency to natural waterways. Larger cities demolished and replaced much of this valuable infrastructure, but small industrial cities lacked the funds and land value to change much of their downtowns in the past several decades. Aside from neglect and environmental pollution, much of this infrastructure remains valuable as a historic and cultural resource.

All three case studies are located a short distance from the city center, and Union Crossing is re-knitting the network of paths, parks and roads to and through the site. In Flint, the historic Durant Hotel rehabilitation, supported by the Michigan Historic Preservation Network, is creating new respect for the city's historic resources. Connecting to the city's past symbolically and physically allows the project to benefit from contextual strength and for residents to get beyond the "history" and to imagine these resources as part of the city's future.

**9) Connecting with context.** Successful developers, as in the cases, leverage contextual strength and neighboring assets to drive programming decisions. Projects that might conventionally turn their backs on other uses can find ways to enhance value by doing the opposite, through the use of shared facilities, open events and complementary programs. In small industrial cities, there are fewer stable institutions and a fragile local economy, underlining the importance of mutual support.

The Learning Villa's proponents chose not to separate the adjacent elementary school, family rental apartments and a future senior housing building, but to find opportunities to mix the populations, creating a more complete and inclusive community. The project begins to break down a large, sprawling site into a walkable neighborhood connecting different family-oriented uses, and to knit the site into the downtown block fabric to its west by extending public streets through the site.

Programming decisions have powerful psychological importance, as well. The Durant Hotel's renovation supports the expansion goals of neighboring UM-Flint, both as a marketing strategy and as a way to enhance the importance of both assets in the community. From the original concept, Union Crossing has emphasized programmatic connections to the neighboring Lawrence General Hospital and a daycare facility, both important resources and potential employers for residents.

**10) Leveraging the local economy.** Describing the past period of decline and economic restructuring in their respective cities, several observers noted a feeling of helpless expectation, when their only vision of revitalization came in the form of outside intervention—what one observer called "White Knight

Salvation.”<sup>13</sup> A new manufacturer would move in to replace a departed one. Big city developers and entrepreneurs would move to a city and attract new residents and retailers. By contrast, revitalization coalitions, such as the Reviviendo Gateway Initiative and the Learning Community, focus on improving the quality of life and access to opportunities for existing residents.<sup>14</sup>

Holistic housing revitalization follows the same model, creating housing that connects residents to employment, training and educational opportunities. The Learning Villa enables residents to fulfill educational attainment in a supportive community with abundant resources. Union Crossing will connect residents to employment and training opportunities through programs and physical proximity. At the Durant, various proposals discussed with UM-Flint conceive a “live/learn community,” where students can reside, take classes and pursue research in the same building.

By not relying on outside intervention, revitalization coalitions take control of their city’s economic destiny. The conventional, top-down, employer-based approach is replaced by a grassroots economic development approach based on family-level asset building. Housing development can support that by creating ownership and rent structures that reward saving and build equity while preserving future affordability. Flexible space planning that allows for small business incubation and cooperative facilities for hosting meetings, meeting clients and professional networking can both provide additional revenue stream and empower local wealth-building and empowerment. While these are more fragile and less profitable than commercial retailers, they are also less susceptible to external market forces (and generally more dedicated to the success of that venture or location than a remote franchiser).

\* \* \* \* \*

These ten tools highlight some of the ways in which the innovative practitioners in the cases realized more holistic housing development projects; the tools help them gain political power and capacity from the process, achieve broad community development aims, and leverage investment to better the project’s surroundings. Along with the tools, the conceptual models of Conventional and Holistic Revitalization introduced earlier provide the developers with a coherent framework in which to analyze their own development process.

In Forgotten Cities, especially amid a global economic recession that has severely constrained capital, it is vital for all developers to consider the range of project objectives more holistically and to leverage the greatest possible impact from housing development. Beyond the social good, developers will need this approach for their business – as many urban housing developers know, it takes community cooperation, access to public subsidies, and a relevant strategy to complete projects and get future work. The Holistic

---

13 Interview with Ezra Glenn (01/12/09)  
14 Hoyt and Leroux (2007)

process is a better model, one that allows developers to assess which settings will be most conducive to a successful project, before they commit limited time and resources.

Most real estate development firms, however, cannot readily enter Forgotten Cities and address the myriad challenges on their own, even the firms that are mission-oriented, experienced and otherwise capable. Developers entering the context of small, post-industrial cities need guidance to bridge the gap between revitalization ideas and their practical realities and limitations. They must be aware of important questions that affect the idea of Holistic Revitalization and its implementation. They need to understand the limitations of the approach described here and where further study and reflection are needed. The final chapter serves as an introduction to these issues.

## F I V E

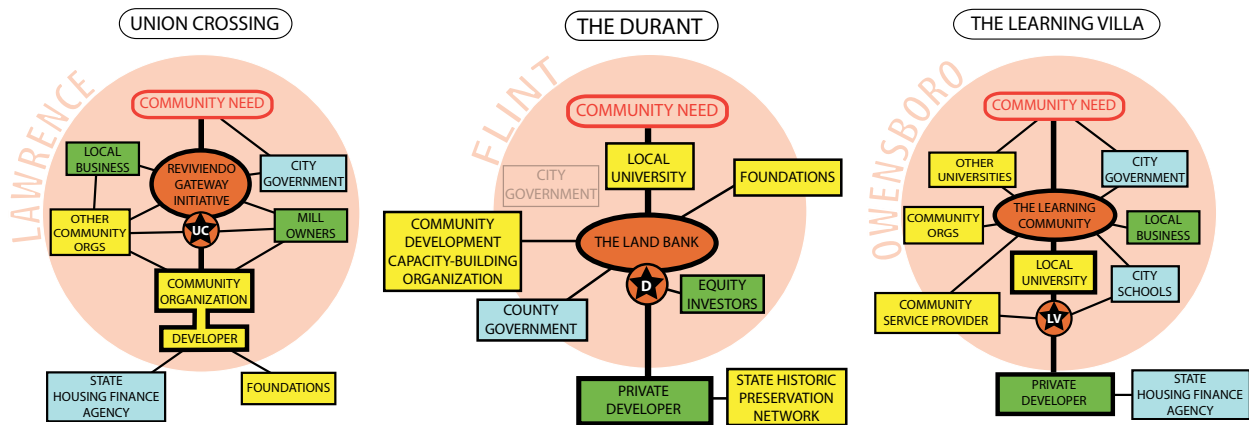
### *From Idea to Practice: Implications for Developers*

A brief summary of the reasoning thus far: Once regionally dominant, then forced through painful economic restructuring, Forgotten Cities have spent the past few decades adjusting to the reality of limited resources, aging infrastructure, shifting demographics, and diminished capacity. Conventional housing revitalization does not address these root issues, failing to account for the inherent differences in small, post-industrial cities that limit the effectiveness of housing development strategies developed in large, economically-diverse ones. The housing revitalization tools created by innovative practitioners in response directly address the challenges and opportunities in Forgotten Cities. The idea of Holistic Revitalization that comes from their experiences articulates a vision for renewal and redevelopment. So, a development professional might ask, now what?

The Holistic Revitalization process can serve as a guide for developers entering these cities and help them to read the local landscape for assets from which to build. The idea should also act as a blueprint for all the potential actors (institutional leadership, planners, city officials, neighborhood organizations, residents, etc.) who do much of the community development groundwork and capacity building in Forgotten Cities that sets the table for Holistic Revitalization projects. Together, their actions will restore their cities' role as regional centers, and help establish their transformation to economically, physically and socially sustainable communities.

As a starting point, developers entering these places need to understand the relationships among local actors in Forgotten Cities. The "actors diagram" from each of the projects are reproduced below and shown together, to better understand their structure. Two similarities are apparent which are not often present in Conventional development. First, note the prevalence of local actors (indicated inside the city's shaded circle). Second, the connection between the developer and the local actors - and to the community need - occurs through the "hub" of a community development initiative or organization (shown centrally in an oval).

Figure 5.2: Actors diagrams from the case studies



From his previous work, developer Richard Karp knew the complexity and challenges that face redevelopment in small industrial cities in northern Ohio and southeastern Michigan, so his approach to working in Flint began through partnering with local institutions grounded in the community around their vision for the Durant. First, he teamed with the Land Bank, who knew the neighborhood’s physical and market context from years of property disposition work. As a public entity, GCLBA also connected Karp with grant funding from locally-based foundations and to LISC’s community development work. Second, Karp and the Land Bank connected with the local university, fitting the Durant into their expansion planning for an enhanced residential “downtown campus,” assuring the project would have market demand that supported – and was supported by – UM-Flint’s institutional goals.

In relatively resource-rich Owensboro, developer Tracey Glasscock began from her personal knowledge of the established role Brescia University (and each of the other colleges) has in the community. Having no connection to the Learning Community’s outreach and capacity building work, her firm’s concept connected with the network of schools and organizations behind it and built on that initiative’s goals. Wabuck, in turn, provided housing development expertise that the Learning Community partners lacked.<sup>1</sup> By making that single connection with Sister Bowles and Brescia, Glasscock tapped into a supportive environment (and a waiting market) for the Learning Villa. As an outside developer, a different reception in Owensboro was quite possible, given the Housing Authority’s resistance to affordable housing “competition” and the School Superintendant’s initial reservations about turning over school property to a private developer.

In Lawrence, the “local institution” that has enabled the development of Union Crossing is LCW itself, a nonprofit community organization that has worked to build trust and capacity with residents and the City over the past decade. Their energy focused on establishing a communicative atmosphere through RGI that built civic capacity in residents and brought their needs into the public discourse. Then, when the

<sup>1</sup> Interview with Keith Free (01/19/09)

opportunity came to redevelop the Southwick Mills site, LCW had intimate knowledge of the community's shared development agenda. Instead of a real estate firm that sought a trusted community institutional partner, LCW became an institution itself and built development expertise in-house through smaller projects. Their process represents a model for CDCs or other neighborhood-based organizations in small post-industrial cities to achieve broad community goals through housing development.

## **THE ROLE OF THE CITY GOVERNMENT**

Looking again at the three diagrams, there are two areas where the three diagrams contrast. One is the number of steps between the housing development entity and "Community Need." In the Flint case, Richard Karp could remain a step removed from the community agenda-setting process only because he had the Land Bank and UM-Flint actively participating in that process and interpreting the results to be useful for the Durant redevelopment. Lawrence CommunityWorks, by contrast, is organized as a network of community stakeholders and was at the center of the RGI process.

The second area of contrast is the extent of the (or lack of) a City Government role in Holistic Revitalization. For the reasons established in Chapter Two, it is common that the government in small post-industrial cities wants for capacity and resources. In many Forgotten Cities, the City, or at least certain leaders or agencies, can be an obstacle to community agenda-setting. Given limited resources and the short political cycle, city leadership can fixate on physical development and outward appearances at the expense of understanding broader potential impacts. Observers in Flint and Lawrence noted these instances in aspects of the revitalization efforts there.

In many cases, however, the City is capable and efficient, and plays a vital role in connecting the community development agenda with development expertise and with federal and state financing, such as in Owensboro. Beyond that, there are some cities with dynamic, progressive leadership at many levels that can lead this process. Almost all small post-industrial city governments possess a little of each of these: dysfunction and myopia, competence and proficiency, hope and innovation. These characteristics vary by agency and election in each city. This fact only underlines the importance of the Holistic Process and of partnering with trusted local institutions who already know this context well, in order to guide strategy for how to work with the City Government through the development process.

## **LIMITATIONS OF THIS STUDY**

Given the limitations of time, resources and method, there are a number of unanswered questions that come out of this study, especially the questions of how to recognize trusted local institutions and how to identify more specific measures and indicators of Holistic Revitalization. For the first, a future study might



analyze common characteristics among institutions that quantify their “roots” in a community, such as duration, membership or organizational structure.

For the second, as with previous revitalization theories, community impact indicators and measures will need to be developed and studied for the case studies and other current projects to continue to refine the idea of Holistic revitalization. As opposed to Pagano and Bowman’s conventional indicators of gentrification and rising investment (from Chapter One), one might look to more recent analysis of housing revitalization project outcomes that identify more holistic “kinds of success,” such as Lawrence Vale’s, which introduce indicators such as “progress on socioeconomic development,” “improved tenant organization capacity,” and “smooth implementation,” to go along with design quality, improved security and the like.<sup>2</sup> These apply just as readily to housing development projects as well as previous, more conventional indicators, but they take a more holistic measure of the project’s success in fostering broader community development.

Additionally, further study might expand the range of cases to establish results more readily generalized. Among some possibilities are Liberty Square in Lowell, MA; Westbury/Jeffry Wilson in Portsmouth, VA; the Pine Street Neighborhood in York, PA; and the Box District in Chelsea, MA. A separate study might control for external factors through a case study comparison of two concurrent projects in the same Forgotten City, such as the two Lawrence mill redevelopments, Washington Mills and the Wood Mill, or “Monarch on the Merrimack.”

## **A NOTE ON METHOD**

The research design for this thesis follows a comparative case study approach. It varies, however, from a more conventional research project, in that there are few observable results or effects from the selected case studies, since each is still in progress (or very recently completed). This approach was deliberate, so that the research could produce the most relevant findings in the wake of the economic downturn beginning in the late fall of 2008, as capital markets fluctuate and the federal government struggles to identify fiscal and policy strategies with the most impact for economic stimulus, housing revitalization and infrastructure development. In this context, developers need direction in identifying the most effective projects to pursue.

First, though, the analysis had to relate to the long history of ideas about Holistic Revitalization. Research began with a literature review of these previous ideas, focusing primarily on programs created in the last forty years to address broad public goals. The targeted cities and neighborhoods for these programs were noted, as well as how successful projects were defined and measured, and how outcomes were assessed. This review also included the more recent literature on the challenges and opportunities in small industrial

---

2 Vale (2002)

cities, specifically research identifying common characteristics and the implications for achieving holistic housing development.

### **Case Study Selection**

In codifying the ideas about holistic housing revitalization in small, post-industrial cities, the comparative case study method grounded the ideas in real world applications. From the case studies, I sought to draw out contextual factors, and to identify both consistent and differentiated observations among the cases. In this, the selection of case studies was critical; I sought to include the widest range of project types and development tools possible, so that the research addresses topics and challenges the audience identifies in their own work.

To select the case studies, I began with the cities and practitioners identified in the literature review on revitalization in small, industrial cities and those suggested by Dr. Lorlene Hoyt, my thesis advisor and a co-author of the “Voices from Forgotten Cities,” as well as performing internet and database searches for other current or recently completed projects. In addition, I surveyed practitioners known from my professional experience in the Washington, D.C. and Boston affordable housing design and development communities. A few additional case study possibilities were found through classes and professors in the Department of Urban Studies and Planning and the Center for Real Estate Development at MIT.

This process identified nearly twenty current, significantly-sized projects primarily focused on housing development in small, post-industrial cities. These were known to be unconventional in their approach to city and neighborhood revitalization. Among these, I filtered for the final case studies using more narrowly-defined criteria. The selected case studies were all:

- large enough (relative to its city) to have a significant physical, social and economic impact and must be transformational at the neighborhood scale;
- located in geographically diverse locations, to control for regional differences; and
- targeted for communities representing differing racial/ ethnic populations.

Beyond these initial screening criteria, the selection of the final three cases was based on a combination of factors relating to the feasibility of conducting interviews with key project proponents and stakeholders, site visits and detailed secondary source research, as well as my own, largely subjective, interest in the project’s goals and challenges.

The selected case studies are located in New England, the Mid-Atlantic and the Midwest and are in various states of completion, from predevelopment financing to recent occupancy. While they are located in cities that vary widely in racial and ethnic composition, and in size from 54,000 to 108,000, each city has experienced a historical narrative similar to that described in recent literature. The lead development entities vary in size, mission and relationship to the project city.

The method for selecting case studies was not comprehensive and was biased toward my own personal interests. The method did, however, yield diverse, representative cases that provided rich, detailed data from a range of primary and secondary sources.

## Sources

Data for the analysis and synthesis of previous attempts at holistic revitalization came from secondary sources such as assessment reports, books, reports and journal articles. Primary data from the case studies came from the following:

- Development proposals
- Zoning opinions or amendments
- Grant applications/ Financing applications
- Local press coverage
- Project and organization websites

Most of the primary data came from 23 personal interviews (totaling over 18 hours). For each project/city, interviews were conducted with key actors, including developers, consultants, City and State agencies, and community stakeholders (See Figure 5.2)<sup>3</sup>. I also investigated the project's role in the broader context of the city's history with local observers who have a long-term perspective on past development efforts and could speak to what is innovative about these new projects. Many interviewees were found using "snowball sampling," where the first interview subjects were prompted to suggest other relevant subjects who had supported, opposed or observed the project.<sup>4</sup>

## Data Analysis

My research question was structured around current cutting-edge theory and practice, which did not allow for substantive quantitative analysis of outcomes – some of the projects had not even completed construction at the time of this writing. Instead, my analysis focused on uncovering evidence on the existence of a shared idea of Holistic Revitalization in small, post-industrial cities, and on evidence that it differed from Conventional practice.

Evidence supporting the model of Conventional Revitalization comes mostly from my own professional history, including eight years in the design, construction and development of large-scale neighborhood revitalization projects in different cities across the eastern and Midwestern U.S. In many cases, these claims are substantiated by existing literature and reports on similar topics. While the description and diagrams

---

<sup>3</sup> See Appendix for more information on interview method and structure.

<sup>4</sup> Based on a prior connection through related graduate work and on her own background in architecture, city planning and development, Maggie Super Church was asked to be on the review committee for this thesis, a request made after Union Crossing was chosen as a case study. Ms. Super Church's involvement (and willingness to be the first interview subject) allowed for early and useful feedback in the basic interview format and content.

HOLISTIC REVITALIZATION IN SMALL INDUSTRIAL CITIES

Figure 5.2: Case Study Interview Data

	NAME	ROLE/POSITION	ORGANIZATION	DATE	LENGTH
Union Crossing (Lawrence, MA)	James Barnes	Director	City of Lawrence Community Development Department	02.23.09	40m
	Ezra Glenn*	past Director	City of Lawrence Community Development Department	01.12.09	55m
	Liz Gutierrez	former Neighborhood Planner	Lawrence CommunityWorks	02.05.09	40m
	Kristen Harol*	former Deputy Director	Lawrence CommunityWorks	01.15.09	1h 10m
	Lisa Kozol*	Real Estate Director	Lawrence CommunityWorks	01.29.09	40m
	Heather McMann*	Deputy Director	Groundwork Lawrence	01.29.09	45m
	Chester Sidell*	Mill Owner	Bell Tower Management	01.15.09	1h 10m
	Maggie Super Church*	Union Crossing Project Director	Development Consultant, former Groundwork Lawrence Executive Director	01.06.09	1h 25m
	Lou Yopez	Mill Owner & Vice President	Mainstream Global	02.19.09	45m
The Durant (Flint, MI)	Nancy Finegood	Executive Director	Michigan Historic Preservation Network	02.05.09	50m
	Michael Freeman	Senior Program Officer	Local initiatives Support Coalition (LISC-MI)	01.23.09	1h 05m
	Amy Hovey	Interim Director	Genesee County Land Bank Authority	01.29.09	45m
	Richard Karp	Principal	Karp & Associates	02.05.09	50m
	Dan Kildee	County Treasurer and Board Chairperson	Genesee County and Genesee County Land Bank Authority	01.27.09	1h 10m
	David Lossing	Director of Government Relations	University of Michigan—Flint	02.06.09	45m
	Phil Shaltz	President	Automation Inc.	02.17.09	50m
The Learning Villa (Owensboro, KY)	Sheila Boling	Housing Director	Audubon-Area Community Services	02.17.09	30m
	Keith Free	Director	City of Owensboro Community Development Director	01.13.09	50m
	Tracey Glasscock*	Vice President	Wabuck Development Company	12.22.08	1h 05m
	Linda Inman*	Learning Villa Housing & Family Service Coordinator	Audubon-Area Community Services	12.22.08	1h 15m
	Tracy Marksberry	Executive Director	The Learning Community, Greater Owensboro	01.20.09	45m
	Tammy Stansbury	Rental and Homeownership Production Director	Kentucky Housing Corporation	02.06.09	30m
	Dr. Larry Vick	Superintendent	Owensboro Public Schools	02.09.09	40m

\* indicates a personal interview; all others conducted by telephone

of Conventional Revitalization are biased toward my personal experiences and expectations, they represent a fairly broad set of experiences with projects in over a dozen cities, representing tens of millions in development financing and thousands of units constructed. While a reader with different experiences may critique some points of the description, it should not detract from the conceptual argument.

Evidence that supports the contrasting idea of Holistic revitalization come from interviews with stakeholders in these projects, as well as from what I observed to be the more successful elements of my own professional experience. In most cases, project participants did not describe a deliberate attempt to change the development process, but spoke of ways to get to “real results” or “meaningful impacts” that sustain a project’s investment. Phil Shaltz of Flint stated it simply when he said the goal was to “just kick-start activity, and if it meets community needs, it will survive.” Despite his understatement of the project’s goals,

it demonstrates the type of evidence I sought: Holistic projects contain successful housing development, but they neither come from a preconceived development concept nor are measured by conventional real estate goals.

Interview data were collected and categorized by flagging noted observations that supported a similar reflection from a different project or context, or that supported atypical data from the project press, development budget, zoning decision, or other sources. Once completed, the annotated interview notes and supporting materials were used to create a conceptual diagram of Holistic development from which useful inferences could be made.

### INFRASTRUCTURE, SUSTAINABILITY AND BEYOND: RETROFITTING U.S. CITIES

Development cycles are highly visible and pronounced in Forgotten Cities, where a few large projects sways the relatively smaller housing market and occur with fewer concurrent development variables than in larger cities, so impacts are easily observed.<sup>5</sup> New development makes a large impact, for better or for worse. For this reason, small post-industrial cities represent a fertile area of study for federal stimulus and policy programs designed to bring about a robust “green economy” and sustainable physical and economic growth. The case studies described here are examples of the type of innovative approaches to housing revitalization that must be taken to bring about this necessary retrofitting of American cities in the coming decades.

Transforming the approach to housing revitalization based on these approaches, however, will require further study to unearth more tools that address the variety and depth of challenges faced in these places. New tools will need to be innovative to aggressively take on the task of sustainably

Figure 5.3: Farmers Market and YouthBuild Apprentices in Lawrence



5 Gittel (1992)

retrofitting our cities to be more dense and efficient. They will need to be even more resourceful as financial capital sources, both public and private, adjust to the systemic economic changes wrought by the downturn that began in 2008. In this tumultuous environment, there will be opportunities for innovation. Non-traditional institutions may emerge in new partnerships for housing and infrastructure development. Intriguing questions are raised by this prospect: how would the development of neighborhood-based energy service corporations (NESCOs) as part of a project affect the design? How would it change the approach to long-term operations and maintenance expenses? What sort of economic development strategy could be achieved through the project? Similarly, how would pension funds adjust their real estate investment strategies if they focused on the neighborhoods where their constituents live?

These external circumstances will further challenge Holistic housing development, in addition to the already steep barriers facing revitalization in Forgotten Cities. Communities desperate for an infusion of funds from ARRA and other federal programs and external sources will sacrifice long-term impacts and a Holistic process for opportunities to access near-term capital, quickly. While this is always a conflict, the current emphasis on simpler, “shovel-ready” projects for public financing creates greater pressure on local governments to produce immediate results, no matter how lightly considered. Similarly, in this risk-averse environment, innovative strategies to align financial resources with community need will be more heavily scrutinized. In lining up sources for Union Crossing, LCW was surprised at the difficulty in financing straightforward energy efficiency measures. Though the process for getting at more holistic aims has been outlined here, others will need to investigate the financing mechanisms for their implementation.

## A P P E N D I X

### **CASE STUDY INTERVIEW METHOD**

Many of the interviews were conducted in person, with an account kept via the author's notes and an audio recording. The rest were conducted by telephone, with an account kept in the author's notes. All of the interviews were conducted individually to promote the most variety in responses. Each began with the same rough template of questions, to facilitate comparison across the cases. The following template was used to begin each interview, with individual follow up questions tailored to reveal the subject's unique viewpoint, based on project role or past experiences.

#### **On Idea:**

- What attracted you and/or your organization to be a part of the broader initiative?
- What central ideas did the coalition identify? How did those ideas come to light?
- What is it about \_\_(city)\_\_ that makes your coalition particularly meaningful or effective?
- What assets does \_\_(city)\_\_ have that are critical for your project's success?
- How was your housing development partnership created? What establishes mutual trust and shared goals for the partnership?
- How do you foster capacity for collective action and for social inclusion among your project partners? Among your stakeholders? Within your own organization?

**On Tools:**

- How does \_(housing development project)\_ support the broader initiative's goals? What innovative tools utilized in this project implement this? How were they developed?
- What atypical or innovative financing mechanisms or resources did you use, if any?
- How does the design of the project support social or economic development goals?
- What are/were the primary barriers to conceiving and developing this project (capacity, regulatory, financial, physical, overcoming perceptions, etc)?
- How will the achievements of your project be sustained?
- What tools that you developed and implemented could be replicated elsewhere? Were any tools only appropriate for your project or city? Why?



**BIBLIOGRAPHY**

"About LCW," Lawrence CommunityWorks website, viewed January 2009. <[www.lcworks.org](http://www.lcworks.org)>

"About the Learning Community," Learning Community of Greater Owensboro website, viewed December 2008. <[www.golearningcommunity.com/about/](http://www.golearningcommunity.com/about/)>

"About Us," Genesee County Land Bank Authority website, viewed January 2009. <[www.thelandbank.org/aboutus.asp/](http://www.thelandbank.org/aboutus.asp/)>

Barnes, James. Telephone interview. 23 February 2009.

Boling, Sheila. Telephone interview. 17 February 2009.

"Brescia's Learning Villa Approved," News & Events, Brescia University website, viewed December 2008. <[www.brescia.edu/](http://www.brescia.edu/)>

Brown, Prudence. "Comprehensive Neighborhood-Based Initiatives," *Cityscape: A Journal of Policy Development and Research*, Volume 2, Number 2. Washington, D.C.: U.S. Department of Housing and Urban Development, 1996.

Burayidi, Michael A. *Downtowns: Revitalizing the Centers of Small Urban Communities*. New York: Routledge, 2001.

Cabrera, Orlando J. Testimony Before the Congressional Subcommittee on Housing and Community Opportunity, June 21, 2007. <[www.housingresearch.org](http://www.housingresearch.org)>

Campbell, Joy. "Initiative Launching Next Month: Group Wants Focus on Lifelong Learning," *Owensboro Messenger-Inquirer*, 15 January 2006.

Campbell, Joy. "Public gets first look at new project," *Owensboro Messenger-Inquirer*, 28 September 2008.

Costigan, Patrick and Quigley, Leo. Resident Success in Economically Integrated, Socially Diverse Housing," *A Practitioner's Guide Prepared for the Ford Foundation Mixed-Income/Mixed-Race Housing Initiative*. The Community Builders, 2006.

Crocker, Ruth. *Social Work and Social Order: The Settlement Movement in Two Industrial Cities, 1889-1930*. Chicago: University of Illinois Press, 1992.

Finegood, Nancy. Telephone interview. 5 February 2009.

Fox, Radhika, and Axel-Lute, Miriam. "To Be Strong Again: Renewing the Promise in Smaller Industrial Cities," Policy Link, 2008.

Fox, Radhika and Treuhaft, Sarah. "Shared Prosperity, Stronger Regions: An Agenda for Rebuilding America's Older Core Cities," Policy Link, 2006.

- Free, Keith. Telephone interview. 13 January 2009.
- Freeman, Michael. Telephone interview. 23 February 2009.
- Gittell, Ross J. *Renewing Cities*. Princeton: Princeton University Press, 1992.
- Glasscock, Tracey. Personal interview. 22 December 2008.
- Glenn, Ezra. Personal interview. 12 January 2009.
- Gutierrez, Elizabeth. Telephone interview. 5 February 2009.
- Harol, Kristen. Personal interview. 15 January 2009.
- Hovey, Amy. Telephone interview. 29 January 2009.
- Hoyt, Lorlene and Leroux, Andre. "Voices from Forgotten Cities: Innovative Revitalization Coalitions in America's Older Small Cities," Policy Link, 2007.
- Inman, Linda. Personal interview. 22 December 2008.
- Jacobs, Jane. *The Death and Life of Great American Cities*. New York: Random House, 1961.
- Jacobson, Louis. "High Hopes," *Government Executive*. Washington: National Journal Group, 1999.
- Karp, Richard. Telephone interview. 5 February 2009.
- Kildee, Daniel. Telephone interview. 27 January 2009.
- Kozol, Lisa. Personal interview. 29 January 2009.
- Leroux, Andre. "Planning for Equity: Coalitions and Moral Vision," *Journal of Community Power Building*, Vol. 2. Ricanne Hadriane Initiative for Community Organizing, 2005. <[www.macdc.org](http://www.macdc.org)>
- Lipow, Hershel. "Living Cities: Using Focused Investment to Develop and Revitalize Cities," *Journal of Housing and Community Development*. Washington: National Association of Housing and Redevelopment Officials, 2005.
- Lossing, David. Telephone interview. 6 February 2009.
- Marksberry, Tracy. Telephone interview. 20 January 2009.
- Mayer, Henry and Greenberg, Michael. "Coming Back from Economic Despair: Case Studies of Small- and Medium-Size American Cities." *Economic Development Quarterly*, 2001.
- McMann, Heather. Personal interview. 29 January 2009.
- Muro, et al. "Reconnecting Massachusetts Gateway Cities: Lessons Learned and an Agenda for Renewal," 2007.

Ofori-Amoah, Benjamin. *Beyond the Metropolis: Urban Geography as if Small Cities Mattered*. Lanham, MD: University Press of America, 2007.

Office of Community Development Evaluation Division. *The Model Cities Program: Ten Model Cities, A Comparative Analysis of Second Round Planning Years*. Department of Housing and Urban Development. Washington, D.C. 1973.

Pagano, Michael and Bowman, Ann. *Cityscapes and Capital: The Politics of Urban Development*. Baltimore: Johns Hopkins University Press, 1995.

Pierson, John and Smith, Joan. *Rebuilding a Community: Policy and Practice in Urban Regeneration*. New York: Palgrave, 2001.

"Profile," Michigan Historic Preservation Network website, viewed February 2008. <[www.mhpn.org](http://www.mhpn.org)>

Shaltz, Phil. Telephone interview. 17 February 2009.

Sidell, Chester. Personal interview. 15 January 2009.

Super Church, Maggie. "Case Study: Lawrence." Essex County Forum website, <<http://www.essexcounty-forum.org/lawrence33.html>>. Viewed 02.16.09.

Super Church, Maggie. Personal interview. 6 January 2009.

Stansbury, Tammy. Telephone interview. 6 February 2009.

Traynor, Bill. Guest lecture to the MIT Department of Urban Studies and Planning, 2 December, 2008.

Tumber, Catherine. "Small, Green and Good," *Boston Review*, March/April 2009. Somerville, MA: Boston Critic, 2009.

Union Crossing Master Planning files, Coldham and Hartman Architects website. Viewed November 2008. <[www.coldhamandhartman.com/current.php](http://www.coldhamandhartman.com/current.php)>

Vale, Lawrence. *Reclaiming Public Housing*. Cambridge: Harvard University Press, 2002.

Vick, Larry. Telephone interview. 9 February 2009.

Wilson, James Q. *Urban Renewal: The Record and the Controversy*. Cambridge: MIT Press, 1966.

White, Sara and Walsh, Jason. "Greener Pathways: Jobs and Workforce Development in the Clean Energy Economy." Madison, WI: Center on Wisconsin Strategy, 2008.

Wright, David A. *It Takes a Neighborhood: Strategies to Prevent Urban Decline*. Albany, NY: The Rockefeller Institute Press, 2001.

Yepez, Luis. Telephone interview. 19 February 2009.