

# Linking Housing and Public Schools in the HOPE VI Public Housing Revitalization Program: A Case Study Analysis of Four Developments in Four Cities

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## **CHAPTER 1: INTRODUCTION**

Neighborhoods retain an important place in civic life; however, inner-city neighborhoods have struggled to maintain a stable and civil environment. With the decline of central cities in the late twentieth century, most urban neighborhoods have lost population, jobs, and a sense of community. In addition, public services have been reduced and community institutions have declined, disappeared, or dispersed out to the suburbs (Keating, 1996). Even as efforts were made to redevelop urban centers, other federal policies were actually exacerbating declining neighborhood conditions. Most notable are those programs of the post World War II era that allowed the exodus of middle-class residents to the suburbs, including housing financing through the Federal Housing Administration and Veterans Administration and the development of the freeway system (Fox, 1986; Jackson, 1985; Keating & Smith, 1996).

The apparent decay of older cities prompted the federal government to participate in redeveloping deteriorated areas. Throughout the post WWII era, neighborhood revitalization has focused primarily on physical redevelopment, human renewal, and economic development as basic strategies. The overall goal of these strategies was to provide a better quality of life by improving the condition of physical environments (physical capital), lifting the poor out of poverty (human capital), and increasing access to economic resources (economic capital). These approaches were employed to ensure that neighborhoods were sustained in order to provide decent housing and encourage reinvestment into the neighborhood and its residents.

Public housing has played a significant role in providing critical access to shelter for inner-city residents. But ironically, this resource has also been a factor in inner-city neighborhood distress. The declining conditions of public housing sites have become a challenge to neighborhood revitalization efforts. Recently, policymakers have acknowledged that these neighborhoods cannot be redeveloped and revitalized without reforming public housing. The formal articulation of reforming public housing through physical, human, economic, and social capital development is found in the HOPE VI housing revitalization program.

In 1992, HOPE VI (originally known as the Urban Revitalization Demonstration Program) was enacted to transform the physical and social shape of distressed public housing. The program was a policy response to a national action plan to eradicate severely distressed public housing by the year 2000. According to the National Commission on Severely Distressed Public Housing Commission (1989), 86,000 (6 percent) out of 1.4 million public housing units are considered severely distressed, characterized by:

- Physical deterioration
- Uninhabitable living conditions
- High levels of poverty
- Inadequate and fragmented services

- Institutional abandonment
- Found in blighted neighborhoods.

Although the program called for correcting public housing efficiency, it had far more ambitious and comprehensive goals that captured the physical, human and economic development elements of previous neighborhood revitalization and poverty alleviation initiatives. A strategy was developed to transform public housing to ensure that it remained a stable source of affordable housing and to help make it a springboard to opportunities for residents. According to the U.S. General Accounting Office (1998), this transformation includes:

- Changing the physical shape of public housing by replacing the worst public housing developments with less dense developments;
- Reducing concentrations of poverty by encouraging a greater income mix among public housing residents and promoting mixed-income communities by providing market-rate housing;
- Creating positive incentives for residents to achieve self-sufficiency;
- Providing comprehensive services that assist residents in achieving self-sufficiency;
- Creating broad-based partnerships to leverage additional resources.

Overall, this new approach aims to revitalize and restructure public housing, deconcentrate poverty, encourage self-sufficiency, and alleviate social isolation experienced by public housing residents. In order to attain these goals, HOPE VI site initiatives seek to create mixed-income communities by dispersing low-income public housing residents and encouraging middle-income households into the neighborhood. The assumption in creating mixed-income developments is that they provide (1) a safe and more stable living environments, (2) working households to serve as role models for the community, and (3) higher income levels producing higher rental payments that offset operating subsidies from HUD (Eisenstadt et al. 2000).

The challenge for HUD and local housing authorities is to encourage the movement of working and higher income households into the neighborhood. This challenge cannot be met by housing authorities alone. It is expected that HOPE VI plans address ways to leverage resources and create partnerships with other neighborhood institutions to improve the overall quality of life in communities to encourage a mixture of races and incomes. One important factor to consider in the quality of life in neighborhoods is the quality of schools.

Over the last fifty years, there has been a disproportionate number of middle-income households moving outside of the city into the suburbs, thus the city-suburban income gap is widening. In recent years, city schools have been one of the factors that led to the abandonment of middle-class households from cities. Homebuyer's perceptions of the poor quality of city schools play a significant role in the decline of higher income households in urban neighborhoods. Unless cities are sensitive to middle-class householders' search for educational quality for their children, inner-city

neighborhoods will continue to lose higher income households to the suburbs (Varady and Raffel 1995).

An assumption underlying this research is that given the trend of middle-income family abandonment, housing authorities should seek collaboration with city school officials to improve the condition of schools in and around HOPE IV communities. Not only should the quality of education in schools be pursued, but also strategies to encourage the continued use of existing schools and the construction of new schools on infill sites within existing neighborhoods should be considered. When schools are embedded in a neighborhood, it can be a gathering place for people of all ages, providing a community anchor that connects residents to the future. In this light neighborhood schools can be a cornerstone around which older neighborhoods are resettled and new, more livable neighborhoods are established (Funders' Network 2002).

## RESEARCH AND METHODOLOGY

This research examines the linkage between housing and public schools in the HOPE VI Housing Revitalization Program by: (1) examining the extent to which HOPE VI efforts are aimed at improving local public schools to attract children from middle-class households and (2) analyzing the extent to which these programs are achieving this objective. This assessment examined four HOPE VI sites as case studies: The Townes at the Terraces in Baltimore, City West in Cincinnati, Park DuValle in Louisville, and Townhomes on Capitol Hill in Washington, DC. The four sites were selected based on several considerations. HOPE VI projects that had moved beyond planning to bricks and mortar were desired. Thus, projects that received early as opposed to later federal funds were selected. In order to analyze the composition and interaction of residents, researchers selected one site where there was preliminary indication that housing-school cooperation had taken place. Researchers selected one site where the housing market was tight and the attractiveness of the project for middle-income homebuyers would be relatively high. This convenience sample was selected within the constraint that two sites needed to be within a short driving distance of each research team. Given the above criteria, the cities and project sites were selected simultaneously. Resources only allowed the study of one HOPE VI site in each city.

The co-principal investigators led the research effort at each site, Varady (Cincinnati, Louisville), Raffel (Baltimore, Washington, D.C.). The research assistants, both graduate students and experienced housing/planning officials, did the bulk of the interviewing and first drafts based on their interviews and research. Subsequent drafts were based on the senior researchers' comments. The research team read drafts of all four sites and comments and ideas crossed between the two research teams. The project was administrated through the Center for Community Research and Service in the College of Human Services, Education and Public Policy at the University of Delaware<sup>1</sup>.

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<sup>1</sup> The authors thank Signe Wilcoxon of the Center for Community Research and Service for her diligent work collating the four case studies and turning the parts into a far better whole. We also thank the interviewees for their time and helpful information. We sincerely thank the Fannie Mae Foundation, which provided the financial support for this effort.

Data gathering techniques included semi-structured in-person and telephone interviews. Other data gathering techniques include document analysis of HOPE VI reports and newspaper articles and direct observations. Interviews were conducted with individuals who are familiar with the HOPE VI Program in their city, particularly with respect to linkages with the schools.

Interviews with housing authority staff, residents, school officials, city planners, developers, and other community members were conducted. Transcriptions of the interviews were coded and analyzed using QSR NVivo Software for Qualitative Data Analysis. Topics covered in the interviews included:

- Goals and objectives of the HOPE VI plan
- Institutional roles and collaborations/partnerships in developing the plan
- Institutional roles and collaborations/partnerships in implementing the plan
- Marketing strategies, particularly to middle-income households with children
- Social interaction amongst all residents (market rate and non-market rate)
- Programs in schools
- Perception of appraisal of housing-schools linkage.

The specific methodology, e.g., the positions of individuals interviewed, did differ somewhat by case because each project was in a different stage and each project had a different configuration of funding sources, participants, and specific circumstances.

The four cases are presented in alphabetical order (Baltimore, Cincinnati, Louisville, and Washington). Each case is presented with all supporting information including figures, tables, and references so that they can be studied individually and can stand alone as needed.

## **CHAPTER 2: THE CITY OF BALTIMORE, MARYLAND**

With a population of approximately 651,000, Baltimore, Maryland is the nation's 14<sup>th</sup> largest city and is one of the older, industrial cities that have experienced concentrations of poverty and population decline. Although its success in tourism and entertainment has given the city national attention, Baltimore's economic base has suffered due to the decline of high-paying manufacturing jobs over time. According to Census figures, between 1990 and 2000, the city lost nearly 85,000 citizens while the surrounding counties of the Baltimore metropolitan statistical area (MSA) added about 170,000 persons. The city continues to experience declining population trends with a – 11.5 percentage change from 736,014 in 1990 to 651,154 in the year 2000. The median household income for the city increased from \$24,045 in 1990 to \$33,573 in 2000, but was still well below the Baltimore MSA median income of \$53,143 (BMC Online 2002; Census 2000).

It is evident that the City of Baltimore also suffers from concentrated poverty. While only 31 percent of the residents in the region reside in Baltimore, 67 percent of the region's poverty households live in the City. In 1990, Baltimore's poverty rate was nearly 22 percent compared to 5 percent in the surrounding counties (BMC Online 2002; City of Baltimore 1993; Orr 1996). Fortunately, Baltimore has attracted major commercial developments (i.e., the inner harbor area and other redevelopments efforts such as Tide Point and Locust Point) that potentially yield major employment opportunities for Baltimoreans. The city is also rich in the number of colleges and universities in the area including: Johns Hopkins University, College of Notre Dame, Loyola College, Morgan State University, University of Maryland – Baltimore County, and the University of Baltimore.

### **BALTIMORE CITY PUBLIC SCHOOLS**

In addition to the challenges of a population decline, decrease in employment opportunities, increase in poverty levels, and a deteriorating housing stock, the City of Baltimore is also confronted with challenges in its public school system. While enrollment in Maryland public schools increased (approximately 9 percent) between 1993 to 1998, the Baltimore City Public School (BCPS) system experienced a decline in enrollment and continues to experience a decline in student population (as illustrated in Table 1), a decline in the quality of its public schools and the need for school reform (MDHR 1999).

There are 173 public schools citywide, but only 65 percent of school-age children in Baltimore City attend Baltimore City Public Schools (Struever 2002). In 1955, the unified Baltimore School system was 60 percent white. Over the previous decades, student enrollment characteristics changed, as reflected during the 2001-2002 school year in which the total student enrollment of 95,875 was comprised of 87.7 percent black, 10.4 percent white, and 1.9 percent other (BCPS 2002). Student assignments within the



Baltimore City Public Schools relies on a neighborhood-based school system, and the flight of both middle-class white and black households from the city to the suburbs during the 1960s through the 1980s contributed to the problems experienced at neighborhood schools. With investments of time and money going into suburban schools, the state school-finance formula has never equalized Baltimore City with other state schools, leaving Baltimore's schools financially behind well into the 1990s (BCPS 2002).

During the 1980's, the decline in the quality of Baltimore City public schools sparked interest in creating major reform efforts to improve the administration and operation of schools within the public school system (Henig et al. 1999). During the 1980s and 1990s, there have been reform efforts that can be categorized into two major themes: decentralization and privatization. The decentralization efforts began in 1987 when Mayor Kurt Schmoke promised to make education a priority for his administration. A supporter of school-based management, Mayor Schmoke changed the decision-making process by encouraging decisions to be made at the local school level instead of the central administration level and by increasing the level of participation from outside interest. However, this reform effort was short-lived due to opposition from teachers and principals because of an increased level of responsibility. It was also scrutinized for its results of change and progress in the school system (Henig et al. 1999).

By the 1990s, a new approach to reform Baltimore schools was undertaken – privatization. The strategy behind privatizing the operation of public schools involved running schools like businesses by incorporating private management techniques, while adhering to autonomous decision-making at the local school level. It was also a way to avoid previous tactics used by the Baltimore Teachers' Union (BTU) and school bureaucracy that often slowed down the process of schools reform (Henig et al. 1999). Therefore, in 1992, school officials, with the support from Mayor Schmoke, hired Educational Alternatives Inc. (EAI) to operate nine public schools. Under a five-year contract, EAI used an instructional teaching model known as the Tesseract Method to improve the quality of the nine schools selected (known as T schools). This method encompassed adding an additional adult per room to lower the student-teacher ratio, using computer and technology in the classroom, creating individualized student education plans, and encouraging heavy parental involvement (Henig et al. 1999). However, this approach was scrutinized when the BTU withdrew their endorsement of the EAI experiment caused by disputes in personnel changes. Subsequently, in March 1996, a little over a year later, the original five-year contract was terminated after test scores were not improved. It was also terminated when an independent evaluation revealed that although T schools received more money per pupil, in comparison to public schools, it did not improve in the areas of test results, parental involvement, attendance, and cleanliness (Henig et al. 1999).

Although reform efforts were incorporated, the quality of student performance and schools continued to decline. In 1992, only 38 out of 178 public schools were considered to be in good condition. In addition, by 1993, the dropout rate among students in the Baltimore City Public Schools system was more than three times the

statewide average. On standardized examinations, BCPS students performed poorer and scored well below other students in the Baltimore region (Orr 1996). In addition to low student performance rates supporting the need for reform, the physical condition of Baltimore's schools also poses problems in creating a good learning environment. There is a shortage of books and other basic learning tools as well as more visible problems of crumbling school facilities with leaky roofs and non-working air conditioning and heating systems (Klingaman 1992).

**Table B-1: Baltimore City Public Schools Enrollment Trends (1998-2002) by Grade Level**

<b>GRADE</b>	<b>1998-99</b>	<b>1999-00</b>	<b>2000-01</b>	<b>2001-02</b>
Pre-K	4124	3701	3477	3264
00	7794	7142	6279	6185
01	9158	8586	7780	7262
02	9381	9175	8936	7809
03	9106	8460	7352	7793
04	8751	9147	9477	8059
05	7993	7652	6600	7852
06	8368	7958	7505	6949
07	7991	8001	7738	7537
08	7381	7211	7356	7410
09	9808	9609	9021	8681
10	6688	6765	6902	6572
11	5445	5234	5439	5326
12	4550	4359	4499	4766
<b>Total</b>	<b>106,538</b>	<b>103,000</b>	<b>98,361</b>	<b>95,465</b>

*Source: Baltimore City Public School System Fast Facts Volume 2, Number 1*

With these inadequacies, additional reform efforts and renovations had to be considered. More Baltimore City Public School reforms are underway as described by Bill Struever, a BCPS Board Member:

The Baltimore School Board approved new educational standards that established smaller classrooms. It used to be the elementary grades were as big as 30 and now they're 21. We're adding libraries, science labs and arts. Plus, we wanted to get rid of big middle and high schools...we wanted more smaller K-8s, smaller community-based high schools. We're doubling the number of K-8s. We're doing 8 new community high schools. We're doing a bunch of high schools with different curriculum focuses. We're doing a finance academy downtown, tourism academy, nursing academy, and a technology school. So over the next 5 years, we have ambitious plans (Struever 2002).

In addition to the number of capital improvements to the public schools, the School Board has also focused on reforming school programming:

We're trying to install air conditioning. All of our schools are open year-round now, for both teacher training and for summer programs. For 28,000 children last summer, we had a five-week intensive four-hour day reading or math remediation program. This summer we're expanding it again and adding enrichment programs. We eliminated social promotion in our schools, and so we have these aggressive summer remediation programs so that we can reduce the number students that are held back. But we're also trying to do more academic enrichment programs too, over the summer. Research shows that summer is one the biggest issues for low-income inner-city kids in terms of the learning gap compared to middle-income suburban kids. Still not a lot of constructive options for inner-city kids in the summers (Struever 2002).

Although reform efforts are underway, the declining student population in the public school system and the dismal performance and physical conditions of Baltimore schools have led the BCPS board into a school closing process. In 2001, seven schools were closed and the Board is committed to closing five additional schools by the end of 2004 (BBSC 2002).

In the report, *Baltimore 2000: A Choice of Futures* (Szanton 1986), there was a consensus among key stakeholders that a coalition needed to be built and sustained to

carry out systemic school reform (Orr 1996). Collaboration with housing agencies and organizations could potentially lead to neighborhoods with improved housing and schools. These types of collaborations are occurring at the Lexington Terraces HOPE VI development in Baltimore.

### THE HOUSING AUTHORITY OF BALTIMORE CITY

The City has approximately 304,000 housing units. Eighty percent of all units were built prior to 1960. Although Baltimore has about 22 percent of the total housing stock in the regional area, almost 72 percent of all of the area's public and assisted housing units are located within the City limits; ninety percent of the region's public housing is actually located in Baltimore City. The Housing Authority of Baltimore City (HABC) owns and manages 17,656 housing units (6 percent of the City's total housing stock) in 45 conventional developments and scattered sites. HABC's conventional developments consist of 1,095 separate buildings and 36 high rises. By the mid 1990s, 12 percent (2,046 units) of HABC's inventory was unoccupied. The City itself has a relatively soft housing market, but a public housing stock that is deteriorating and in need of repairs and upgrades (City of Baltimore 1993; HUD 1996). Dismal conditions at public housing sites grew as the housing authority experienced mismanagement and the high staff turnover rates in its organization.

In 1992, HABC housed approximately 37,000 persons of whom 92 percent were African Americans. Forty four percent were minors and approximately 14 percent were elderly (HABC 1992). The mean household income of HABC residents was approximately \$7,000 per year. Although public housing is typically located in low-income neighborhoods, public housing residents are usually poorer than their low-income neighbors. This is exemplified by more than 70 percent of the public housing households receiving other forms of public assistance (HUD 1996).

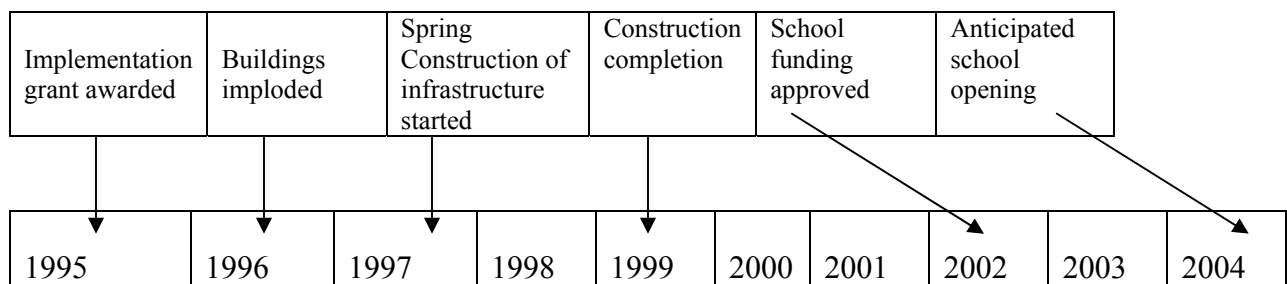
### THE TOWNES AT THE TERRACES

Like several other conventional public housing developments in the city, Lexington Terraces is located in the downtown area of Baltimore. Originally opened in February 1959, the development is located on 15.3 acres immediately west of downtown which is now part of the Village Center Poppleton Empowerment Zone. Prior to the implosion of its high-rise buildings, Lexington Terraces housed 2,100 individuals in 667 dwelling units located in 5 high-rise and 22 low-rise properties. In 1995, the HABC was awarded a HOPE VI grant in the amount of \$22.7 million to redevelop Lexington Terrace. In addition to the HOPE VI grant, \$63.5 million has been leveraged through public and private resources from 60 partners. The Struever Brothers were the contractors and owns 95.5 percent of the property, the housing authority owns 1 percent, and private investors own the rest. The property is managed by Edgewood Management Company, the same company that manages Poe Homes (Craven 2002). Considering their proximity to each other and that they share the same management company. Lexington

Terraces and Poe Homes are considered one neighborhood and often work together, although only Lexington Terraces are revitalized.

The physical redevelopment of the site consists of: 303 two-story houses, including 203 public housing units and 100 for-sale townhomes (known as The Townes at the Terraces); an elderly apartment building with 88 rental units and common space for social and recreational activities; a business center; and a recreation and community center built adjacent to the proposed new K-8 Math, Science, and Technology School. The estimated total redevelopment cost was \$86 million for a three-year implementation process.

**Figure B-1: Timeline for Lexington Terraces**



*Data Source: Housing Research Foundation and Personal Interviews*

According to the HABC (2001), the Terraces Revitalization Plan sought the following objectives:

- *Community of Choice*: Create an aesthetically pleasing mixed-income community which offers quality affordable housing to households with various incomes
- *Educational Opportunities*: Create an “electronic village” that will involve members of the community into the mainstream of knowledge and information
- *Platform of Self-Sufficiency*: Provide learning vehicles that will create an opportunity for residents to work towards self-sufficiency
- *Sustainable Community*: Create an environment that will allow residents to participate in the economic growth of their community
- *Leverage Public/Private Dollars*: Use a variety of funding sources including foundations, commercial banking institutions and other financing mechanisms
- *Collaborations with Private and Public Institutions*: Establish partnerships with groups that can provide family support services, technical assistance, leadership counseling, and career counseling (HABC 2001).

These objectives not only attempt to comprehensively revitalize the Lexington Terrace neighborhood, but they also relate to the issue of linking housing with schools to create a neighborhood with an improved educational environment.

An ambitious goal of HOPE VI is to revitalize neighborhoods using this comprehensive approach geared towards leveraging resources and creating partnerships throughout the community. HOPE VI gives momentum to existing and new partnerships between housing authorities and other local agencies and organizations to engage in this widespread revitalization effort. A key element of the HOPE VI housing revitalization effort is the expectation that housing authorities tap into the various community resources by joining in collaborative efforts with local governmental agencies, nonprofits, private sector, schools, colleges and universities, and the residents.

During the planning phase of the Lexington Terrace HOPE VI site, the local community visualized a community that fosters employment opportunities for adults and educational and recreational activities for the youth. This is demonstrated by the involvement of the Lexington Terrace Tenant Resident Council, as described by the HABC:

Public housing residents participated. The housing authority supported, promoted public housing resident participation in the program. And so, they're very well educated. They understand that because of them the project exists... And she [Lorraine Ledbetter] was educated on the process. I mean, they were sponsored to go to every single conference that they thought they would need to go to. As far as HUD sponsored, in getting to know HOPE VI. And they went to every single one. Every quarter almost (Foster 2002).

Several public and private partners were identified to help create this new community. Exhibit A outlines the extensive list of partners identified during the application phase, including agencies and organizations from areas such as: education, child care, social service, community service, economic development, business vendors, empowerment zone partners, philanthropist, elected officials, and the residents.

#### *The Extent to Which Income Mixing Was an Achieved Goal*

Since the inception of the HOPE VI program, many housing authorities have sought to create mixed-income communities in HOPE VI sites by attracting middle-income households. In order to encourage households with mixed incomes, the Lexington Terrace development team used marketing strategies such as: its proximity to city attractions such as the Lexington Market, the school improvements and the community center, and the closeness of the medical center. All of the market-rate units were sold soon after the completion of the development. The racial mix of homeownership residents is 98 percent Black and 2 percent White. The income range for

these households is \$15,000 to \$59,000 per year, with most of the households earning \$39,000 or less (see Exhibit B). Whereas, the income range for the public housing residents (comprised of all Black residents) is approximately \$25,000 - \$52,500 per year.

According to Bill Struever, a member of the Lexington Terraces development team and a member of the Baltimore City Public School Board, the proximity to employment opportunities, the low cost of the housing units, and other improvements to the community has encouraged the movement of middle-income households into the former public housing community. However, the slow progress of developing the school and community center has posed a concern for original and new residents:

The location is fantastic. It's right across the street from downtown. The value of the house, the location, and I think one of the things we're hearing complaints about right now is that people were attracted by the idea of the school and the community center. And it's not built yet. There are unhappy people as a result (Struever 2002).

The value of the house makes housing in Lexington Terrace affordable to different types of households. The housing units costs about \$130,000 to build including all the material cost, prep cost, land value and allocation. If the construction costs are only considered, the cost of the unit was about \$90,000. With the write-downs involved that made the development attractive to the buyer, these homes were sold between \$65,000 and \$85,000. The amenities at any other place for the same price would be difficult to duplicate. There is much less house in the suburbs for the same amount spent (Sowell 2002). Considering the prime location and the affordable cost of housing, the site has managed to attract a variety of households at different income ranges. The presence of major employment centers nearby and BCPS system incentives has also facilitated the entry of higher income households into Lexington Terraces.

Actually, at one point I remember looking at the sales data for our townhomes and Baltimore City school teachers were the second highest group of buyers. The first was Social Security because it's just two blocks away. It's a big operation. But there are a fair number of teachers that have bought homes there, teachers or school system employees. We provide incentives to our teachers to buy homes in the city in the hopes that it will make them more likely to stay (Struever 2002).

School system incentives include:

- The Baltimore Home Ownership Partnership provides a deferred loan payment of up to \$3,000 for all city employees. The loan is reduced 20 percent for each year of occupancy. A release is provided at the end of the fifth year and the employee has no further obligation for repayment to the city.

- The Live Near Your Work program is a homebuyer incentive program managed by the Maryland Department of Housing and Community Development. Participants receive a \$2,000 grant for closing and down payment costs incurred in the purchase of city homes.

In addition to monetary incentives, the location of the site has definitely stood out as a “perk” to attract households. Beset in an urban area in close proximity to downtown with several employment and educational institutions nearby, Lexington Terraces is accessible to a lot of opportunities. Ms. Etteretteen Craven, the former community manager at Lexington Terraces, describes the location as an asset that provides a sense of change since the community has been redeveloped:

I think it's a good place overall. It's a good location. Which most projects are in good locations, you just don't see it because of the projects. Its downtown, its across from the hospital. The people living there see all the good things around them. People working, driving nice cars, having nice jobs, working in the hospital. You got the VA directly across the street. So the surrounding area. Then they got a nice church on the corner that does a little outreach into the community. So, they have all opportunities in the world; it's a good spot to start with education. Its not like that they build something and put it in a hole somewhere where everybody is still seeing the same stuff. And I know the high-rises was there, and the hospital was across the street, but it's a different setting now. You know, it's more homely and it's more open (Craven 2002).

#### THE ROLE OF SCHOOLS IN THE HOPE VI COMMUNITY

While Baltimore is improving its public housing stock, the city is challenged with creating and sustaining quality schools in the wake of the State's request to close Baltimore City Schools. Although schools are closing throughout the city, there are still motivating factors to improve schools by improving student performance and providing better educational opportunities to inner-city children. At the Terraces, there are a total of 240 school-age children (145 residing in public housing and 95 residing in homeownership units).<sup>2</sup> A key collaborator in the Lexington Terrace revitalization effort is the Baltimore City Public School system. Recognizing the importance of schools in any residential neighborhood revitalization effort, BCPS has become fully engaged in creating a new sense of community in the neighborhood:

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<sup>2</sup> This information is based on information obtained from HABC Department of Resident Services and the Terraces Management.



If you're building strong neighborhoods, there's nothing more important than the school, neighborhood school. You want to look at the institution that's in every neighborhood. It is the backbone of pride and the energy of a community. That is very high on the list of why people chose to live where they live. Those that have choice feel schools are in the center of it all. And to rebuild a neighborhood just in the housing and physical sense, without dealing with the schools, you're missing half the ball game. The school system is very excited about being a center element of the city's neighborhood revitalization campaign citywide (Struever 2002).

The Lexington Terrace site is the home to the old Lexington Terrace Middle School. Before it was demolished, the school housed students from the Lexington Terrace, Poe Homes and surrounding communities. At Lexington Terrace, the goal to replace the old elementary school with a new K-8 Math, Science, and Technology School with an adjacent community center, required collaboration between the public housing authority, the BCPS, the Maryland State Department of Education (MSDE), the development team and the residents.

Although collaboration with the public schools system existed, the effort was minimal during the early development of the plan. In the original HOPE VI application, Lexington Terrace School was simply going to close temporarily and reopen two years later when the project was rebuilt. However, part way into the planning process, several things happened. First, Dan Henson, a Housing Commissioner at the time and former director of both the Baltimore City Department of Housing and Community Development and the Housing Authority of Baltimore City, encouraged the city school board to go visit Centennial Place School in Atlanta. Centennial Place Elementary School is a child-centered, community-based magnet school located near downtown Atlanta and Georgia Tech. The school focuses on science, mathematics and technology with open classrooms that provide flexible and accessible technology-rich learning environments and an adjacent community center. Special programs offered at Centennial School are:

- After school care
- Early morning to late evening, year-round, the school will provide opportunities for children, households and community members.
- A gymnasium, outdoor recreation sites, a computer laboratory and a family development center
- Specialized instruction is offered to students with special needs, including those with learning disabilities, and the speech impaired. The challenge class is available to qualified, gifted students (APS 2002).

During the trip, they were very impressed by Centennial School, and came back with bigger and better ideas. A second thing was the creation of a community planning committee set up by the Poppleton Empowerment Zone. Doris Hall, the Director of the Poppleton Village Center, put together a group that included education experts and people from some of the local universities. This community planning group proposed a K-8 math, science, and technology curriculum focused school that would both be zoned for the returning households, and to the extent that there was additional capacity, would be a citywide magnet. The new Lexington Terrace School would essentially be a model K-8 for Baltimore City School system (Struever 2002).

The third thing that happened was the impetus for a major change at the site. As the discussions were occurring and the committee was ending its planning process, Mayor Schmoke called the planning and development team in to emphasize the importance of the school in the community:

Mayor Schmoke said, “this is ridiculous; this is much too important an institution not only for this neighborhood but for West Baltimore.” The Mayor raised the image of this as the Harbor Place of West Baltimore in terms of being a symbol or icon for its future and its children. We shouldn’t accept second best. Tear the thing down and let’s do it right. And he committed at the time an extra \$2 million of city bond funds that went to referendum and was approved by city voters to increase the local match for State school construction money, so using the HOPE VI money for the community center to increase the amount of local and state money. That was probably four years ago. The obstacle has been from the beginning, the State. I think the enrollment is about half of what it was thirty years ago at Baltimore City Schools. The state has generally been under the opinion that cities need to focus on closing schools, not building schools (Struever 2002).

**Figure B-2: Timeline for Lexington Terrace School Plan**

1995	Original plan was to close the school for two years while the Terraces was developed and rehabilitate the existing Lexington Terrace School with physical improvements
1997-2002	Lexington Terrace School was demolished. New proposal – Rebuild a new Math, Science, and Technology Magnet School with an adjacent community center. The new school would serve neighborhood students, however, slots would be available to students citywide.
2002	State funding for the Math, Science, and Technology was approved
2004	Anticipated opening of the new school

*Data Source: Personal Interviews*

As a result, the concept of the new school was developed after the grant was received. Finally, after years of meetings and deliberations, the MSDE has finally approved the budget for the new Lexington Terrace K-8 Math, Science and Technology School to serve Lexington Terrace, Poe Homes, and the surrounding community. Construction of the school should begin in 2003 and the anticipated opening of the school is slated for 2004.

### MARKETING

The new school proposal was used as a marketing tool to attract households with children. The proposed 100,000 sq. ft. magnet school would accommodate 783 students, with 500 slots designated for the community. The slow pace of approval and construction of the school sparked conflicts in the neighborhood. Since the rehabilitated school was marketed to potential residents, they complained when the school was initially demolished.

And the homeowners were fussing. Everybody. I mean they petitioned it and everything because they, a lot of the homeowners were saying, well that's why we moved here. Because its supposed to be a magnet school, a good school for our children (Craven 2002).

Once the school was demolished, children in the community lost their neighborhood school and became dependent on alternative school facilities, whether it was another public school or attending a private school. Plans for the new school should certainly provide enhanced educational opportunities, however, the original and new residents of the community may not reap the benefits. After six years of living in the community since it opened, the local children have gotten older and may be in high school by the time the school is completed. The inability of their children to take advantage of an improved school proved to be disappointing to some households.

Some of the arguments was some of the kids are not going to be able to go because they are in a higher grade. So they are going to miss the opportunity. Four years. Suppose you were in the fifth grade and you're not there anymore once the school is built (Craven 2002).

Although the school was presented to potential residents, it is not clear if this strategy was used to attract middle-income households or was it just a part of the overall effort to revitalize the area. Even though the new school promises to be an asset for the approximately 240 school-age children at the Terraces, other site amenities have been

influential thus far. This raises the question: “how much influence did the plans for the new school have in households decision-making process, particularly middle income households?” According to our findings, the schools did play a role, however, it is more evident that the proximity of the site to the downtown area, employment centers, and other city attractions, in addition to the affordable cost of the housing units, were the major considerations for residents moving into Lexington Terrace.

### SOCIAL INTERACTION OF RESIDENTS

In The Terraces, although the mixture of incomes has been achieved, there is a major community management issue at the site that has developed into a rift between the public housing tenants and the homeowners. The initial homeowners at the site indicated that they were not aware that public housing residents would reoccupy the site (HABC 2002). Another sentiment felt in the community is that the homeowners feel superior to the renters which often causes conflicts between the two groups. The management company was faced with the dilemma of trying to get the anticipated social benefits of creating a mixed-income community:

When the rentals started moving, then that was one of the biggest problems I found in a HOPE VI job. Because the homeowners think they're better than renters. And that was one of the biggest things to me in that property was trying to get them to mingle. And the concept is that, that's what they [government] wanted so they could get people off welfare. And if I can buy a house, you can too. If I can have a car and a good job, you can too. It didn't work. And it's still not working. And its been since 1999, and they [are] still at war (Craven 2002).

Apparently, some of the homeowners in the community felt slighted when they were not told that public housing residents were going to move back into the community. After only three months of living in the new community a homeowner decided to move. Although she was an original public housing resident, she did not want to live with her former neighbors.

I would say the majority wasn't told that the housing they were buying, that public housing people were moving back in. [It was] when the lady started seeing the rental people move in [and] she found out that they came off the public housing waiting list, she moved. She lost her money and she sold her house. You know they had penalized her. She left. ...she was off of the original list. And she told me that they never told her that them people was coming back. And I'm like, I can't believe that, but it was a lot of them

that said that. And I don't think they told them everything... And from that point, it was always a fight. You know, they blamed the management company for everything. And we would always tell them, you all read your deed. If you wasn't excited that you was getting a house subsidized, that was your problem. You just signed something and didn't read it (Craven 2002).

Lorraine Ledbetter, the President of the Resident Tenant Council, also describes the tension and misunderstanding in the neighborhood:

One lady bought a house around the corner, but she found out that the people that used to live here came back, so she wants to sell the house. Because she didn't think they were good enough to live with her. She knew. They knew. It's been all in the paper. It was all on the news and everything that these people [original residents] had first preference to come back. So it was something else, but you use that as an excuse. And I really don't think that. Well, these are first time homebuyers you understand what I'm saying. You were a renter before you became a homebuyer, so you can't be above me. You know what I mean (Ledbetter 2002).

The HABC sees the issue of homeownership versus public housing and other concerns in the community as creating a divided camp:

They [public housing residents] understand what the project was about and they feel that they're deserving to have these types of units, and that they're not less of a family because they haven't purchased them. [They] think the homeownership out there wants to distinguish between have and have-nots. There were a number, a series of meetings, they had all the way to the housing authority board trying to deal with it. It comes and goes. But then at the same extent, I have to say the homeownership, when the folks came out there, they had trouble with the names that we gave the streets. So they have a whole cadre of issues because they didn't participate in the naming of the streets. They didn't participate in the selection of the lawn care people. It's a strange situation because I've dealt with homeownership, new communities, and a lot of times these issues weren't in new communities. So, I don't know, I

can't really put my finger on why this has come up (Foster 2002).

The formal forum for residents to come together and interact is at the Community Management Association (CMA) meetings. All residents of the site have the opportunity to come together to resolve their common issues, however, the tension between renters and homeowners is often carried out in these forums as well.

Then they get in the meetings talking about what the renters did. What kids [did]. You know they would say, the renters did such and such. And I would say, well how do you know they were renters. I mean you have homeowner kids out there, too. So, everything was blamed [on renters] that was tore up on the property (Craven 2002).

The children are okay. It's the parents. It's the parents. Children, you know children. You can be mad one minute. It's the parents. The reason why we want this school is because if you notice and watch kids grow up to the 8<sup>th</sup> and 9<sup>th</sup> grade, they work together. But when you start to separate them, their grades fall (Ledbetter 2002).

This viewpoint speaks to the important role that schools have, not only in educating students, but also in providing an avenue for youth to form relationships and engage in social interactions. While much attention has been given to providing more educational and recreational opportunities for youth, it is pertinent to create a safe environment for youth and other residents to interact and engage in community activities. Historically, public housing projects have been known as havens for bad elements and criminal activity such as theft, gangs, and drug-related crimes:

The high-rises have outlived their life cycle. It was drug-related. Drug activity. Gang activity. It was a war zone out there. From time to time, the housing authority and the Baltimore Police would have to conduct sweeps to try to take back the units (Foster 2002).

Lexington Terrace and its surrounding public housing developments have not been immune to the criminal conditions. The president of the resident tenant council describes her feelings about the drug problem in the neighborhood:

My thing is, I've been telling them [government] that a couple of blocks down, I see a lot of drug activity. I want somebody to go down there. But I want them up here to stop them from running this way. Cause if you run them from this corner, they go to that corner. See look why do

we talk about this every month if it's not being done... It's down at Fayette and Poppleton. That's down in the private sector. But where do you think it's going to come if it gets warm. You can't let these people [drug dealers] get a foot hole in. Cause if you do, you can just forget it (Ledbetter 2002).

With the revitalization of public housing communities, residents must be assured that the criminal element that has traditionally plagued public housing is eliminated. Edgewood Management screened public housing residents for housekeeping, drugs, and criminal backgrounds prior to occupancy of the public housing units at the Terraces, however, it may be difficult to determine if a drug problem still exist in the community. The Baltimore City Police has a station location within the community to help provide a safe haven. Although there is a police presence in the neighborhood, residents may come to realize that there is greater reliance on each other to keep their community safe.

#### OTHER AGENCIES OR ORGANIZATIONS INVOLVED IN THE IMPLEMENTATION

The opportunities for educational and recreational activities are coming into fruition with the approval of the K-8 Math, Science and Technology School and the development of the adjacent community center. In addition to the University of Baltimore's assistance with the planning of the new school, the YMCA of Central Maryland is also availing itself to the youth of the community. David Sowell with the HUD Office of Public Housing Investments and Lorraine Ledbetter, the President of the Lexington Terrace Resident Tenant Council, share in this sentiment:

And we're building, for instance, a new relationship with the YMCA, who is very committed. The YMCA of Central Maryland is very committed to coming into these different projects and providing services. And so we want to foster that (Sowell 2002).

We're going to try to bring the Y [YMCA] in here. I'd rather have the YMCA because it is more of an adult kind of thing that watches over kids and teach children things. So, I think the Y would be more educational [compared to other nonprofit organizations] (Ledbetter 2002).

## APPRAISAL OF HOUSING-SCHOOL LINKAGE: A LESSON LEARNED

A good portion of the revitalization plan rested on the success of a new school and community center, particularly the community and supportive services (CSS) component. CSS agreements<sup>3</sup> with public housing residents to provide community service were based on programs and services that were to be provided through the school and community center, however, residents are not able to comply with their agreements because the resource is not available.

...just like they got another component, that's community service. Well, the community service, they had to sign an addendum to the lease on that, but it was formed around a school and a community center, which they ended up tearing. They were gonna remodel the school and attach a community center. Well, they decided it wasn't enough parking, so they tore down the school and said forget about it. So that kinda went down to the toilet. 'Cause see they were required to eight hours per month, per household. Well, if you formed your program around this and the function of it is gone, then what are you going to do. And, you would have HOPE VI [HUD] people calling, every six months maybe, and say are your programs up and running. Well, that one is still not started. And its been what, almost three years (Craven 2002).

Having a school and community center appears to be a good idea and asset for the community; however, there have been consequences of not having the resources to provide community and supportive services that promote self-sufficiency, which is a major goal of the entire HOPE VI program. The provision of community and supportive services to residents in the community was contracted out to the NOAH Group<sup>4</sup>. The NOAH Group is a private service organization that creates partnership that promote self-sufficiency among residents through four phases: (1) outreach and enrollment, (2) Work-First Initiatives, (3) Career Development Programs and Training, and (4) Sustaining Self-sufficiency (NOAH 2003). The NOAH group is credited for having a good program on paper and through some experiences with residents, however, the missing link is outreach to the community and the ability to reach hard-to-serve residents.

They won't get up behind them desks and go knock on people's door. You've got people who haven't worked in ten years, a letter is not going to get them there. Some of them are illiterate and can't read. So, what you doing with the letter. It goes in a pile or it goes in the trash. So, that

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<sup>3</sup> According to HABC Resident Services, public housing residents at all HOPE VI sites are required to provide community service.

<sup>4</sup> The NOAH Group declined an interview for this study.



was the only down side. And nothing is 100%, but I always fuss at the NOAH group about that because they are going to be up here too. You all need to concentrate more on that area, then their participation would be better. Because the money that HOPE VI give them people, it doesn't equal the participation. And I've worked with them in three places now. So, and its been like over the last seven years. And they hate for me to say. Its true, they get paid too much for what they're not doing. You know, the participation 'cause that's the name of the game. Get these people to work. But if you see it on paper, it's excellent. It's awesome. Can't beat it. That's why they get the contract (Craven 2002).

If outreach continues to be an issue, the need for a variety of services within the community will continue to grow. With the approval of the school and the community center, the Lexington Terrace community and the BCPS have managed to ensure that an institution that fosters improved educational opportunities, supportive services, and positive youth interaction is present in their neighborhood. However, this opportunity was almost lost due to the lack of planning during the initial planning of the site.

## CONCLUSION

Baltimore's Towns at the Terraces HOPE VI development was examined to answer three research questions. First, what approaches were used to market the site in order to attract middle-income households with children? Secondly, was there collaboration between the housing authority, the school district, and city government in planning and implementing the HOPE VI development? Thirdly, what extent did social mixing occur (or will likely occur) in the residential and school settings at the Terraces.

The housing authority, the Baltimore City Public School system, and the developer cooperatively worked together to create a new community in west Baltimore that would attract middle-income households with children. The proposal called for the creation of a mixed-income community that offered quality affordable housing and enhanced educational opportunities. Part of this vision was accomplished by offering homeownership and public housing rental units affordable to households with various incomes. As a result, household income at the Terraces ranges from \$15,000 to \$59,000 per year.

In addition to offering a range of housing opportunities, the focus on enhanced educational opportunities served to attract different types of households, particularly those with children. Not only was an E-Village created to help reduce the digital divide in the community, but the replacement of the old Lexington Terrace school with a new K-8 Math, Science, and Technology with an adjacent community center serves to be an asset for the neighborhood. A good portion of the revitalization plan rested on the success

of the new school and community center. With the approval of the school and the community center, the Lexington Terrace community and the BCPS have managed to ensure that an institution that fosters improved educational opportunities, supportive services, and positive youth interaction is present in their neighborhood. However, this opportunity was almost lost due to the lack of planning during the initial planning of the site:

Well, if I had to do it again, I would have been much more aggressive when everybody's all pumped when you're trying to compete for the HOPE VI, to getting the State to sign on the dotted line. We didn't have the vision at that time of a new school and really doing the whole program (Struever 2002).

Although BCPS is in the process of closing schools, the Board continues to attempt to create stronger schools as demonstrated in the Terraces cases. It is unclear whether residents moved into the development because of the new school. However, there is evidence that residents eagerly anticipated the opening of the school.

Since the school was not constructed or open at the time of this research, were unable to determine the extent of social interaction in the educational environment. However, there are indications on the level and type of social interaction experienced in the residential setting. The Terraces has an active Resident Tenant Council, Homeowners Association, and Community Management Association, all of which has strong leadership and active resident participation. Although these entities exist to help disseminate information and provide an avenue for resident participation and interaction, there is tension that divides residents across housing tenure and class lines.

The divisiveness is characterized as the renters against the homeowners, with an implied message of low-income versus middle-income households. Most of the evidence points to the tension between the adult residents and less with the children in the community. If this is any indication on social interaction within the future environmental setting of the new Lexington Terrace School, there is the potential for mixed results. On one hand, children may interact without any problems or at least at the level that is normally expected of school-age children. On the other hand, it would be interesting to see if children will begin to divide themselves along the same socioeconomic class lines, especially since it will be a magnet school that has openings for children outside of the immediate neighborhood.

**Figure B-3—Walking path through the Terraces**



*Source: The Authors*

**Figure B-4—Business Office**



*Source: The Authors*

**Figure B-5— Terrace Garden Co-op Building for seniors.**



*Source: The Authors*

**Figure B-6—New homes in community**



*Source: The Authors*

**EXHIBIT A: IDENTIFIED PUBLIC/PRIVATE PARTNERS FOR THE  
LEXINGTON TERRACE HOPE VI GRANT**

INTEREST AREAS	NAME OF AGENCIES AND ORGANIZATIONS
EDUCATIONAL INSTITUTIONS AND ORGANIZATIONS	<ul style="list-style-type: none"> <li>• Lexington Terrace Elementary School</li> <li>• Metro Delta Head Start Center</li> <li>• Baltimore City Department of Education</li> <li>• Maryland Department of Education</li> <li>• Maryland Department of Education, Division of Library Development and Services</li> <li>• City of Baltimore, Enoch Pratt Free Library</li> <li>• College Bound Foundation</li> </ul>
CHILD CARE AGENCIES AND PROVIDERS	<ul style="list-style-type: none"> <li>• State of Maryland Executive Department for Children, Youth and Households</li> <li>• Baltimore City Child Care Resource Center</li> <li>• YWCA</li> <li>• Baltimore City Healthy Start</li> <li>• Friends of the Family, Inc.</li> <li>• Home Instruction Program for Pre-School Youngsters</li> </ul>
SOCIAL SERVICE ORGANIZATIONS	<ul style="list-style-type: none"> <li>• University of Maryland, School of Social Work</li> <li>• University of Maryland, School of Pharmacy</li> </ul>
COMMUNITY SERVICE ORGANIZATIONS	<ul style="list-style-type: none"> <li>• Civic Works</li> <li>• Downtown Partnership of Baltimore</li> </ul>
ECONOMIC DEVELOPMENT ORGANIZATIONS	<ul style="list-style-type: none"> <li>• U.S. Department of Commerce, Economic Development Administration</li> <li>• Maryland Department of Economic and Employment Development</li> <li>• City of Baltimore Office of Employment and Economic Development</li> <li>• University of Maryland Medical System</li> <li>• Signet Bank</li> <li>• Nations Bank</li> <li>• Anthem Capital</li> <li>• Struever Brothers, Eccles, and Rouse</li> </ul>

POTENTIAL VENDORS FOR BUSINESS CENTER	<ul style="list-style-type: none"> <li>• West Coast Video</li> <li>• Back to Basics Program</li> <li>• Subway</li> <li>• Provident Bank</li> <li>• McDonalds</li> <li>• American City Manufacturing</li> <li>• Women Entrepreneurs of Baltimore</li> <li>• Rite Aid Corporation</li> <li>• Bon Secours of Maryland Foundation</li> <li>• Bon Secours of Baltimore Health Corp.</li> <li>• University of Maryland at Baltimore</li> </ul>
EMPOWERMENT ZONE PARTNERS	<ul style="list-style-type: none"> <li>• Empower Baltimore Management Corporation</li> <li>• Morgan State University</li> <li>• John Hopkins University</li> <li>• University of Maryland</li> <li>• Baltimore Community College</li> </ul>
PHILANTHROPIC ORGANIZATIONS	<ul style="list-style-type: none"> <li>• The Abell Foundation</li> <li>• Joseph Meyerhoff Fund, Inc.</li> <li>• Hoffberger Foundation, Inc.</li> <li>• The Aaron Straus and Lillie Straus Foundation</li> <li>• The Annie E. Casey Foundation</li> </ul>
ELECTED OFFICIALS	<ul style="list-style-type: none"> <li>• U.S. Senator Paul Sarbanes</li> <li>• U.S. Senator Barbara Mikulski</li> <li>• Former U.S. Representative Kwesi Mfume</li> <li>• City of Baltimore Mayor Kurt L. Schmoke</li> </ul>
LEXINGTON TEAM	<ul style="list-style-type: none"> <li>• Community Development Fund</li> <li>• Edgewood Management</li> <li>• Energy Conservation Management</li> <li>• The Enterprise Social Investment Corp.</li> <li>• Council for Economic and Business Opportunity</li> <li>• The Enterprise Construction Corporation</li> </ul>
RESIDENT PARTICIPATION	<ul style="list-style-type: none"> <li>• Lexington Terrace Tenant Council</li> <li>• Concerned Citizens of Poppleton</li> <li>• Hollins Hills Community Association</li> <li>• Waverly Terrace Cooperative</li> <li>• Agape House</li> <li>• South West Vision</li> <li>• Morning Start Baptist Church of Christ</li> <li>• Carlton Community Improvement Assoc.</li> </ul>

**EXHIBIT B: THE TERRACES HOMEBUYER INFORMATION (as of November 1999)**

<b>Age Range</b>	<b>HH Size</b>	<b>HH Income</b>	<b># of Families w/kids</b>
25 & Under = 2	1 person = 16	\$15,000-19,999 = 28	1 Child = 24
26-35 = 55	2 people = 34	\$20,000-29,000 = 36	2 Children = 20
36-40 = 22	3 people = 28	\$30,000 – 39,000 = 20	3 Children = 9
41-45 = 9	4 people = 18	\$40,000 – 49,000 = 8	4 Children = 1
46-50 = 2	5+ people = 4	\$50,000 – 59,000 = 8	No Children = 46
51-60 = 7			
60+ = 3			
TOTAL = 100	TOTAL = 100	TOTAL = 100	Total Families w/children = 54 (95 Children)

*Source: Struever Rouse Homes*

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Craven, Etteretteen. September, 2002. Former Community Manager at Lexington Terraces, Edgewood Management Company.

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Ledbetter, Lorraine. March, 2002. President of the Lexington Terraces Tenant Council.

Perry, David. September, 2002. Deputy Director of the Federal City Council and the Co-chair of the Ellen Wilson Community Development Corporation.

Putscher, Laurie. March 2002. HOPE VI Coordinator for TAG Associates.

Sowell, David. March 2002. Staff for the U.S. Department of Housing and Urban Development.

Struever, Bill. April, 2002. Lexington Terraces Developer and member of the Baltimore City School Board.

### **CHAPTER 3: THE CITY OF CINCINNATI, OHIO**

Cincinnati, Ohio is a city of 331,285 people located in Hamilton County at the southwestern corner of the state bordering Kentucky to its south and Indiana to its west. Hamilton County contains a total of 49 municipalities (Cincinnati plus other small cities, townships, villages) and has a population of 835,362. Cincinnati is the world headquarters of consumer products giant Procter & Gamble Company and is also the home base of U.S. Bank and Fifth Third Bancorp, large banks which in recent years have grown through the acquisition of smaller banks in the Midwest region (Post Staff Report 1997). The Greater Cincinnati International Airport is the second largest hub-city for Delta Airlines.

Major league sports are quite important to citizens of Cincinnati and Hamilton County. In 1999, they approved a one-half cent sales tax increase to fund the construction of new stadiums for the Cincinnati Bengals, (National Football League), and the Cincinnati Reds (National League baseball). The football stadium was completed in the summer of 2000, and the baseball stadium will open in the spring of 2003.

In 1999, voters approved a charter amendment to reform Cincinnati city government. Formerly, the city elected nine members to its City Council.; the member of City Council receiving the largest number of votes became the mayor. Cincinnati operated under a weak mayor system and the mayor's power was comparable to that of other members of city council, one of nine votes. The charter amendment provides for a City Council of nine, plus a separately elected mayor, who possesses some increased veto authority over legislation passed by only a small majority of council. The mayor's powers were further increased because he/she now directly appoints the City Manager (subject to Council approval) and has greater autonomy in administrative decisions than in the past. In November 2001, Charlie Luken who was mayor before the charter amendment was passed was elected to the new "strong mayor" position. Luken moved quickly to assert his new powers. The day following the election, he named his Vice-Mayor from the group elected to City Council and outlined a number of policy and budget initiatives (Horstman 2001).

However, these initiatives were announced in a city fraught with strife. In April 2001, rioting erupted in the Central Business District and Over-the-Rhine sections of Cincinnati. These neighborhoods are directly adjacent to the West End, the site of City West). Hundreds of people were arrested for vandalism, looting and arson.<sup>5</sup> The

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<sup>5</sup> In its 2001 annual report, CMHA attributed the riot to high rates of unemployment, poverty, and substandard housing in the African-American population. CMHA was utilizing the findings of a report prepared by Community Action Now (or Cincinnati CAN), a commission created after the riots. It would be mistake to assume that CAN's explanation is the only one or the correct one. According to Mac Donald (2001), most of the police shootings were justified. Furthermore the indecisiveness of the Cincinnati's Mayor Tom Luken caused the rioting to persist and spread. She sees the rioting as criminal behavior rather than political protest.

disturbances, following the shooting of an unarmed African American man by a white officer prompted national media attention. (The man had multiple warrants outstanding at the time of the shooting.) Shortly thereafter, City Council moved to settle a racial profiling lawsuit filed before the riots began. Nevertheless, the African American United Front, a local activist organization strengthened by the publicity of the riots, announced an economic boycott of Cincinnati. The protest gained more attention when several well-known African American entertainers cancelled scheduled performances in Cincinnati. The impact of these events is still being felt in the Cincinnati community in terms of high levels of distrust across racial lines.

Cincinnati has also facing some serious competition for economic development projects from the cities and counties of Northern Kentucky. In 1997, Erlanger in Boone County Kentucky attracted Toyota Motor Manufacturing North America Inc. (Post Staff Report 1997). In 2000, the Newport Aquarium opened in Campbell County just south of Cincinnati on the Ohio River as the first phase of a plan that resulted in the 2002 opening of “Newport on the Levee,” a shopping and entertainment complex.

When Luken was elected to the strong mayor position in November 2001, Cincinnati Metropolitan Housing Authority was well underway on two HOPE VI public housing revitalization projects in the West End neighborhood, near downtown Cincinnati. The redevelopment of Lincoln Court and Laurel Homes were approved in 1998 and 1999 respectively.

#### THE CINCINNATI METROPOLITAN HOUSING AUTHORITY (CMHA)

Cincinnati Metropolitan Housing Authority (CMHA) owns and manages fifteen public housing developments in Cincinnati, in addition to the sites we will discuss in detail in this report, Lincoln Court and Laurel Homes. CMHA leases over 2,600 units of family housing at four sites, English Woods, Millvale, Findlater Gardens and Winton Terrace. CMHA provides public housing for seniors at eleven different sites for a total of over 1,400 apartments. CMHA administers a county-wide Section 8 voucher program serving over 5,600 households (Cincinnati Metropolitan Housing Authority 2002a).

CMHA, like other urban public housing authorities in the early 1990's, has been under considerable pressure to improve management effectiveness, and, in fact, has achieved some success, according to HUD rankings under the Public Housing Assessment System (PHAS). PHAS evaluates such functions as the budget, repairs and rent collection. In 1992, CMHA had received a HUD score of 57 out of possible score of 100, and was placed on the list of “troubled” authorities. When Donald Troendle took over as CMHA executive director in 1994, HUD ranked CMHA as the 13<sup>th</sup> worst large housing authority in the nation. At that time, the authority was ridden with money scandals and waste. Troendle has succeeded to the point that CMHA received a score of 92 in the 2001 ratings (Schaefer 2002). Furthermore, major crime in CMHA developments dropped by twenty percent between 1997 and 2000. Today, CMHA ranks as one of the most improved housing authorities in the United States.

## CINCINNATI PUBLIC SCHOOL SYSTEM (CPS)

With almost 45,000 students Cincinnati Public Schools (CPS) is the largest of 22 public school districts in Hamilton County. School districts in the remainder of the county range in size from some with fewer than 1,000 students some with over 10,000 (Table C-1). There are 36,684 children attending private schools in Hamilton County, including a large Catholic school district (Alltucker 2002d).<sup>6</sup>

**Table C-1. Comparison of Hamilton County Public Schools 1997-98 School Year**

<b>District</b>	<b>Total enrollment</b>	<b>Percent of minority students</b>	<b>Percent of students passing 12<sup>th</sup> grade proficiency test</b>
<b>Hamilton County Total Public Schools</b>	<b>125,272</b>	<b>39.1</b>	<b>52.4</b>
Cincinnati City School District	47,890	72.8	35.0
Deer Park Community School District	1,581	5.8	43.7
Finneytown Local School District	1,946	24.9	64.2
Forest Hills Local School District	8,030	3.2	67.3
Indian Hill Exempted Village School District	2,044	11.7	64.3
Lockland City School District	825	31.4	44.1
Loveland City School District	3,765	3.5	48.8
Madeira City School District	1,488	6.3	72.7
Mariemont City School District	1,710	2.4	67.5
Mount Healthy City School District	3,996	56.9	22.0
North College Hill City School District	1,608	45.7	28.2
Northwest Local School District	10,743	15.2	35.7
Norwood City School District	3,290	4.9	23.3

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<sup>6</sup> Children from the most stable neighborhoods in the city are the ones who attend private schools most frequently. In the affluent neighborhoods of Hyde Park and Mt. Lookout seven of ten children attend private schools. However, in poor and struggling neighborhoods like Lower Price Hill, East End and Winton Hills there are almost no children attending private schools. Statistics show that between thirty and forty percent of white children in Cincinnati attend private school, while only one of ten of African American children in the city attends private schools. A recent survey carried out by the Hamilton County Regional Planning Commission as part of the Community Compass project showed that people were moving out of Hamilton County, not only the city of Cincinnati, because of the schools (Alltucker 2002d).

Oak Hills Local School District	8,250	2.1	40.9
Princeton City School District	6,496	48.3	44.9
Reading Community City School District	1,478	2.8	32.9
Southwest Local School District	4,138	0.6	44.6
St. Bernard-Elmwood Place City School District	1,281	6.7	45.3
Sycamore Community City School District	6,259	13.5	64.6
Three Rivers Local School District	2,226	2.6	45.9
Winton Woods City School District	4,441	62.2	32.1
Wyoming City School District	1,787	14.2	68.9

*Source: Hamilton County Regional Planning Commission 1999*

CPS is a neighborhood based public school system, and each home in the city is assigned to a neighborhood elementary school. However, CPS offers a system of magnet schools<sup>7</sup> to provide choice to parents and students in the district. Magnet school programs include (Cincinnati Public Schools 2002b):

- Montessori – here, children are in classes of multiage groups, and encouraged to work independently, at their own pace.
- Foreign language and culture – students may choose from seven languages and cultures – Arabic, Chinese, French, German, Japanese, Russian and Spanish. Students may pursue a selected language from kindergarten through grade 12.
- Cincinnati Academy of Mathematics and Science (CAMAS).
- Elementary college preparatory – for average and above average students, includes instruction in Latin.
- Paideia – students focus on critical thinking skills learned in traditional classrooms.
- Fundamental academy – for children who thrive in a highly structured environment, are well disciplined and have good work and study habits.
- School for Creative and Performing Arts — (K 7-12) A high school which requires a competitive audition for admission.
- Accelerated program for overage students – allows sixth or seventh graders who may have missed a grade to catch up with others their age.
- Professional high schools - offering hands-on experience and internship opportunities including a program for communication professionals, health professionals, teaching and technology and the zoo academy.

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<sup>7</sup> A magnet school has been defined as a school or program with a school that has a special curricular theme or method of instruction, a role in voluntary desegregation within a district, choice of school by student and parent, and access to students beyond a regular attendance zone (Fleming et al. 1990, as quoted in Varady and Raffel 1995: 236).

- Walnut Hills High School, ( K 7-12) featuring a college preparatory program, was recently ranked the number one high school in Ohio (Cashell 2002). Students must take a competitive admissions test.

CPS began its alternative schools program in the mid-1970's as a voluntary school desegregation plan at a time when forced busing was taking place in cities around the country. As an alternative to busing, CPS instead initiated a program of magnet schools. In 1984, the school district reached the Bronson settlement agreement with the National Association for the Advancement of Colored People and the Ohio Board of Education. The agreement included using the Taeuber Index to measure changes in segregation. This index measures the distribution of African Americans and whites in individual schools against the distribution across the school district as a whole (Varady and Raffel 1995).

Children in the city of Cincinnati are assigned to neighborhood schools by address. The neighborhood schools are divided into four geographic quadrants. Parents can, however, apply to send their children to a magnet program. If that program is available within the quadrant, the child is assigned there if selected for the program. However, some magnets, particularly at the high school level, are citywide (Cincinnati Public Schools 2002b).<sup>8</sup>

From 1985 to 2001, there was a thirteen percent decline in enrollment, overall for CPS (Table C-2). In 1984, fifty-eight percent of the children were African American; in 2002, seventy-three percent of the children in CPS are African American (Burson 2002). However, enrollment was also declining in other Hamilton County districts. Varady and Raffel concluded that while some of the decline in enrollment was demographic (households without children replacing ones with children) there had been some white-flight.

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<sup>8</sup> There has been criticism of the selection procedures over the years because some of the magnet programs are very popular and more people apply to attend these programs than they can actually accommodate. Varady and Raffel found that less than half of the applicants received placement in the magnet school of their choice in 1995. Furthermore, the application process was competitive, households that submitted applications earlier received preference for the magnet programs. In the early years, CPS announced a few selected sites in Cincinnati where magnet school applications would be accepted. These sites were announced in advance of the date. Today, enrollment begins in the fall for the following school year and sign-up is at the site of the magnet schools. Parents apply at the magnet school where the child wants to enroll. (Cincinnati Public Schools 2002c).

**Table C-2. CPS racial demographics and enrollment over time**

Year ended in Spring	African American	Percent	White	Percent	Other	Percent	Total	Percent
1985	29,879	57.9%	21,143	41.0%	506	0.1%	51,528	100%
1995	33,490	66.5%	16,214	32.2%	610	0.3%	50,314	100%
2001	31,366	69.8%	11,556	25.7%	1,966	0.5%	44,888	100%

*Source: Nagy 2002*

CPS struggled financially in the 1980's and 1990's because voters defeated numerous requests for school levies. In 1993, Cincinnati voters rejected a plan for \$348 million to fund school repairs. In 1996, voters in Cincinnati and the rest of Hamilton County approved an increase to the county sales tax, primarily for the purpose of funding a new baseball stadium and a new football stadium. In a footnote to the plan for the stadia, the City of Cincinnati and Hamilton County pledged \$200 million over 20 years for physical improvements to the district's deteriorating buildings. Conditions in CPS buildings were called "deplorable and sometimes unsafe" (DiFilippo 1998). CPS suffered from a poor reputation overall.<sup>9</sup>

We have a district that is sixty-six percent free and reduced lunch, throughout the entire district. If you look at the literature, there is a strong correlation between socio-economic status and all of the factors you would be concerned about, achievement being number one, but also discipline and rates of special education (Cashell 2002).

The fact that CPS is a district where most students qualify for free and reduced lunch fees indicates that the majority of students are from the lower socio-economic segment of the city's population.

In 1998, Bob Taft of Cincinnati was elected governor of Ohio. One of his priorities was to find a way to address the deteriorating physical conditions, not only in CPS but also in public schools throughout the state. The state agreed to fund 23 percent of the cost, provided agreement could be reached on which buildings would be renovated, replaced or closed (Mrozowski 2001). Therefore, CPS initiated its facilities master planning process, working closely with the Ohio School Facilities Commission. The 2002 plan for CPS recommended that over the next ten years, thirty-four buildings be

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<sup>9</sup> There are some indicators of improvement during the last six years. Out of the six largest urban districts in Ohio, CPS had the best ninth grade proficiency test scores for four years in a row. During the 2000-2001 school year CPS was moved from the Ohio Department of Education's status of academic emergency to academic watch (Fischer 2002).



built, thirty-two be renovated and several be decommissioned (Cincinnati Public Schools 2002a and DeJong and Associates, Inc. 2002).

The facilities master plan originated at the state level. At the local level leadership was provided by Cincinnati Schools Superintendent Steven Adamowski. As a result of the facilities master plan, the first meeting between Cincinnati's City Council and the Cincinnati school board took place in March 2002. While Mayor Charlie Luken endorsed the facilities master plan, others on City Council and in the city administration were critical. The city planning director complained that the city was not involved in phase one of the CPS plan, but anticipated greater involvement in the next phases (Alltucker 2002c).

At the same time CPS was formulating the facilities master plan several other educational reforms were enacted by Steven Adamowski, superintendent of CPS between 1998 and 2002. A new design for high schools was created by dividing the lowest performing schools, which were also some of the largest high schools, into several smaller schools within schools. A school accountability system, which rewards schools for meeting academic performance goals and requires overhauls (or redesign) for those schools that do not meet goals, was put in place. Finally, a compensation system to pay teachers based on their teaching quality rather than seniority was designed; its implementation was dependent on approval by a vote of the teachers union (Mrozowski 2002b).

Another important reform in CPS—student based budgeting—originated before Adamowski's administration. Historically, the magnet schools received more funding than neighborhood schools because, typically, the programs cost more. Montessori schools, for example, use more materials. In 1998, funding on a "per pupil basis" was instituted; schools, regardless of type, received a certain amount of money per child enrolled in the school each year. Adamowski's administration continued to refine the system, until it was somewhat more equitable. However, only when voters passed an operating levy in November 2001 was CPS able to bring all neighborhood elementary schools up to the level of the Montessori elementary schools.<sup>10</sup>

The student-based budgeting formula means that some schools gain significant money, while others lose thousands of dollars. Schools with decreases in funding have two years to adjust to the loss. Schools that gain funding are required to produce a plan showing how the money will be used to benefit student achievement (Cincinnati Public Schools 2002d):

We equalized it by bringing the neighborhood [schools] up, not by damaging the magnet programs. Now we can say we are funding our kids on an equal basis, we are dividing the

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<sup>10</sup> The new system did provide some flexibility, however. Individual schools could receive more funding for some students, such as those enrolled in gifted programs. In addition, some schools received additional funding based on the incidence of poverty among children enrolled (Cincinnati Public Schools 2002d).

resources that are necessary for our schools. That is important; that is critical, I think (Cashell 2002).

Adamowski's proposed new vision for CPS high schools means that each one will have its own program focus. Large neighborhood based high-schools which usually had enrollments over one-thousand students each are to be broken into smaller administrative units with a maximum of approximately 650 students each. Two high schools might be located in the same building, but they would have separate principals, as well as separate student based budgets and staff. Program focuses will include information technology, communications, and health professions. All will offer hands-on experience and internship programs designed to start students on the path to a college education or a career track. Beginning in the 2002-03 school year, each eighth-grader graduating from elementary school must choose a high school based on interest or career path. There will be no more neighborhood based high schools. As in the past, students must take a test to be admitted to CPS's two competitive academic high schools, Walnut Hills High School and the School for the Creative and Performing Arts (SCPA).

In another reform, Adamowski persuaded the CPS board to create a system to rank its schools based on performance, called the accountability plan. Schools are ranked on a variety of factors that measure improvement, and receive one of four scores: achievement, improvement, intervention and redesign (from highest to lowest). In redesign, the principal of the school is released and the staff is surplus.<sup>11</sup> The redesigned school is given a new program focus, and a new principal is hired to staff the school.<sup>12</sup>

By the 2000-01 school year, the Adamowski's reforms resulted in several achievements. The Ohio Department of Education moved CPS from the category of academic emergency to academic watch (Ohio Department of Education 2002). Seventeen schools reached the top rank under the school accountability plan, five schools earned incentive awards for exceptional progress and CPS students outperformed other schools from big-city districts in the state of Ohio on the twelfth grade proficiency tests. The numbers of students passing the proficiency tests increased at other grade levels as well (Cincinnati Public Schools 2002e).

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<sup>11</sup> While the principal can be fired, because of the teachers' union contract, while teachers who lose their jobs at one school can be picked up by another school within the system if it has a vacancy.

<sup>12</sup> One such example is Parham, an elementary school that is located in the Evanston neighborhood; at the time Parham underwent redesign, not a single student had passed all five areas of the state proficiency test. Following redesign, it has received national attention, and won the incentive award offered by CPS two years in a row (Cashell 2002). More pertinent to this case study, Taft High School, adjacent to City West underwent redesign in the 2001-02 school year, and now features an information technology program. The redesign has resulted in some improvement in student achievement. It is far from clear whether rises in student achievement levels resulted from modifications of the school or whether they resulted from changes in the student body.

In May 2002, the teachers union voted against the pay-for-performance system, resulting in Adamowski's first major defeat. Although Adamowski claimed "I am not unhappy with anybody or anything", he announced his resignation in June 2002. He took a teaching position at the University of Missouri in educational policy studies (Mrozowski 2002b). Adamowski's resignation and the subsequent departure of his chief operating officer, Kent Cashell may represent a setback for attempts to improve the schools. While there are some positive signs of change for CPS, there continue to be some worrying long term trends such as the decline in enrollment, particularly of white students. Thus, as this is being written the long-term prospects are uncertain.

On September 6, 2002, in a rare unanimous vote, the CPS seven-member board hired Alton Frailey an assistant superintendent in a suburban Houston, Texas school district to replace Adamowski (Mrozowski 2002c). On November 5, 2002, Cincinnati voters turned down the \$500 million school bond issue by a 1 percent margin. The school board is likely to place the bond issue on the ballot again in either May or November of 2003 (Price 2002).

#### *Cincinnati Public Schools located in the West End*

Four Cincinnati public schools are directly adjacent to City West – Porter Elementary (Figure C-5), Hays Elementary (Figure C-4), Washburn Elementary (Figure C-7) and Taft High School (Figure C-6). All four facilities are scheduled for major changes under the CPS Facilities Master Plan; the first of these changes has already been accomplished at Taft High School. Taft High School was restructured as an academy for information technology starting with the 2001-2002 school year.

Porter Elementary and Hays Elementary are located on adjacent sites and are physically connected. The reason there are two school buildings is that Porter was originally a junior high school. CPS has moved away from the concept of junior high schools or middle schools altogether, and all schools are now kindergarten through eighth grade (K-8) or high schools (Burson 2002). Porter was first converted to an elementary school, but was later closed when enrollment in schools in the West End dropped dramatically (Burson 2002). Some of the drop in enrollment may be attributable to the relocation of the residents from Lincoln Court and Laurel Homes (Cashell 2002).

The CPS Facilities Master Plan calls for both Porter and Hays to be demolished, to be replaced by two schools constructed on the site. One will be a neighborhood elementary school (K-8) for the West End. The other school will be a city-wide magnet school, the Cincinnati Academy of Mathematics and Science (CAMAS):

Designed to provide students with an in-depth mathematics and science program, CAMAS prepares students for careers in science and engineering. Students take accelerated science and math courses in addition to a strong basic academic program (Cincinnati Public Schools 2002b).

Like Porter, Washburn Elementary School was closed due to declining enrollment. The facilities master plan calls for Washburn to be discontinued.

Although the school bond issue for the facilities master plan was defeated November 5, 2002, CPS already had the funding in place for phase one of the four phase plan, which was scheduled to take place over ten years. Phase one will take place despite the defeat of the bond issue. The replacement of Porter and Hays are scheduled for phase one, and demolition of the old school buildings will begin in the summer of 2003.

CPS plans to build a new Hays neighborhood elementary school with a capacity of 550 children and a new Porter/CAMAS School with a capacity of 450 children. CPS staff do not expect that the population of school-age children in the community will return to the earlier level where three neighborhood elementary schools were needed. However, it is difficult to predict demographic trends in the West End. The way the facilities master plan is currently designed offers CPS options:

The one question, of course is: Will there be a tremendous numbers of kids once the development is done? [Therefore], we are having Porter come back into operation, but as a magnet school. We are not planning to reopen Washburn as a school. So, what if we have a tremendous amount of kids? We have a chance to react to that. What is the population going to look like that moves into this mixed income housing? There are different opinions on it (Cashell 2002).

Taft High School had fallen into the lowest category in the CPS accountability plan, known as redesign. During the 2001-02 school year the school was given a new focus, information technology, and a new principal was hired. A partnership was formed with Cincinnati Bell, and some minor renovations were completed to accommodate the program. Almost immediately, Taft High School changed from a school that was not well perceived in the community to a popular school. In one year, there was a fifty-percent increase in the honor roll, and currently there is a waiting list to get into the program (Cashell 2002).<sup>13</sup>

In addition to the CPS schools on-site, there is a Catholic elementary school directly adjacent to City West, the St. Joseph elementary school. CMHA and the property manager for City West (The Community Builders, Inc. [TCB]) are working with two other educational entities in the West End, the Cincinnati Hills Christian Academy and Improved Solutions for Urban Systems, Inc. (ISUS). Cincinnati Hills Christian Academy approached TCB to attract children from Lincoln Court and Laurel Homes to their school. Though the Christian academy offered scholarships for the low-

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<sup>13</sup> In order to determine whether the introduction of a new information technology program at Taft improved the retention rate or improved student performance it is important to know whether the composition of the student body changed. Unfortunately, this information is unavailable.

income children, there was little interest among the Lincoln and Laurel parents. Most residents of Lincoln and Laurel grew up in the West End themselves and attended Cincinnati public schools. Now, as parents, they are comfortable with the notion of their own children attending the same schools they had attended (Dawson 2002). ISUS, working closely with CMHA, has opened a new training facility in the West End. ISUS is a charter school working with students who dropped out of the public schools. Students learn trades such as electrical work, plumbing or drywall. Meanwhile ISUS students are completing their high school diploma or GED (Davis 2002a). There is another charter school in the West End, the Cincinnati College Prep Academy, serving grades K-7.

### THE WEST END NEIGHBORHOOD NEAR DOWNTOWN CINCINNATI

City West consists of two former public housing developments in Cincinnati's West End neighborhood. Laurel Homes, opened in 1938, was the nation's second oldest public housing development and consisted of 951 apartments. Lincoln Court was originally opened in 1942 and contained 886 apartments in 53 buildings. The two adjoining sites cover 46 acres. In 2000, CMHA decided to market these two separate HOPE VI sites as one, under the name City West. For convenience, we refer to the development as City West throughout this case study, although the name was chosen late in the process.

Both Lincoln Court and Laurel Homes, consisting of low-rise three and four story buildings, were originally built on swampland filled in with bricks. The city's first public housing development, Laurel was a whites-only development; Lincoln built shortly thereafter, was designated as a African Americans-only project (Fairbanks 1993). Lincoln Court's "internally focused" design, with common entryways and stairwells, was typical of public housing built during the 1930s.

The city's 1948 comprehensive housing plan further steered African American households to the West End and, as a result, whites fled the neighborhood. With nearly 2,000 units of concentrated public housing at Lincoln Court and Laurel Homes economic conditions in the West End declined during the 1950s and 1960s. By the early 1970's, all the major grocery retailers had pulled out of the West End, and most of the middle-income African American population had left as well (Alltucker 2002b).

In 2000, census data indicated the population of the West End was 87 percent African American.<sup>14</sup> In comparison, 43 percent of Cincinnati and 23 percent of Hamilton County was African American (Table C-5).

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<sup>14</sup> The 87 percent figure probably understates the concentration of African Americans in the West End. Whites are mostly concentrated in the Betts-Longworth neighborhood, at the edge of the West End, and immediately adjacent to Cincinnati's Central Business District.

**Table C-5. Racial characteristics of the population, West End Statistical Neighborhood, City of Cincinnati and Hamilton County Ohio**

	Cincinnati Statistical Neighborhood – West End		City of Cincinnati		Hamilton County Ohio	
Race	Persons	%	Persons	%	Persons	%
White	850	10.5	175,492	53.0	616,226	72.9
African American	7,066	87.1	142,176	42.9	197,801	23.4
Other races	199	2.4	13,618	4.1	31,276	3.7
Total population	8,115	100.0	331,286	100.0	845,303	100.0

*Sources: Hamilton County Regional Planning Commission and the U.S. Census Bureau*

The West End is perceived as a high crime neighborhood and the available statistics support this perception. Through mid-October of 2002, the West End has had a total of 731 serious crimes. The Cincinnati Police Department refers to such serious crimes as “Part 1 Crimes”, murders, rapes, robberies, aggravated assaults, burglaries, larcenies and auto thefts. Of the fifty-three neighborhoods tracked by the Cincinnati Police Department the West End ranks seventh for the most total crimes in 2002.<sup>15</sup> Table C-3 shows a steady decrease in the numbers of crimes since 1996, still such a large total number of serious crimes in the neighborhood is a concern. The Linn Street commercial corridor, once a thriving neighborhood business district is now half-vacant. Even the local Walgreens drugstore had to close because of a crime problem. Due to high crime the West End commercial district attracts few customers from other areas. One of the major barriers to the success of the HOPE VI redevelopment is “entrenched attitudes about the project site as a troubled, politically fractious area that is incapable of ever turning around” (Katz 2002).

**Table C-3. Serious Crimes in the West End**

Year	2001	2000	1999	1998	1997	1996
<b>Total number of serious crimes</b>	<b>885</b>	<b>838</b>	<b>932</b>	<b>1,044</b>	<b>1,115</b>	<b>1,228</b>

<sup>15</sup> The West End’s ranking would likely be higher if based on the incidence of crime, not the total number of crimes.

The Cincinnati Police Department refers to such serious crimes as Part 1 Crimes. These statistics count murder, rape, robbery, aggravated assault, burglary, larceny and auto theft.

*Source: Cincinnati Police Department 2002*

Laurel Homes, the older of the two public housing developments, was considered historically significant because it was one of the nation's earliest experiments in public housing. In 1987 the Laurel Homes Resident Council led a successful effort to place the development on the National Register of Historic Places. In 1997-98, because of the historic significance of Laurel Homes, CMHA rehabilitated four Laurel buildings. Because of Laurel Homes' historic status the first HOPE VI grant was submitted for Lincoln Court (1998) not Laurel. The HOPE VI application for Laurel Homes was submitted the following year (1999). Table C-4 shows the unit mix by income as proposed in the grant applications.

**Table C-4. Unit mix at City West by affordability.**

Types of Units	Lincoln Court		Laurel Homes		West End off-site		Total
	# of units	%	# of units	%	# of units	%	
<b>Homeownership</b>							
Unrestricted (not rent or income restricted)	50	10%	64	13%	11	13%	125
Affordable (for households with incomes of 50% or more of area median income)	50	10%	64	13%	11	13%	125
<b>Rental</b>							
Unrestricted	75	15%	161	32%	27	32%	263
Affordable	271	54%	211	42%	36	42%	518
<b>Senior Rental</b>							
Affordable	54	11%					54
<b>Total for redevelopment</b>	500	100%	500	100%	85	100%	1085

*Source: Cincinnati Metropolitan Housing Authority*

The Cincinnati Metropolitan Housing Authority (CMHA) took the initiative in developing both of these applications rather than the city or any resident group. Donald Troendle became executive director of the housing authority in 1994. Using HOPE VI

to resolve the physical and social distress at Lincoln Court and Laurel Homes was one of a series of management improvements Troendle initiated at CMHA.

### LINCOLN COURT'S HOPE VI GRANT

CMHA's 1997 proposal to HUD for HOPE VI funding for Lincoln Court was rejected. The application proposed limited demolition and the retention of housing for low-income households (McWhirter 1998a). Therefore, when CMHA prepared its revised 1998 Lincoln Court proposal, it stressed total demolition, greater income mixing, and a reduction of units from 886 to 500.

This proposal was opposed by the Lincoln Court Resident Council, which brought in an attorney from the Legal Aid Society. Some low-income housing advocates attacked the planned HOPE VI development at Lincoln Court as an example of "planned gentrification". That is, the advocates believed that it would lead to displacement of the poor. As meetings continued between CMHA and the Lincoln Court Resident Council, the council conducted a survey which indicated that most residents favored demolition, but wanted a guarantee that those who wanted to return could do so (McWhirter 1998b). Nearly half the Lincoln tenants surveyed by the resident council wanted a Section 8 voucher so they could move to housing anywhere they chose in Hamilton County (McWhirter 1998b).

With the application due on June 29, 1998, CMHA was finally able to reach an agreement with the Lincoln Court Resident Council on June 22, 1998. However, Cincinnati City Council support was essential for the project to be approved by HUD. In an atmosphere fraught with controversy the city was asked to contribute \$6.2 million to the revitalization effort (McWhirter 1998b):

People were going over to Council, saying [the project was an attempt at] gentrification. It was very controversial, and we had several meetings in council chambers, open [to the public], to allow the community at large to express their concerns. But, all this time you had this clock ticking because of the deadlines for the HOPE VI application (Thompson 2002).

On June 24, 1998, after two hours of debate Cincinnati City Council voted 5-3 to endorse the development and pledged the needed \$6.2 million (Sturmon 1998). The total project cost would be \$78 million with \$31.5 million coming from the HOPE VI grant, \$6.2 million from the city and the balance from low-income housing tax credits and banks. In August of 1998, a HOPE VI grant was awarded to Lincoln Court (CMHA no date).

In March, 1999, CMHA retained Hendy-Gibbons a Cincinnati based consultant as the project management team for Lincoln Court. The project management team was expected to lend its experience to CMHA and to help CMHA to select and monitor a developer. A request for proposals (RFP) was issued for a developer, while relocation began on phase one in April, 1999 (Curnutte 1999b).



The agreement with the resident council stipulated that Lincoln Court residents choose whether they wanted to stay in Lincoln Court or take a Section 8 voucher within the first months after the HOPE VI grant was approved. Staying meant the residents would relocate to buildings phased for demolition later in the construction process. It was understood that they might need to make multiple moves before their new apartment was completed. Taking the Section 8 voucher meant the resident was giving up any permanent guarantee of being able to return to the completed development. More than half of the Lincoln Court residents chose Section 8 vouchers, and CMHA provided a full-time relocation specialist to assist the residents in finding a new unit, and in tracking their progress.<sup>16</sup>

In June, 1999, the West End Community Council and a Lincoln Court resident filed suit in U.S. District Court against CMHA to halt the demolition of Lincoln (Curnutte 1999a). Nonetheless, by July of 1999 all of the residents had been relocated from the first phase of buildings to be demolished at Lincoln Court. U.S. District Judge Sandra S. Beckwith dismissed the lawsuit on November 29, 1999.<sup>17</sup>

CMHA received the proposals from developers in June of 1999, and in November of that year CMHA and the project management team selected The Community Builders, Inc. (TCB), a non-profit housing developer from Boston to build and manage Lincoln Court (Curnutte 1999b). All four of TCB's departments have been involved at the Lincoln and Laurel sites: community and supportive services, property management, development and financing. TCB is handling the sale of the ownership properties as well as the property management for the rental units. TCB's staff sees the agency's role as long-term, not only because it will manage the property, but also because it hopes to become involved in more projects in the city:

We do this work, yes, and it just happens that the housing authority is one of the customers that we serve now. But we intend to [do more] (Henderson 2002).

TCB's department of community and supportive services is unique in that it provides social service support to residents of Lincoln Court and Laurel Homes, and to those who have been relocated out of the area through the Section 8 voucher program. Resident service coordinators are providing services to residents of City West as a department separate from property management. Resident service programs are a newer

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<sup>16</sup> We sought but were unable to obtain information on relocation patterns of those who used Section 8 vouchers.

<sup>17</sup> In June of 1999, Judge Beckwith had refused to issue a temporary restraining order on the construction. In dismissing the lawsuit, Judge Beckwith determined there was no law requiring Cincinnati Metropolitan Housing Authority to consult with the West End Community Council. She ruled that CMHA had made housing available for residents at other location, and was not required to provide it at Lincoln Court (Kaufman 1999).

phenomenon in affordable housing and a specialty for TCB, which provides resident services at all the HOPE VI sites it manages. Resident services are essentially intensive case management, coordinated by social workers who collaborate with a variety of other social service providers to ensure a family is moving along a path toward self-sufficiency.<sup>18</sup>

The plan for Lincoln Court is 400 rental units and 100 for-sale homes on a twenty-two acre site. Figure C-9 shows some of the units in the rental redevelopment, and Figure C-10 shows one of the homeownership buildings. As is apparent from Figure C-9, some of the buildings in the Lincoln Court site look like turn of the century row houses, others, however, are quite modern looking. All apartments will feature market rate amenities such as front and back yards, washer and dryer connections, central air-conditioning and carpeting. The landscaping, fencing and lighting are designed to “create a suburban feel in an urban environment” (CMHA no date). As part of the Lincoln Court redevelopment Lincoln Center, a recreational facility adjacent to the property, has been renovated and includes children’s after-school programs, as well as recreation and job training programs. The Lincoln Court site includes a very modern looking senior citizens building (Figure C-8, opened in July, 2002) containing 54 units all of which are either public housing or affordable tax-credit units. Excluding these 54 units leaves a balance of 346 apartments. Of these, 271 will be affordable with only 75 (or 22 percent) unrestricted or market rate.

The first two phases of Lincoln Court have now been completed. A timeline for the redevelopment of Lincoln Court and Laurel Homes is included as Figure C-1. There were thirty-five homeownership units in phase one which was completed in February 2002, eighteen market-rate and seventeen for affordable homeownership. All eighteen market rate units sold rapidly, but sales of the seventeen affordable homeownership units took longer; eleven of seventeen were sold by July 2002. Subsequently (by October 2002) all of the affordable homeownership units were sold.

**Figure C-1. Time line for the redevelopment of Lincoln Court and Laurel Homes**

June 1998	Application to HUD submitted for Lincoln Court for HOPE VI funds \$31.5M.
August 1998	HOPE VI grant awarded – Lincoln Court.
April 1999	Relocation of residents; demolition begins – Lincoln Court
May 1999	Application to HUD submitted for Laurel Homes for HOPE VI funds

<sup>18</sup> For example, if the head of household needs employment training, the resident service coordinator, will assist the resident in identifying a program suitable to his or her needs, and facilitate enrollment. Similarly, if problems are identified with substance abuse, the coordinator will not provide direct counseling, but will help the resident enroll in a program, and act as a monitor to ensure the resident is following through with the requirements of the program.

	\$35M.
August 1999	HOPE VI grant awarded – Laurel Homes.
January 2000	Relocation of residents begins - Laurel Homes
September 2000	First buyer enters contract for market-rate ownership at Lincoln. Groundbreaking ceremony for Laurel.
November 2000	Demolition begins – Laurel Homes
February 2002	First buyers close on market-rate townhome in the Lincoln Court portion of City West.
July 2002	The Senior Citizens building opens on the property formerly part of Lincoln Court
August 2002	The first rental units at City West are available (on the Lincoln Court site).
2005	Anticipated completion of City West

*Source: The Authors*

As of October 2002, 52 of the senior citizen apartments had been leased. Of 114 family rental units in phase two, 56 apartments are set aside for public housing residents. All of these have been rented. The remaining 58 family apartments in phase two are for market rate households. Thirty-nine households have signed leases.

The director of property management reported that while there are many households with children among the residents in the public housing units, among the market-rate renters his impression is that there are few if any who have school-aged children (Fogler 2002).

### LAUREL HOMES' HOPE VI GRANT

By the late 1990's Laurel Homes was becoming a maintenance nightmare. The bricks originally used to fill in the swamp underlying the development were beginning to break down, causing sinkholes in the parking lot. All of the units were heated by a central boiler system, and the unstable land was bad for the underground pipes. The leaking pipes drove the cost of running and maintaining the heating system for Laurel to \$986,000 in 1998 (Abt Associates 1999).

As mentioned earlier, a small portion of the Laurel site was redeveloped in 1997-98 by CMHA as an experiment in historic preservation. Laurel Homes was considered to be significant because it was the second-oldest public housing development in the nation,

and was listed on the National Register of Historic Places.<sup>19</sup> CMHA demolished one building in a grouping of four at the north end of the Laurel Homes development. With reduced density and more common area, CMHA renovated the three buildings which remained. This three-building renovation was funded outside of the HOPE VI process and was an effort to “preserve the spirit of the historic structures.” However, the experience caused CMHA to conclude that rehabilitation was too costly (\$100,000 per unit) for the remainder of Laurel and that this type of physical rehabilitation would not provide any “marked social improvement” (Abt Associates 1999).<sup>20</sup> The rehabilitation site included 130 public housing apartments. These buildings are not included in the HOPE VI proposal for Laurel Homes in 1999.

In order to demolish the twenty-one buildings remaining at Laurel Homes, CMHA had to remove the buildings from the Historic Register by submitting a request to the Ohio historic preservation office. CMHA mentioned that the three building renovation program ensured that a small piece of the historic Laurel Homes would be preserved.

The application for the Laurel Homes HOPE VI grant was less controversial than the first one for Lincoln Court. Agreement with the Laurel Homes Resident Council was reached in March of 1999.

The total project cost for demolition and development for the remaining part of Laurel Homes was estimated to be \$93 million; the HOPE VI grant requested \$35 million. CMHA proposed to demolish the remaining buildings at Laurel (21 buildings, 835 units), to build 500 new units on-site and to develop an additional 85 units off-site. The City of Cincinnati agreed to provide \$9 million for the redevelopment; the balance of funds would come from low-income housing tax credits and private financing. The development received HUD funding in August of 1999 (Alltucker 2002c).

The Laurel Homes HOPE VI grant application differed from the first one for Lincoln Court in one key way. The Laurel Homes application contained no provision for a project management team. CMHA issued an RFP for a developer directly rather than through a consultant. In November 1999, Concorde Capital/Midcity from Columbus, Ohio was chosen as the developer for Laurel Homes. In April 2000, CMHA terminated its contract with Concorde/Midcity. The announcement upset many residents and city officials because they felt that they had not been consulted on the decision (Anglen 2000b). Later, CMHA said that Concorde/Midcity’s failure to meet deadlines was why it

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<sup>19</sup> Techwood in Atlanta, another HOPE VI site had also been listed in the National Register prior to its demolition in 1995. The site that was formerly Techwood is now part of Centennial Place (Keating 2000).

<sup>20</sup> While we are unsure what CMHA meant by social improvement, perhaps it was assumed that social improvements, such as a reduction in crime could only take place if there were more of an income mix at the level of the individual buildings.

had been dropped (Thompson 2002). In May 2000, CMHA replaced Concorde/Midcity with TCB as developer. Thus, TCB was the developer for both HOPE VI sites.

By August 2000, relocation of the residents was completed for phase one of Laurel Homes. The memorandum of understanding with the resident council was similar to the agreement on relocation at Lincoln Court. Residents who decided to stay would be relocated to buildings scheduled for demolition late in the construction. Residents who chose the Section 8 voucher program or a CMHA scattered site unit gave up the option that they could return to the HOPE VI development.<sup>21</sup>

The groundbreaking was held for Laurel Homes in September. That very month, the first market-rate buyer entered a contract to buy one of the homes, yet to be constructed (Cincinnati Metropolitan Housing Authority no date). Demolition of Laurel began in November 2000, while construction continued on Lincoln Court (Cincinnati Metropolitan Housing Authority 2001).

The redeveloped Laurel Homes will feature 128 for-sale homes and 372 apartments on twenty-four acres of land. Of the 372 apartments, 211 will be affordable with 161 (or 44 percent) unrestricted. The style of the housing at Laurel Homes is designed to mimic the look of nineteenth century rowhouses (Figure C-11). This is a contrast from the Lincoln Court design strategy, a blend of old fashioned with some very modern designs. However, just as at Lincoln Court, amenities will meet or exceed market rate standards with private yard space, washer/dryer hook-ups, air-conditioning and off-street parking. The financing for Laurel Homes includes development of 85 “off-site” units at scattered sites in the West End neighborhood – a combination of rehabilitation and new-construction at in-fill sites.

The Laurel Homes part of City West is still under construction as this is being written (November 2002).

#### AN OVERVIEW OF CITY WEST

Figure C-2 describes the breakdown of responsibilities for the development of City West. CMHA was the driving force behind the redevelopment of these two public housing developments to create City West, and will continue to own the land, although it will no longer manage the property. The Community Builders, Inc. (TCB) has been retained as the developer and property manager for both developments. The City of Cincinnati will provide a total of \$15.2 million in funding for the redevelopment of Lincoln Court and Laurel Homes. The U.S. Department of Housing and Urban Development (HUD) provided a grant of \$31.5 million for Lincoln Court, and a grant of \$35 million for Laurel Homes.

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<sup>21</sup> CMHA had units available both inside and outside the City of Cincinnati limits in Hamilton County.

## Figure C-2. Major Players – City West

CMHA – The Cincinnati Metropolitan Housing Authority.

TCB – The Community Builders, Inc. is the developer and property manager.

CPS – Cincinnati Public Schools.

The City of Cincinnati provided \$15.2 million in funding for the redevelopment of Lincoln Court and Laurel Homes.

HUD – The U.S. Department of Housing and Urban Development. HUD provided a grant of \$31.5 million for Lincoln Court, and a grant of \$35 million for Laurel Homes.

*Source: The Authors*

City West will cover a 46 acre area, and will include 1,000 total homes; Figure C-3 provides a map of the site and the surrounding areas. Eighty-five additional scattered site units will be developed in the West End neighborhood through a combination of rehabilitation of existing buildings and new infill housing.

### **To what extent were income mixing and the attraction of middle-income households goals at City West?**

CMHA has focused on income mixing since work on the Lincoln Court application began. Market rate rental apartments comprised 22 percent of the total at Lincoln; the figure rose to 44 percent at Laurel. The question was, would market-rate renters lease in a community which had formerly been a public housing development? Don Troendle, executive director of CMHA, was concerned about the success of mixing incomes at the time of the Lincoln Court application and therefore proposed 22 percent market rate rental. He became more comfortable with the concept by the time the Laurel Homes plan was prepared. As a result, market-rate units constituted a higher proportion of the total at Laurel than Lincoln. Furthermore, at the time when work on the Lincoln Court application began (1998) there were few examples of HOPE VI developments reporting much success attracting market rate renters. A year later, (1999) when the grant application for Laurel Homes was prepared, Troendle was aware of more HOPE VI sites with a track record of success attracting market-rate renters (Troendle 2002).

Although CMHA felt that income mixing was feasible there was considerable uncertainty as to whether market rate households with children could be attracted to the HOPE VI sites. This uncertainty stemmed from an awareness that most of the market rate households moving to the downtown area had no children. (This subject is discussed in more detail in the sections that follow.)

While CMHA certainly wanted to attract buyers for the homeownership product including market-rate buyers, it assigned the highest priority to ownership opportunities for households already living in CMHA housing:

I think when they designed the homes they certainly talked about them being for households with children at home. [However], even empty-nesters are looking at them as a place where their grandchildren can come for the weekend, or come for spring break. We always thought of them as being there as an opportunity for households who wanted to live downtown, but the market is such that there are singles looking for affordable homes. We were not limiting it to households, but we were certainly thinking that [CMHA] households could begin to own homes (Davis 2002a).

Channing Henderson, TCB's site manager stated that affordable homeownership for former residents of Lincoln Court and Laurel Homes was its top priority. The second priority was ownership opportunities for public housing residents, the third priority was middle-income residents of the West End, and fourth priority was ownership opportunities for people city-countywide. CMHA indicated that it was much more important to create self-sufficient households that are off government subsidies than to "just sell some homes to suburbanites who want to live in the city" (Henderson 2002). Similarly, CMHA's HOPE VI Coordinator, Jackie Davis (2002) stated:

We had households living in Lincoln [and Laurel] who were at the point of having an income level that with [a small amount] of subsidy could buy a home. Since they already [were comfortable living in the area], this was an opportunity for them to live in a more stable environment by being a homeowner (Davis 2002a).

Thus, while some of our key informants hoped that City West would attract market-rate households, none of them believed that attracting middle-income households with children was a high priority. As long as the market-rate homes were sold and rented, the assisted units would provide plenty of children, albeit children from lower-income households.

I think that is the beauty of the assisted units. They provide enough households with kids, [allowing for] a mix that is not only by income, it is really by different types of family units at different points in their life. You wind up all of a sudden with a neighborhood that is not only [defined by income mixing], but you end up with a real mix, just like any neighborhood, by age, and by where people are in their lifestyle types (Troendle 2002).<sup>22</sup>

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<sup>22</sup> Previous research provides little support for the assumption that low-income people with children would interact socially with young singles or childless couples moving into the market-rate units.

Thus the prospects for achieving classroom mixing of children from middle- and lower-income homes were hurt at this early, goal-setting stage.

**How well did the Cincinnati Metropolitan Housing Authority, the Cincinnati Public Schools, the City of Cincinnati, and other agencies, work together?**

*Schooling*

As mentioned, the Lincoln Court grant application was delayed due to residents' concerns about displacement. The Lincoln Court Resident Council only approved the application for HOPE VI funds one week prior to the deadline for submission. Then the debate moved to Cincinnati City Council chambers where the proposal was approved only five days ahead of schedule. The controversy prevented CMHA from collaborating with the schools prior to the application deadline. CPS involvement in the grant application for Lincoln Court was minimal. The principal of Taft High School did attend the first planning meeting held by CMHA on May 20, 1998 and provided a memorandum supporting the development. The HOPE VI grant application was due in June, 1998.

CPS had other major concerns in this particular period in time, because it was transitioning between superintendents. J. Michael Brandt announced his retirement in early 1998. Steven Adamowski was hired in August 1998 as superintendent of CPS. Effectively, there was no superintendent in place at CPS to endorse the proposal for Lincoln Court in June of 1998.

By the following year, Adamowski was in position, and able to give an endorsement for the Laurel Homes application. Overall, the grant application for Laurel Homes demonstrates a much higher level of collaboration and partnering than was true for the first one for Lincoln Court, probably because it was less controversial. Although the same consultant (Abt Associates) helped prepare both applications, it appears the consultant had more time to devote to the Laurel Homes application.

In the Lincoln Court application, the narratives are short, and many documents are included such as minutes of all the community meetings, newspaper articles, a resident satisfaction survey and letters of support to make up for the lack of description in the text. In the Laurel Homes application the narratives are longer, and do a better job of explaining the social goals CMHA was trying to achieve and how it intended to partner with other agencies to accomplish these goals.

The Laurel Homes application heavily emphasized educational improvement in the section on Community Supportive Services. The superintendent of CPS, Steven Adamowski, provided a letter of support for the Laurel Homes application that discussed his interest in providing a magnet school on the site. The authors of the application sought to increase head start enrollment by twenty percent over four years and academic



enrichment programs were planned to serve up to 540 children and adults (Abt Associates 1999). There was no mention of attracting middle-income children to these schools.

In general, the HOPE VI grant applications for Lincoln Court and Laurel Homes did not mention plans for educational facilities. The only exception was a letter of support from CPS which mentioned the possibility of a magnet school for Laurel Homes. Detailed plans for the West End schools were part of the CPS facilities master plan, not the HOPE VI funding plan.

CMHA planned to offer an array of educational programs not through CPS, but in partnership with a variety of for-profit companies and non-profit social service centers, to promote self-sufficiency among residents at Lincoln Court and Laurel Homes before 1998 (Cincinnati Metropolitan Housing Authority 2001):

- Project Bridges would offer a nine-week training program in basic computer skills and job readiness. Graduates would receive a free computer and printer.
- The Tuition Advancement Program would assist resident students with college-related expenses.
- The Pre-apprenticeship program would provide construction training and on the job experience. The Construction Internship Program is a full-time work and training program for all phases of CMHA rehab and new construction sites.
- Sylvan Learning Center and Kumon Math Institute would provide tutoring programs for resident children.
- The Lincoln Court and Laurel Homes Children's Learning Centers would provide after school and summer school programs for youth age kindergarten through grade eight.
- The teen center at the Lincoln Court site would provide educational programs for teenagers and free access to computers.<sup>23</sup>
- Head Start programs for the children of teenage mothers would be provided through the VISIONS program, a partnership with Dominican Community Services.

Mike Burson, director of the facilities branch of CPS believes HOPE VI offers the possibility for improving the image of the school system. Through HOPE VI, housing authorities tear down and rebuild entire neighborhoods; thus, they have a great impact on the city as a whole. The decisions of the housing authority have more influence on an

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<sup>23</sup> The grant application for Lincoln Court included the Students Education Lies First (SELF) program. This initiative is designed to help teenagers who have dropped out of school get their diplomas, and provides graduates with a free computer with accessories (Cincinnati Metropolitan Housing Authority 2001).

urban school district than almost any type of development. In the case of Cincinnati, the school district looked at City West, and how it would affect the students in its schools. Because City West was going to have a major impact on CPS students, CPS sought to meet with the leadership at CMHA in order to align with their thinking (Burson 2002).

CMHA and CPS began to work more closely during the implementation phase for City West, probably because both organizations were conducting simultaneous planning processes:

We worked together where we could, and they kept us informed and we kept them informed. The timing could not have been better (Davis 2002a).

Both agencies were practicing physical planning for property improvements. CPS staff reported working with CMHA's architects and developer (TCB) to link the Porter-Hays site to City West through a walking path with greenspace along Cutter Street. CMHA staff considered the physical and educational improvements offered through the CPS facilities master plan quite important to the success of City West.

If you want mixed-income folks to come to an area of the city that has traditionally been low-income, having a good school there is critical in making [the development] a success. I would have to agree with that (Cashell 2002).

Whether City West will improve the image of the school system is uncertain, because at present it does not appear that HOPE VI is altering the demographic make-up of the student population in the West End. However, the existence of HOPE VI has probably created a dynamic between CPS and CMHA that will at least improve facilities planning in the West End.

The planned Cincinnati Academy for Mathematics and Science (CAMAS) to be built on the City West site is intended to be a high quality magnet program. CMHA has asked the school board to consider giving an admission preference for CAMAS to West End residents. Currently, the only geographic preference in the CPS magnet schools system is based on quadrants, which are one fourth of the entire city, not neighborhoods. The West End is one of fifty-two statistical neighborhoods in the City of Cincinnati. The school board would have to approve providing City West residents with a preference for the CAMAS program, since this would represent a policy change. It is uncertain whether this change in policy will take place. The school board has not voted to do so at this time, but could do so when the school is built and ready to open (Cashell 2002).

CPS's planning process over an eighteen-month period (November 2000 to March 2002) aimed at producing a building plan, included involvement from CMHA, as well as private developers in the Greater Cincinnati community as well. Don Troendle (2002) CMHA's director praised the CPS planning effort:

I think just in the West End there were probably 60 or 70 [public] meetings held by the school system. This plan has been going on for two or three years. There has been massive outreach and a number of people have worked on it at every level. I have never seen a more inclusive process in any kind of development.

Because the CPS plan was going to include new schools, CPS staff were particularly interested in working with other large landowners, especially the city and CMHA. CPS has a minimum requirement of five and a half acres for sites for new school buildings and such sites are rare in the city.<sup>24</sup> Therefore, in part, CPS outreach efforts were based on need to find sites for the development of schools. These outreach efforts, in turn, resulted in better planning:

The need is there to communicate and work together; it just turns out it is going to be better for the plan to do it. I think over the last year and a half, maybe even two or three years, the communication [with CMHA] has been great (Cashell 2002).

In Cincinnati, the school board is an entity elected separately from City Council and receives its funding directly from the voters through school levies. Thus, the city and the schools are administratively distinct. The facilities master plan resulted in the first meeting of Cincinnati's school board and the City Council in March 2002.

Perhaps because of the enormous scope of the facilities master plan, which would have cost almost one billion dollars to complete over ten years, CPS realized the impact the plan would have on neighborhoods. Consequently, CPS involved parents, teachers, and principals as well as city planning and CMHA staff to put together a plan to renovate or replace every single school in the district (a total of 66 buildings):

CPS began early-on forming the groups that could understand what we are planning, help us with our planning, and keep the effort coordinated through the ten years it is going to take (Cashell 2002).

Currently, CMHA is planning for a third HOPE VI funding application at a public housing development known as English Woods.<sup>25</sup> CMHA and CPS are working more

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<sup>24</sup> National organizations (e.g., the National Trust for Historic Preservation) as well as local ones see these requirements as unrealistic in urban areas especially given the increased interest in building schools for smaller student bodies and the desire to preserve older school buildings. In recent years, urban school districts in Ohio have been given somewhat more flexibility in applying these minimum area standards (Alltucker 2002A).

<sup>25</sup> CMHA is planning to submit a HOPE VI funding application for English Woods, a public housing project in the Westwood neighborhood of Cincinnati. Here the plan is to demolish 700 public housing units and create 400 single family homes. CMHA and CPS have collaborated on this application. The plan includes locating a school adjacent to a community center (which would include a gymnasium). CPS will

closely on the planning for English Woods than they did in the past at Lincoln Court and Laurel Homes. The City of Cincinnati is also involved in the process.

Although the CPS was not very much involved in the Lincoln Court and Laurel Homes HOPE VI applications, CPS became very involved during the implementation of City West. This is because it was preparing its own plan. CPS designed the new schools planned for City West based on enrollment projections prepared by a state consultant (the Ohio School Facilities Commission) that attended all of the meetings between the schools, city development agencies and CMHA (Burson 2002). Demolition of the existing buildings at Porter-Hays elementary school will begin during the summer of 2003 and the new buildings are scheduled to open for the 2004-05 school year. For CPS another planning issue was the difficulty of forecasting how many households would move back to the West End and where those who relocated, would move to (Cashell 2002). To address this uncertainty, one of the two new schools will be created as a city-wide magnet.

In implementing the two HOPE VI plans CMHA worked with Cincinnati's Catholic parochial schools, primarily on a land swap that provided St. Joseph elementary school with a playground. CMHA included in the HOPE VI plan a new street, which will provide better access for the parochial school's buses:

We traded real estate, providing them with the playgrounds for their school. And, they [in turn] provided us with the site for the elderly building with the retail on it (Troendle 2002).

TCB has also become involved, working directly with the schools during the implementation of City West. Primarily, TCB has been involved as an information resource, and TCB staff have asked all schools (including parochial, charter and private schools) to provide them with information. Through its resident service coordinators TCB staff are then better able to inform residents and prospective residents about the schooling programs available. TCB has developed strong relationships with Taft High School and Porter-Hays elementary through the CPS visiting teacher program. The visiting teacher performs home visits with students and their households and if a problem such as truancy or neglect is identified, she notifies the TCB resident services coordinators:

Their clientele is our clientele. [The visiting teachers almost exclusively] work with the households in Lincoln and Laurel.

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save money on construction of this school because it will not have to build a gymnasium. Residents of CMHA will benefit because there will be two childcare facilities in the community center (Troendle 2002). Collaboration between the City of Cincinnati and CMHA has also improved in the planning for English Woods. The English Woods Resident Council approved the HOPE VI funding application in February 2002, and CMHA held discussions with the city administrators as well (Alltucker 2002).

They also work in conjunction with the Hamilton County Department of Human Services, and so do we. Even now, households have been identified as having problems in taking care of their children (Dawson 2002).

On October 24, 2002, the City and CPS held a conference at the Mayerson Academy called “Working Together for Community Learning Centers in Cincinnati” which was sponsored by the KnowledgeWorks Foundation. Community learning centers are schools which are open beyond the normal operating school hours offering a full range of support services for children and households, focused on community development (The Children’s Aid Society 2001). Mayor Charlie Luken and several members of City Council were present alongside members of the CPS school board. The fact that this conference took place and that it attracted city, CMHA, and CPS staff highlights the improved collaboration in recent years among these three entities.

*How residential turnover associated with the HOPE VI process created problems for low-income children.*

Lincoln Court and Laurel Homes residents indicated very early in the relocation process whether they wanted to stay during construction in order to be guaranteed a unit in City West, or to take a Section 8 voucher which would allow them to move anywhere they wanted either within Hamilton County or, through the portability feature of the voucher, outside of Hamilton County. Consequently, children of the residents who remained in Lincoln/Laurel may have had to move one or more times during construction and also may have also had to change schools once or more. In contrast, children in households utilizing vouchers would likely only experience one change in schools, that is, the change associated with the move to their new neighborhood.

The movement of residents from Lincoln and Laurel decreased the potential student population for the West End schools. CPS reacted by closing Porter and Washburn elementary schools. At the same time, as a result of the immigration of voucher households from the West End, the school population increased in schools serving Price Hill and Avondale to the point there were concerns about over-crowding (Cash 2002). Limited communication between staff at CPS and CMHA occurred early in the relocation process. However communication improved when the position of Chief Operating Officer for CPS was filled. It had been left unfilled for eight to nine months prior to the hiring of Kent Cashell as COO.

CMHA may have been trying, and not getting a response from CPS. I do not want to say what happened prior to [my arrival]. I know that we have developed a relationship with CMHA over the last three years where now we communicate regularly and very well on many issues (Cashell 2002)

Therefore, while collaboration and coordination between CMHA and CPS were lacking in the relocation of the residents of Lincoln Court and Laurel Homes communication has improved with respect to other aspects of implementation.

### OTHER INSTITUTIONAL PARTNERSHIPS AND COLLABORATIONS.

The plan for Lincoln Court emerged from a dialog between CMHA staff and the Lincoln Court Resident Council. An advisory committee of twenty agencies and individuals representing the city, West End stakeholders and social service providers was convened on May 20, 1998 (ABT ASSOCIATES 1998), a late date since the grant application was due June 29<sup>th</sup>. CMHA was criticized for failing to involve other stakeholders such as City Planning Department staff. City staff were upset because they were expected to react to the plan on short notice. Furthermore, city administrators needed to complete their own financial analysis and to make a recommendation to Cincinnati City Council on the proposed \$6.2 million funding CMHA was requesting the city provide. Staff were expected to complete this work in about 30 days (Thompson 2002).

CMHA staff provided city staff more time to evaluate the Laurel Homes application the following year. CMHA hosted a charette where it presented its development plan to community groups. A Department of Community Development staffperson emphasized the improved collaboration between the Lincoln and Laurel projects:

Now, in Laurel Homes there was a charette that the city participated in and representatives from each department were invited. We got that opportunity for Laurel Homes, but we did not get that opportunity for Lincoln Court (Thompson 2002).

Reviewing the Lincoln Court and Laurel Homes grant applications side by side, the improvement in plans for collaborations and partnerships is notable. CMHA had convened an Advisory Council during the Lincoln Court grant application process, however, this group only met once, just over a month before the application was due. It is difficult to believe that this group had any meaningful input to the plans for Lincoln Court at this late date in the process. According to the Laurel Homes proposal, Miami Purchase Preservation Fund and Genesis Redevelopment, Inc., local community development corporations (CDC's) were expected to compete to perform the West End scattered site component (85 units). In addition, a network of partnerships was to be formed to enhance efforts to improve the educational performance of low-income children. By the time the Laurel Homes application was formulated, it was clear that Cincinnati Public Schools would be a partner in the HOPE VI effort.

Members of the Lincoln Court and Laurel Homes resident councils were involved in both grant applications. However, as mentioned earlier, the Laurel Homes application

did a much better job of discussing collaborations and partnerships than the Lincoln Court application. Nevertheless, there were no churches named among the partners, and little mention of the West End Community Council (WECC). It should be noted that members of the WECC's development subsidiary, Genesis Redevelopment, Inc. participated in a visit in 1998 to Boston's Orchard Park HOPE VI. The ostensible aim of the trip was to increase community support for the Laurel application. However, the trip did not have the intended impact; WECC participated in a lawsuit seeking to block the demolition at Lincoln Court.<sup>26</sup>

The Hendy-Gibbons project management team assisted CMHA with issuing the RFP, which resulted in TCB being selected as the developer for Lincoln Court. TCB is the largest non-profit urban developer in the nation (Community Builders no date [a]). CMHA did not use a project management team for Laurel Homes, issued its own RFP, and selected Concorde/Midcity, a firm from Columbus as developer for Laurel Homes. The relationship was short-lived; CMHA dismissed Concorde/Midcity in May of 2000, creating controversy with City Council, which was not consulted in the decision. By June, CMHA had replaced Concorde/Midcity with TCB.

TCB is a non-profit, but is nationwide. The Laurel Homes grant application suggested that a local non-profit would be involved in the development of the off-site component, 85 units to be developed at scattered sites throughout the West End neighborhood. Specifically, Genesis Redevelopment, Inc. and the Miami Purchase Preservation Fund (MPPF) were mentioned for this role, but Genesis was rocked with a financial scandal in July 2000. Untouched by the scandal at Genesis, MPPF is a twenty-one year old non-profit housing development corporation with experience in both affordable homeownership projects and low-income housing tax credit apartments. While MPPF has a solid reputation, and considerable experience, it was never offered the role in the scattered site development it hoped for. TCB is the developer for the scattered site component, as well as the rest of City West.

We ought to have a very large role in this; we have been in existence for over twenty-one years. Yet, we have not been involved in the planning, design, development or anything. I would have wished Miami Purchase Preservation Fund to be more involved in it. We have had zero involvement [sic] (Lenear 2002).

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<sup>26</sup> In July 2000, a scandal involving the West End Community Council and Genesis Redevelopment, Inc. was reported to Cincinnati City Council. A city audit reported that \$80,000 slated for community projects was paid to WECC board members, their relatives and organizations they control (Anglen 2002c). WECC appears to have played little role in the planning for City West, and no role at all in the implementation.

CMHA perceived that MPPF lacked the experience and that it did not meet other qualifications based on a proposal it submitted for the overall development of Laurel Homes.<sup>27</sup>

CMHA collaborated with the Community Action Agency and the Cincinnati Recreation Commission to provide two head start facilities directly adjacent to the City West site at the Lincoln Center. Lincoln Center will provide head start pre-school and child care; both are being partly funded by the HOPE VI grant. These facilities will be open for extended hours to benefit working parents who may be on the second shift. (Troendle 2002).

Political leadership from the City of Cincinnati was noticeably absent in the beginning of both planning processes. City administrators and council members were critical, and quick to note that they had not been included in the plans.

To this point, it's been a disjointed, ad hoc sort of thing. The fact is our community development department may bring something to the table that the (school district) didn't see or know (Crowley as quoted in Alltucker 2002c).

Yet, city staff and city officials presented no plans of their own. Given the real world of short deadlines, and the bureaucracy at City Hall, it is not at all surprising that CMHA had to take the initiative.<sup>28</sup>

## MARKETING

The marketing plan for City West was heavily influenced by the earlier success of the Cityrama projects, located adjacent to the City West site and several other market-rate residential housing developments in the central business district of downtown Cincinnati, and the adjacent neighborhoods of Over-the-Rhine and the West End. Cityrama was certainly the most pertinent to City West since it is technically in the West End, and is fairly similar in product to the homeownership units at City West. At Cityrama the City of Cincinnati led the effort to develop 46 homeownership townhomes for market-rate buyers, modeled on the Home-a-rama concept (Figure C-13). At Cityrama homes were built with a variety of amenities, and a home show was held over a period of a month, where people were invited for tours. Forty-six homes were built and sold over a period of

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<sup>27</sup> Miami Purchase Preservation Fund had partnered with a firm called Pennrose, Durvema and Brooks and submitted a proposal to be overall developer for Laurel Homes. That proposal was ranked fourth out of five by CMHA on a 100 point scale including criteria for experience and qualifications, financial feasibility, development concept/project approach, participation by minority businesses and the quality of references the developers provided. Lenear's disappointment at not being selected seems understandable since the Laurel Homes grant application indicated that a preference for the scattered site component would go to a local non-profit (Davis 2002c).

<sup>28</sup> Cincinnati City Hall has been widely criticized for the difficulty developers experience in getting projects approved. Some developers have shied away from working in the city because of the sluggish bureaucracy.



two years and two home shows (1996-97). The homes were sold to people who attended the home show.

The design of the homes planned for City West is quite similar to the design of the Cityrama homes, townhomes with off-street parking garages. At Cityrama, 46 homes were sold to middle-income people, but buyers were overwhelmingly singles, empty nesters and young couples with no school age children. Informants reported that few, if any, buyers at Cityrama had school aged children. Young couples who had bought Cityrama homes and who later had children were looking to sell and relocate to the suburbs as their children approached school age (Henderson 2002). Cityrama did, however, help create a racially mixed neighborhood of homeowners, half white and half African American (Henderson 2002).

The demographic characteristics of renters in recent market-rate rental developments in the Central Business District and Over-the-Rhine (two neighborhoods adjacent to the West End) are similar to those attracted to Cityrama (i.e. singles and couples without children).<sup>29</sup> The preceding highlights the difficulty of attracting middle-class households with children, regardless of race to City West. There is no obvious reason why City West would be any more successful than these other developments in attracting middle-class households with children.

TCB is the lead agent for marketing City West, but the marketing is being done in conjunction with CMHA.<sup>30</sup> TCB and CMHA agreed on a marketing strategy for City West at the end of 2001. The City West Conceptual Marketing Plan was prepared by Peter Katz for TCB. Katz is a design and marketing consultant based out of San Francisco and Seattle. A frequent lecturer on urban issues, Katz is the author of *New Urbanism: Toward an Architecture of Community* (1994). Prior to Katz's involvement, TCB and CMHA were guided by the initial marketing studies prepared for the Lincoln Court and Laurel Homes grant applications (Henderson 2002).

Katz presented TCB and CMHA with three marketing positions to choose from for City West. He called these alternatives "edgy-urban", "downtown living," and "livable Cincinnati" (Katz 2002). "Edgy-urban" was inspired by the recent renaissance of neighboring Over-the-Rhine which was attracting a younger audience to loft dwellings. "Downtown living" was what Katz called a well-established position, designed to evoke the glamour and excitement of high-rise living in cities like New York and Chicago. TCB and CMHA chose the "livable Cincinnati" position, because "it is a

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<sup>29</sup> Examples of market-rate non-family rental projects in the vicinity of downtown Cincinnati include Shillito Lofts, the Jackson Street Lofts and the Emery. In January 2001, Cincinnati Magazine reported there were about 2,000 market-rate residences in downtown and Over-the-Rhine (Tate 2001).

<sup>30</sup> The marketing plan for City West indicates that while TCB is responsible for its implementation, it is working in partnership with CMHA. Davis further describes the relationship as a three-way partnership between CMHA, the sponsor, TCB (the developer/manager) and the residents, and these groups meet on a weekly basis to discuss the development, management and marketing of City West (Davis 2002c).

friendly, welcoming position that we believe has strong appeal to singles and non-traditional households.” According to TCB’s site manager, Katz was uncertain whether middle-income households with children would be willing to come to City West (Henderson 2002). Katz does not really talk about children at all in his “City West Conceptual Marketing Plan” although he does cite Anthony Downs’ call for improved public schools.

According to Don Troendle of CMHA the lack of interest of middle-class parents in living in the downtown area is due, in part, to the absence of a housing product suitable for households with children:

There are not a lot of market-rate kids living in the [areas near downtown], because there has been no housing for them in some ways. The family has the van or the SUV these days, instead of the station wagon. There is not much available that meets today’s requirements for square footage, air-conditioning, dishwashers, off-street parking, [and so forth]. The reason that households are not in the [areas near downtown] is, in many cases, that there has not been a product that meets today’s family’s needs for housing (Troendle 2002).

A senior community development analyst in the city’s department of community development saw a presentation at the office of TCB, and came away with the impression that City West was targeting the empty-nesters, singles, couples and gays niche that worked at Cityrama. Whether members of these groups will be interested in City West is uncertain:

The city has not been involved in the marketing [plan. We] have attended a presentation at TCB’s office. Their target audience was based upon the Cityrama, and what you have there are mostly empty-nesters, gays and heterosexual couples without children. TCB was aiming their marketing tactics towards these groups because that was the precedent there. I have not seen any marketing campaign towards households with children. They talk about that you can walk downtown, you can walk to the cultural attractions. I have never heard, or recall [hearing that] you will live right across the street from a newly constructed school (Thompson 2002).

African American empty-nesters who had grown up in the West End neighborhood have expressed strong interest in City West. They had moved to middle-class neighborhoods away from the urban core to raise their children but were now interested in moving back to the West End (Davis 2002a).

The preceding suggests a dichotomy between what CMHA idealistically hoped to achieve (i.e., middle-income households with children alongside lower-income households with children), versus what the marketing professionals it hired (i.e. Katz and TCB) were telling them was realistic to achieve. Donald Troendle noted households with children could be attracted to City West if they knew about the variety of educational options available. He had developed a list of twenty-eight educational facilities located within a two-mile radius of City West. While fourteen of them are public schools, others are parochial schools, charter schools and special private schools (Table C-4). His point is that even if middle-income parents do not like the option of sending their children to public schools there are other schools in or near the West End that would meet their needs:

There is no location where kids have more choices of schools within a two-mile radius anywhere in the city, even possibly within the state. This red herring is thrown out that suggests households [will not] come because there are not school choices (Troendle 2002).

Yet, the marketing brochures we reviewed make no mention of the schools, and despite their proximity to the City West site, their presence is not even indicated on the maps. A photograph in the brochure shows a white female walking on Main Street, and an artist's rendering shows an African American couple. It is interesting that a photograph of Main Street is included. The ambience of Main Street in Over-the Rhine is quite different from the West End. Most people would want to get into a car to go from the West End to Main Street even though it is only about a mile away. Over-the-Rhine has the highest incidence of crime in the city and a foray across that neighborhood at night would be foolhardy. Thus, although people could walk to work from City West if they have a job downtown, they would need a car for shopping, entertainment, and other types of trips (Figure C-12). Realistically, a family would need a car at City West.

CMHA and TCB face an up-hill battle against entrenched attitudes about what the ideal child-rearing environment ought to be like. Even among middle-income African American's there is a perception of better value for homes in the suburbs:

I have always argued that [homeownership in the City of Cincinnati does] not give you the value on product or price compared to the suburbs. For \$150,000, you are going to get a three bedroom house, family room, two and a half baths and probably at least a quarter acre of land in the suburbs. In most cases there will be fairly decent schools, and in some cases, excellent schools. Down in the West End, or anywhere near [downtown the same] \$150,000 will not buy you much. You have to pay close to \$200,000 before you get a comparable product, and you will never get the quarter acre of land (Lenear 2002).

While there is no overt marketing effort aimed at attracting middle-income households with school-aged children, CMHA's HOPE VI program manager, Jackie

Davis, sees young couples without children, or with preschool aged children as a strong market for City West. At Cityrama, some young couples had bought homes and had children while living there. Therefore, Davis is focusing on daycare in the West End, which has a good reputation, as a way to lure young couples to market-rate and affordable units, while the public schools work on their improvements:<sup>31</sup>

We have really had to go in and talk to [prospective residents] about what kinds of schools are available in the neighborhood. For the young households, daycare is something they are really focused on. There are some excellent daycare centers in the West End. [With] the schools, we are coming along. But the schools, as you know, have had some problems (Davis 2002a).

A key question here is whether middle-class parents would be willing to send their children to a daycare center if many of the children came from lower-income homes. This might be a tough sell but it might be feasible if the day care center really had a great reputation, if for example it was linked to a local university. Future research should be directed toward answering this marketing question.

While CPS is doing some marketing on its various initiatives, including the facilities master plan, promotional materials about what the new schools will look like will only be available late in 2002 (Burson 2002). There will be two new elementary schools adjacent to the HOPE VI site, a neighborhood school and a magnet school, the Cincinnati Academy of Math and Science (CAMAS). Kent Cashell (2002) felt that CPS could provide additional support to CMHA in its marketing efforts:

We could get more information to them about what we are doing. Now, [CMHA] knows all the things we told you; what we are planning for Porter-Hays, they know about Taft High School. I cannot say whether they are using it or not in their recruitment efforts. But, we could assist them, because we certainly have promotional material about our programs (Cashell 2002).

Thus, there is room for improvement in the marketing effort. If the director of CMHA is sincere about efforts to attract middle-income households with children, he may want to revisit the marketing brochure and include some information about the schools.

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<sup>31</sup> The most popular flyers distributed by CMHA and TCB deal with daycare. VISIONS daycare, which used to operate in the basement of a building at Laurel Homes has moved to the campus of the old Queen City Vocational School, across the street from Taft High School. VISIONS is sponsored by CMHA and is operated by the Dominican Social Services. CMHA provides information about VISIONS and the new head start program to be included in the Lincoln Community Center to TCB. TCB then includes this information in the resident newsletter.

## APPRAISAL OF THE HOPE VI PROCESS

### *Renting, leasing up and sales.*

As noted previously, City West is in the very early stages of sales and leasing. All 35 homeownership units have been sold, with the market-rate units leading the affordable homeownership units in the pace of sales. Conversely, the public housing rental units (56) have all been leased, while 39 of 58 market-rate apartments have been rented. While households with children are prevalent among the affordable homeownership units and the public housing rental units, no market-rate households with school-aged children had rented a City West unit as of November, 2002.

Sales of the affordable homeownership units at City West took much longer than sales of the market-rate units.<sup>32</sup> Our informants attributed this to the fact that low-income public housing residents had never dreamt of homeownership. More realistically, it may simply be the case that it took these buyers longer to clean up their credit records to the extent they could qualify.

In the rental units being offered at City West, the reverse seems to be the case. All fifty-six public housing units are occupied, and the senior citizen's building, within which all fifty-four units are affordable, has only two apartments still available. Meanwhile only thirty-nine of fifty-eight market rate units have been leased.

### *Impact of the housing market on the plans for the market rate units*

City West is likely to continue to struggle with market-rate leases. The overall apartment vacancy rate in the Greater Cincinnati metropolitan statistical area was estimated at 10.9 percent in the fourth quarter of 2001. The high vacancy rate is a consequence of a large number of new units which have come on-line in recent years and the recent decline in the nation's economy. In 2001, it was estimated that 2,800 new apartments opened in Greater Cincinnati (Merusi 2002).<sup>33</sup>

It is important to note that the marketing plan was agreed on in late 2001, and launched in the spring of 2002. Thirty-five homes in phase one were completed and ready to be sold in February, before the marketing campaign or brochures were even in place. The eighteen homes in this phase which were unrestricted (or market-rate) sold quickly (all eighteen had been sold by the time our informant interviews began in April

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<sup>32</sup> Eighteen market rate homes made available in February 2002 were all sold by April 2002, while it took until September 2002 for all seventeen affordable homes made available in February 2002 to sell.

<sup>33</sup> Historically, Cincinnati's economy produces enough jobs to absorb new multi-family housing units coming online, however, corporate downsizing is impacting Cincinnati employers such as Procter and Gamble, Federated Department Stores and Cincinnati Bell. In addition to the economic downturn low-interest rates have led many who might ordinarily rent to purchase single family homes. City West will be competing against another 200 apartments scheduled to come online in the Central Business District in 2002 as well as 350 rental/for-sale housing units coming online in Newport and Ludlow, Kentucky, which are just across the river from downtown (Merusi 2002).

2002). Sales of the affordable ownership units were slower; only eleven of seventeen had been sold by July of 2002. CMHA's HOPE VI coordinator attributes this to the learning curve for people from low-income backgrounds who have been lifelong renters but who have now moved up into the moderate income category. Now these people are positioned for homeownership yet they may never have really considered the option of owning a home before:

The thing we have come to really understand is that our residents do not have the "American Dream". They never dreamt about owning a home. It just was not really something that they thought about. Now that they have the opportunity, they do not understand the benefits yet (Davis 2002b).

In order to facilitate a smooth shift from renting to owning CMHA offers homeownership counseling. TCB and CMHA homeownership counseling programs are free, open to all first-time buyers. First-time buyers choose one of three counseling agencies – the Better Housing League, the Homeownership Center or Greater Cincinnati Mortgage Counseling. They all offer unique and diverse counseling services so that potential homeowners can choose the agency that best meets their needs (Davis 2002b).

Most programs offer an initial one-hour assessment consultation, followed by six to eight training sessions, credit counseling and post-buyer counseling. Still, there are great obstacles for low-and moderate-income people. Perhaps they have achieved sufficient income, but they may have credit issues from the past:

Homeownership for low-income people, please, take my word for it, is very, very difficult. Those folks have two issues, credit and income. You may be able to overcome somebody's income status, but the credit side of the story is really difficult. When you are low-income, you are borrowing money; you are trying 'to rob Peter to pay Paul.' Those things typically show up on your credit report (Lenear 2002).

Nevertheless, information on early sales is not promising from the perspective of attracting middle-income households with children. Most if not all the market rate units have sold rapidly to empty nesters, singles or couples without children. On the other hand, many of the affordable (i.e., subsidized) dwellings have been sold to households with children. The consequence of a continuation of these trends is a community where market-rate households may, due to differences in demographic characteristics and life styles, have relatively little in common with their lower-income neighbors. Specifically, college-educated singles and couples who are work-oriented or entertainment oriented might have little time or interest in interacting with their lower-income neighbors with children. Social relations might not amount to more than a "Hello" on the sidewalk outside the home. It would be unrealistic to expect much meaningful social interaction across tenure and social class boundaries at City West.

*Impacts on the quality of local schooling stemming from a mixed-income population*

Given City West's newness there is little to report about the effects of social mixing on the schools. However, the momentum created by the HOPE VI and the resulting population changes probably influenced CPS to include Porter and Hays elementary in the first phase of the facilities master plan. Thus, it is certain that the HOPE VI site will have two new schools by 2004. In this case study, the new schools especially the CAMAS magnet, might attract middle-income households with children to City West. Prospects for achieving this goal might improve if City West children were given preference for admission. Whether this will happen is highly uncertain.

*Were lower-income households able to return to City West?*

Lincoln Court and Laurel Homes public housing residents who wanted to remain onsite after the development is complete, agreed early in the process to relocate within the Lincoln/Laurel buildings. These will not be demolished until there are City West units for residents to move into. One hundred seventy-five former households of Lincoln Court and Laurel Homes remain on-site, and are currently living in Laurel Homes buildings scheduled for the last phase of demolition.

The numbers of original residents of Lincoln Court and Laurel Homes who actually remain are far lower than the initial projections. Prior to the grant application for Laurel Homes, CMHA conducted a resident survey which achieved a forty-six percent response rate. Thirty-one percent stated a preference for a Section 8 certificate, twenty-eight percent preferred to remain at Laurel Homes for rental or homeownership, and forty one percent desired other housing options (e.g., moving into another CMHA development or a CMHA managed scattered site home. Those who chose to leave the site permanently, either to another CMHA unit or to a private unit through the Section 8 voucher program, may not return (Abt Associates 1999).

CMHA hired TCB to serve as the developer for City West, to manage the properties in the new City West, and to manage the units in the old Laurel Homes buildings. At the time of the informant interviews, TCB was managing the one hundred seventy-five units in old Laurel Homes buildings where the relocation residents are living and accepting applications for City West.

CMHA established an amnesty period for the former residents of Lincoln and Laurel. Any resident violating their lease could come forward and confess, so that they would be able to move into their new apartment at City West (Dawson 2002). At both Lincoln Court and Laurel Homes, many women shared their apartments with men who were not included on the lease. Had the man been listed, his income would have been included in the calculation of the portion of the rent paid by the tenant, and rent likely would have increased.

If you have an illegal lessor, or if you have not been honest with us about something, you have a certain period to come to us and be

honest and truthful. I think they gave them three months, maybe four, to come to them and say, I have an illegal resident, and here is his annual income. If it is approved by CMHA, we allow them to come in, fill out an application, and include their current information. We do our background research, and offer them an apartment (Dawson 2002).<sup>34</sup>

TCB resident service coordinators provide monthly home visits. They are involved with the children in the household and usually assist the heads of household with employment issues. The property management division of TCB also provides periodic inspections, offering representatives of TCB many opportunities to be in the homes and see what is going on. One ramification of this increased enforcement has been that residents want to see consistency, and will report on others who may be violating the rules (Dawson 2002).

TCB offers housing readiness seminars, including twenty hours of workshops, that prepare the Lincoln Court and Laurel Homes to move into City West. Through these workshops, residents learn how to run their dishwashers and garbage disposals and how to care for carpeting, amenities they never had in their old Lincoln Court and Laurel Homes apartments. A police officer participates by discussing safety issues (Dawson 2002).

Perhaps because of the early controversy about gentrification, Donald Troendle emphasized that no one was asked to leave because of the HOPE VI redevelopment. Some residents were, however, asked to leave because they were violating their lease.<sup>35</sup> In other cities, housing authorities set the qualification standards for HOPE VI higher than the standards for other public housing developments; this was not the case in Cincinnati. Troendle emphasized that there are high qualification standards for all CMHA housing:

There is no difference [in the qualifications]. If people are not eligible for City West, they are not eligible for CMHA housing (Troendle 2002).

TCB's Manager of resident services, Twinkle Dawson, and Don Troendle recognize that some tenants do not follow the rules and pose a threat to their neighbors. Therefore, they want to strictly enforce the rules in terms of who can be admitted to and remain in public housing. In contrast, Jackie Davis CMHA's HOPE VI coordinator, believes CMHA clients have the same morals and values as middle-income people; she

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<sup>34</sup> Presumably, if a tenant fails to report an illegal renter or other lease violation and is caught, TCB would instigate eviction procedures.

<sup>35</sup> "For the purpose of deciding what option they would like to choose regarding relocation, any resident who is not under eviction is considered a resident in good standing." (Davis 2002c).



sees no need to target “problem households” in order to strictly enforce CMHA rules and regulations:

They have the same values, the same morals. Maybe some of them have not dreamt of owning a home, but they certainly have goals and aspirations for themselves and their households. They want their children to be successful in school; they want to be successful in the job market. They just do not have as much money as some people with the same morals and values do. It is unfortunate that the stereotype of people living in public housing is such that you conjure up this image of an unsafe family, that has had a lot of criminal activity and whatever. That is not really the profile of our residents. They do, in fact, share the same goals and values (Davis 2002a).

By using the term “they” Davis injects a degree of uniformity to the public housing population that does not exist. Most are decent tenants but a few are not. The latter clearly do not have the same values regarding housekeeping and child supervision as the good tenants. Our interviews suggest the possibility that CMHA and TCB staff may not be sending a clear and uniform message to clients, i.e., that tenants are responsible for good housekeeping practices and for taking care of their children and that those who do not follow CMHA/TCB regulations will not be able to remain at City West.

We were unable to get any information about how many former residents of Lincoln/Laurel were unable to move back because of problems with their credit history or problems of criminal behavior. CMHA’s official position is that if such problems are present, the family will be evicted (Davis 2002c).

#### *Patterns of social interaction between lower and middle-income households*

Since the first households were only beginning to move in to City West at the time informant interviews were conducted we were unable to study patterns of social interaction. However, it does not appear that TCB has any formal plans to promote interaction between owners and renters or between market-rate and subsidized households. When we asked TCB’s Manager of Resident Services about plans for promoting social interaction between market-rate and low-income residents at City West, she responded that resident services were only to be provided for public housing residents. However, as we noted earlier, day care services will be available to all parents regardless of income so it is possible that middle- and lower-income parents using this service will get to know one another better through their young children.

The plans for City West include 27,000 square feet of commercial spaces to be located on the first floor of buildings on Linn Street. None of these spaces has been leased to date. However, if stores are attracted to the area and a viable commercial strip

emerges, middle- and lower-income people will at least be in close physical proximity when they go to the store.<sup>36</sup>

### *Impacts of HOPE VI on schools-housing collaboration*

As we have noted, collaboration between CMHA and CPS increased remarkably during the HOPE VI process. In response to the CPS facilities master plan, City Council and the Cincinnati Public Schools Board of Education met for the first time in March of 2002 and put together a high level committee of staff directors of the city and directors of the school system that is scheduled to meet three or four times a year. The hope is that a demonstration of collaboration at the management level will filter down to send a message of cooperation throughout lower levels of the two organizations (Cashell 2002).

With the departure of Adamowski and Cashell from CPS one wonders whether the school district will continue working closely with CMHA since high quality, committed staff is a prerequisite to achieving such collaboration. Outside entities such as foundations may promote this type of collaboration in the future. The October 24, 2002 conference “Working Together for Community Learning Centers in Cincinnati” is significant because it reflects a new awareness of the link between schools and housing.<sup>37</sup> The fact that high-level CMHA staff (the director of community relations) and City of Cincinnati planning director attended is important. KnowledgeWorks Foundation has been working in Ohio since 1998 providing funding and leadership for organizations linking schools and housing/planning (The KnowledgeWorks Foundation 2002). Up to now most of this linkage seems to have been devoted to low income households but perhaps in the future the efforts will focus on how to attract and hold middle-class households with children.

### *Impact of HOPE VI on neighborhood revitalization*

It is hard to discuss what impact City West will have on the revitalization in the West End neighborhood, given that this HOPE VI is relatively new. City West promises to improve shopping opportunities along Linn Street with 27,000 square feet of commercial and retail space. The eighty-five unit off-site housing component is important in promoting neighborhood revitalization in the larger West End area, away from the

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<sup>36</sup> Previous research on income mixing in HOPE VI developments (Brophy and Smith 1997; Rosenbaum, Stroh, and Flynn 1998; Schwartz and Tajbakhsh 2001) also makes one pessimistic about the prospects for such social interaction. These studies show that in mixed developments containing middle-income households without children (singles and childless couples) and lower-income households there is little meaningful social interaction between the former and the latter.

<sup>37</sup> However, CMHA is working with CPS on few other projects over and beyond HOPE VI. This is probably because CMHA already participates in a number of educational programs but in partnership with a variety of for-profit companies and non-profit social service centers (e.g., Project Bridges, Tuition Advancement Program, Learning Centers, Head Start).

HOPE VI site. Violent street crime remains a serious problem in the West End and will make it difficult to carry out both the commercial and off-site housing components of HOPE VI.

## CONCLUSIONS

In this case study of Cincinnati's City West HOPE VI housing redevelopment we sought to answer three sets of questions. First, to what extent was income and racial mixing and the attraction of middle-income households with children emphasized at City West? Second, how well did the Cincinnati Metropolitan Housing Authority, the Cincinnati Public School System, the City of Cincinnati, and other organizations, work together on the planning and implementation of this development? What approaches (including but not limited to marketing) were used to attract middle-income households with children? Third, how successful has the development been so far in achieving the multiple goals set for it? In particular, what has been (or what are likely to be) the impacts of redevelopment on social mixing in residential and school settings in Cincinnati's West End?

First, while income mixing was a goal at City West, and informants reported a desire to attract middle-income households with children, our review of the marketing plans and the brochures reveal that little was done to make this desire a reality. The market for middle-income housing in areas near downtown Cincinnati is strong among singles, couples with no children and empty-nesters, and the marketing materials will appeal to people in these demographic groups.

Furthermore, CMHA's priority was homeownership opportunities for low-income residents formerly in its public housing. Because of this emphasis, TCB's Manager of residents services sees her role as strictly working with public housing households, and not working with people in the market-rate units. The expectation seems to have been that CMHA and TCB would care for the public housing residents, and the market-rate residents would care for themselves. This strategy seems to be working in the market-rate homeownership units (in that these units have attracted strong interest), whether it will work in the market-rate rental units is unclear at this time. Whether this passive strategy will help promote social mixing in a meaningful sense (between owners and renters, between subsidized and non-subsidized households) is another question entirely.

Second, the relationship between CPS and CMHA has improved during the implementation of City West. In addition, Cincinnati City Council and the CPS school board have also begun collaborating extensively during 2002, establishing a regular schedule of meetings between their staff. Top managers will meet quarterly to exemplify collaboration, with the expected outcome of a trickle down effect to foster cooperation among lower level employees of the city and the schools. Again, this occurred as a response to the facilities master plan, yet there is much promise in this relationship, as evidenced by a recent community-wide forum discussing the value of schools as community based learning centers. Perhaps now is the time for the housing authority to

enter into a similar collaboration with city government in Cincinnati by requesting a meeting with City Council similar to the one held between Council and the School Board in March, 2002.

Finally, it is early to render judgment about how successful the City West development will be in achieving the multiple goals set for it, with only 203 of 1,000 units completed and ready for occupancy. It seems there are opportunities for improvement in planning for social mixing in the residential and school settings in Cincinnati's West End. For example, if CMHA is sincere in its desire to attract market-rate households with children, there are opportunities to work more closely with CPS to get the message out about the plans for improved schools in Cincinnati's West End neighborhood. TCB should include information about these plans in the marketing materials for City West.

Based on the information available thus far the City West development has a mixed record. It is filling up relatively quickly, it is employing high standards in design, it is providing key social services that may promote social mobility for residents and it is promoting more collaboration between CMHA and CPS than had existed in the past. On the other hand, it is uncertain whether City West will have the desired positive impact on the surrounding West End community. Just as important, it does not appear that the mixing that occurs will lead to meaningful social interaction across social class lines.

Furthermore, despite plans for new school buildings, HOPE VI is likely to have at best, only a modest impact on the educational performance of poor children. Lower-income children benefit from having middle-income children in the classroom. Unfortunately, City West, as it is currently being implemented is likely to attract few market-rate households with children. The lack of impact on the schools is certainly due to "external variables" including the fact that middle-class households have such varied locational choices in the Cincinnati region. However, the lack of impact is also due to program factors. The CPS has not agreed to give residents preference for a magnet school in the community which might have helped attract and hold middle-class households with children. Furthermore, CMHA staff is not of one mind on the importance of attracting middle-income households to the area. In other words, while it would be difficult to attract large numbers of middle-class households with children to City West, it is clear that more could be done than is being done at present.

**Table C-6. All schools within a 2 mile radius of City West**

School Name	Neighborhood	Type	Area of Specialty
Beech Acres	West End	Special	Satellite/Hospital Program
Bloom Middle School	West End	Public	
Cincinnati College Prep Academy	West End	Charter	Grades K-7
Cincinnati Hills Christian Academy	Downtown	Parochial	
Cincinnati Public School of Practical Nursing	West End	Special	Nursing
Corryville Catholic Elementary	Corryville	Parochial	
Culinary Arts Academy	West End	Special	Culinary Certification
Heberle Elementary	West End	Public	
Holy Family School	Price Hill	Parochial	
Hughes Center	University Heights	Special	CAMAS (9-12), Communication Professions, Paideia, Teaching Technology and Zoo Academy
ISUS Vocational School	West End	Special	Construction Trade
Lafayette Bloom	West End	Public	Back on track accelerated program
Martin Luther king Jr. Elementary Academy	West End	Public	
Mildred Dean Elementary	Price Hill	Public	
Oak Tree Montessori Academy	Downtown	Charter	Grades K-12
Porter/Hays/Washburn	West End	Public	
Robert A. Taft High	West End	Special	Information and Technology
Roberts Paideia Elementary	Price Hill	Public	
Rothenburg Elementary	Over-the-Rhine	Public	
Sands Montessori Elementary	West End	Public	
Schiel Primary School for Arts Enrichment	Corryville	Public	
School for the Creative	Over-the-Rhine	Public	

and Performing Arts			
St. Francis Seraph	Over-the-Rhine	Parochial	
St. Joseph Church School	West End	Parochial	
St. Peter Claver Latin School for Boys	Over-the-Rhine	Special	All boys
Virtual High	West End	Public	
W.E.B. DuBois School	Over-the-Rhine	Charter	Grades 3-6
Washington Park Elementary	Over-the-Rhine	Public	
Total = 28			

*Source: CMHA 2002*

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## **CHAPTER 4: THE CITY OF LOUISVILLE, KENTUCKY**

### **LOUISVILLE'S POPULATION MAKE-UP AND ECONOMY**

In November 2000, voters in Louisville and Jefferson County approved the consolidation of the city government and the county government which became effective in January 2003. With a current population of just over a quarter million people (256,231), Louisville is now Regional City of Louisville, the largest and most populous city in Kentucky, and includes all of Jefferson County, giving the new city a total population of 693,604. Louisville was the 64<sup>th</sup> most populous city in the nation. The merger of the city government with the county one will make the Regional City of Louisville the 16<sup>th</sup> most populous municipality in the nation (Brookings Institution 2002).

Louisville is the host city for the annual Kentucky Derby horse race and home to an international airport and the University of Louisville. Louisville is one of the nation's leading producers of bourbon and is home to the world's largest manufacturer of baseball bats. Other major employers include United Parcel Service, General Electric, Ford, Humana (health insurance), banks and hospitals. During the 1990's the area of the new Regional City experienced a 16.8 percent growth in new jobs. A recent report by the Brookings Institution (2002) found that while Louisville was strong in the sectors of manufacturing, distribution/logistics and healthcare, it was weak in sectors of human capital and knowledge such as bio-medical research. As noted below, Louisville is unique among American metropolitan areas in having a combined city-suburban school system.

### **THE HOUSING AUTHORITY OF LOUISVILLE (HAL)**

The Housing Authority of Louisville (HAL) operates approximately 4,600 housing units in five large multi-family developments, four senior citizen and handicapped developments and at 49 scattered site locations. Formed in 1937 by state legislation, HAL reports to a seven-member Board of Commissioners who are appointed by the mayor and approved by the city's aldermen. Approximately 10,000 people reside in public or subsidized housing managed by HAL, which employs 300 staff. HAL maintains over 300 acres of land and reports an occupancy rate of 96 percent. Approximately 1,300 units turn over each year to new tenants.

HAL is presently exempt from the Department of Housing and Urban Development's (HUD's) Public Housing Assessment System (PHAS) because it is known as a "Moving to Work (MTW)" designated agency which allows HAL certain spending flexibility other non-MTW housing authorities are not allowed. Prior to its MTW designation HAL ranked as a "high performer" and consistently scored in the mid-nineties in a point system of 100 possible. The director of HAL ranks its housing stock as "O.K." but is concerned with older facilities which are deteriorating. HAL owns some four-family development sites approaching sixty years age (Barry 2002b).

## JEFFERSON COUNTY PUBLIC SCHOOL SYSTEM

Park DuValle is located in the Jefferson County Public School District, which serves all of Jefferson County including the City of Louisville. The school system was desegregated by court order in the 1975-76 school years; this resulted in the merger of the city and the county systems (Daeschner 2001).

Because the merger sought to achieve racial balance, most children attend school away from their neighborhoods. At the beginning of the 1992-93 school-years, the busing court order was lifted. Wanting to preserve desegregation, Jefferson County Public Schools (JCPS) began creating “magnet” schools (Daeschner 2001). School choice in Jefferson County, Kentucky is complex; JCPS tries to lure students to its “magnet” programs, based on their interests:

A magnet school features ‘unique, school-wide curricula’, such as the math/science/technology program at Brandeis Elementary and the high school/university and visual-arts programs at Dupont Manual High. Students from throughout the county may apply to most magnet schools (Myerson-Katz 2002).

A family that does not apply to a magnet school program is assigned to what JCPS staff calls a “resides” school. Participants in our interviews referred to them as “home” schools. A “home” school is part of a “cluster” of schools, which may or may not be in the same general part of Jefferson County. Assignments to the home schools are by street address, and are aimed at achieving racial integration. Thus, a child from the city might have a “home” school in the suburbs or vice versa.

Despite the complexity of the system, the school board has been able to set up a user-friendly help system that can guide a parent through the system to find the appropriate choice for his or her child:

Everyone knows how the school system works around here. They are grouped in clusters, they have racial diversity, and depending on where you live, you are in a cluster. Their only question is what cluster am I in. Then you say, here is the contact number for the public school system, give them a call. They will tell them, just walk through the process with them. O.K., I have lived here, you send them information. Based on your background they will assign you a school (Romero 2002).

The merger of city and suburban schools in Jefferson County has been successful in terms of racial integration and test scores are improving, yet achievement remains low for many students. Thirty-three percent of students in JCPS are African American and all schools are monitored so that no fewer than fifteen percent and no more than fifty percent

of students in any given school are African American. School ratings in Kentucky are based on the Commonwealth Assessment Testing Systems (CATS) scores. CATS scores are based mostly on student scores on the Kentucky Core Contents Tests in math, science, reading and other subjects but are also derived by calculating a school's attendance, retention and dropout rates. JCPS considers a school to be a success if its CATS score is improving, and thus considers 114 of its 132 schools or eighty-six percent of its schools to be a success (See Figure L-2).

Based on our informant interviews, we had a favorable impression of JCPS. All of the people we talked with seemed very proud of the school system. However, the Brookings Institution released a report in July 2002 which concluded, in part, that improvements will be needed in JCPS if the Regional City of Louisville is to be competitive among urban areas of its size attracting people, businesses and opportunities to improve the quality of life. The Brookings Institution report noted that in the future the state will be stricter, and require a minimum CATS score of 100 out of 140 points by 2014. It found that seven of the lowest performing middle schools had CATS scores ranging from 39.7 to 53.4 in 2001.

Workers in the Louisville area have long been behind other urban areas of the nation in measures of educational attainment. The percentage of people over the age of 25 with a high school diploma was just 73.3 percent in 1990. Today (2000 Census) 81.3 percent of these adults have a high school diploma and 22.2 percent of people over the age of 25 have a college degree. Louisville's workforce was ranked only 37<sup>th</sup> best out of the 50 largest metropolitan regions for its education level in 2001 by the Progressive Policy Institute (Atkinson and Gottlieb 2001). These findings led the Brookings Institution to conclude "the new city must vastly improve its K-12 school system, send more of its children on to post secondary education and training, and sell itself on the need to upgrade skills and educational attainment on all levels."

The Brookings Institution also found that student achievement is lower among poor and minority students (2002). Although sixty percent of all students in JCPS receive free or reduced lunch, among African American students, seventy-five percent of the total, are on the free and reduced lunch program. (Children on the free and reduced lunch program come from low-income homes.) Serious gaps in student achievement exist between white and African American children. However, this is a national phenomenon.

JCPS experienced a twenty-two percent decline in enrollment in the decade following the court-ordered desegregation, dropping from almost 120,000 students in 1975 to almost 94,000 students by 1985 (see Table L-1, JCPS racial demographics and enrollment over time). At the same time enrollment of African American students increased from twenty-two percent of the total students to twenty-nine percent of the total. Since 1985, both total enrollment and the racial balance of the JCPS has remained

relatively constant so that during the school year beginning in 2001 there were just under 96,000 students in JCPS, thirty-three percent of whom are African American.<sup>38</sup>

**Table L-1. JCPS racial demographics and enrollment over time.**

School Years	1975-76	1985-86	1995-96	2001-02
Total Enrollment	119,505	93,534	96,829	95,459
Black students by percent of total enrollment	22%	29%	30%	33%

*Source: Jefferson County Public Schools and Stephens 2002.*

As mentioned, Jefferson County, Kentucky is one of few urban counties in the nation with a county-wide school system. As a result the school system puts a great deal of effort into getting the children to where they want to go. The busing operation is quite immense. Bus drivers must do two runs each morning and afternoon. The school schedule is split with middle and high school beginning each morning at 7:40 a.m.; elementary school begins at 9:00 a.m. There is a similar staggered release schedule in the afternoon (Barry 2002a).<sup>39</sup>

There is some limitation on transportation based on whether the school is a “magnet” or an “option”. JCPS provides transportation to most magnets because they are viewed as district-wide. However, transportation is only provided to an “option” if it is one of the schools in the “cluster” assigned to that address. A family may apply for a child to attend any “option”, but if it is outside the “cluster”, the family will have to provide for their child’s transportation. (Myerson-Katz 2002).<sup>40</sup>

The more prestigious magnet schools contain lower numbers of students receiving free and reduced lunches, indicating the children come from households that are middle-income or above.<sup>41</sup> While the countywide system offers households many choices

<sup>38</sup> One informant reported that there was some “white-flight” when the schools were originally desegregated in the seventies, resulting in a population increase in adjacent Oldham County (Downard 2002). Nevertheless demographics, such as declining birthrates among whites but not blacks, may explain more about the white enrollment loss and black gain.

<sup>39</sup> “The biggest problem, and this is a district problem, not a family problem, is just getting kids from where they live to where they want to go. We’ve got about 96,000 students that we put on busses every single day and take them all over the place. We have a sophisticated transportation system, trying to get kids where they need to go.” (Charmoli 2001).

<sup>40</sup> “Part of that choice is can I get there. What transportation options do I have? Will the school system transport me? If they will not, what does that mean for me as the dad or for the family to get my child there? It is just [like] what we do every day, make decisions about where we want to go and what we want to do based on trying to get there, how long is it going to take me? What do I have to wear?” (Charmoli 2001).

<sup>41</sup> While sixty percent of children in JCPS overall receive free and reduced lunches, we noted that the percentages for free and reduced lunches were lower at many of the high schools noted as most prestigious. At Ballard, 12.2 percent are on the program, at Brown 23.4 percent and at DuPont Manual 12 percent



(magnets for international studies, math/science/technology, college preparatory, visual arts, a self-directed learning program and “options” such as environmental education and engineering) lower income households are not as adept at accessing the best schools. “Magnets” are viewed as serving the whole community and have a school-wide curriculum (i.e. the magnet program is the core focus program offered at that school building). “Options” are small, specialized programs, and operate within a school building where there is another primary program. For example, the engineering option is offered at Waggener Traditional High School. The primary program at Waggener is a Traditional magnet program.

Parents in Jefferson County make the decision about where kids will go to school based on the interests and capabilities of the child, not the proximity of the school. Some parents allow their children to participate in school decisions:

If you have an international magnet, for example, and you have a math-science magnet, and your child is a whiz in math-science, but that does not happen to be the magnet in your community, are you going to make the decision for your child to go to the school that is closest? There is no way to determine what choice people are going to make. And, I think it changes from the time a child is very small to the time a child is very big. People are going to make different decisions, and at some point, the child is going to weigh in on the decision. And, if you have a little precocious third grader, he might weigh in earlier than you want (Charmoli 2001).

As a result of the merger of the city and suburban schools the tax base in support of the schools has been county-wide for decades. Louisville, like other urban areas around the nation is experiencing sprawl. Wealthier citizens are purchasing homes in low-density subdivisions in the county, while those left behind in the city generally have lower incomes (Brookings Institution 2002). However, the schools have been merged since the seventies so there is no tradition, as there is in some places, of urban schools supported by one tax base and county schools supported by a different tax base. Taxation is on a countywide basis and funds for the schools are distributed on a per student basis (Cash 2001):

Some of the more technical schools are based in West Louisville. The Shawnee School has flight training for pilots. The downtown Brown School is [a unique magnet, serving students in kindergarten through 12<sup>th</sup> grade in a self-directed learning program]. And, there is Dupont Manual, which is considered one of the best high schools in the country. There is Atherton, which is language and foreign studies. But, they have really equalized this

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receive free and reduced lunches. Conversely, Central High School has 60.1 percent free and reduced lunches, Iroquois has 64.3 percent and the Shawnee 68.2 percent (Myerson Katz 2002).

aspect of where good schools are and how folks have access to them. (Cash 2001).

The educators interviewed for this study agreed that most children at Park DuValle attend a public school (estimates ranged from 97 to 99 percent). There are no Catholic parochial schools remaining in West Louisville; they closed due to dwindling enrollment (Eugene 2002a). Middle income households outside of West Louisville are far more likely to send their children to private or parochial schools. Although JCPS serves 96,000 students and is now one of the largest and most racially integrated school systems in the country, nearly one in four children in Jefferson County attend private schools (The Brookings Institution 2002). Of the total students enrolled in JCPS 20,632 attend magnet school programs (Jefferson County Public Schools 2001).

### PARK DUVALLE HOPE VI: AN OVERVIEW

Park DuValle is a neighborhood in Louisville's West End with a long history of African American inhabitants. Before the development of the public housing, the area was known as "Little Africa" (Housing Authority of Louisville [HAL] 1996). The area of the HOPE VI development, formerly two public housing developments, was named for the broader neighborhood.

In 1953, HAL opened Cotter Homes, 620 units of affordable public housing. Lang Homes, (496 units) opened on an adjacent site that same year. The area rapidly gained a reputation as a center of crime and drug-related activity. A 1986 *Louisville Courier-Journal* article dubbed 32<sup>nd</sup> and Young Street, where Cotter and Lang intersect "The Meanest Corner in Town" (HAL 1996). The idea of redeveloping Cotter and Lang Homes into Park DuValle originated during the empowerment zone application process that took place in 1996 (Eugene 2002a).

The Housing Authority of Louisville application for HOPE VI funds stated, "Cotter and Lang Homes and all of Park DuValle are plagued by high poverty, extremely low rates of homeownership and the highest violent crime rate per square mile in the City of Louisville." The vacancy rate was reported as 24 percent, and demolition began before the grant application was submitted.

The redevelopment of Cotter/Lang into Park DuValle will cost \$180 million. The Housing Authority of Louisville set aside \$31.4 million in regular public housing monies for the project. The City of Louisville committed \$14 million in Community Development Block Grant (CDBG) funds for infrastructure, such as roads and sewers. Additional funding came from low-income housing tax credits, and subsidies provided by the Kentucky Housing Corporation. HAL requested \$51 million in HOPE VI funds from HUD; the balance was to come from private investors (Peirce 2000a). Figure L-3 contains a timeline for the redevelopment of Cotter and Lang Homes into Park DuValle.

The HOPE VI grant was approved in early 1997 and by January of 1999, phase one, known as "The Oaks", was completed and leased (Carter 1999a). By March of

1999, there was a waiting list (Carter 1999c). The Housing Authority of Louisville (HAL) served as developer for The Oaks, which contained a mix of 39 rental units for persons below 30 percent of area median gross income (AMGI), 41 units for persons between 31 and 60 percent AMGI and 20 rental units for persons up to 80 percent of AMGI.

In 1996 The Community Builders, Inc. (TCB) was retained as master developer for overall land development. TCB, the nation's largest non-profit developer of urban housing, is also property manager for the rental housing (The Community Builders, Inc. no date). Phase one (1999) was welcomed as a big improvement over what had been there before, but it was not all that it could have been. That is, phase one buildings followed the typical suburban pattern of single-family units with fenced yards on large plots of land. In phase two, ("The Villages" of Park DuValle) the designers, following new urbanism principles, grouped the buildings more closely on smaller lots. As soon as the first models were completed for phase two (June 2000) renters and owners expressed strong interest in Park DuValle properties:

In terms of rental, I do not think they did anything. They just built the first buildings and were deluged with people who wanted to be in them. They never had to market once [sic]. In terms of homeownership, it is probably the most successful homeownership effort certainly, in Kentucky. When it opened, (in June, 2001) we had already pre-sold 35 units. From there on we sold four a week. To give you a reference point, a typical suburban subdivision development is considered a raging success if it sells four a month. To sell four houses in a week's time, consistently, is phenomenal. (Cash 2001).

Park DuValle is being developed in accordance with the design principles of new urbanism. The creation of mixed-income communities, on small lots is one of the goals of new urbanism. It seeks to imitate the development of cities prior to World War II. Porches are an important feature of the homes, and are intended to encourage interaction among neighbors.

At the time this is being written, October 2002, Park DuValle is approximately one-third complete. A commercial-retail development is underway, which will include a health center. Above the retail-space, there will be housing for senior citizens. Phase three of the Rental/Homeownership is currently under construction. Unlike the earlier phases (The Oaks and The Villages), phase three will simply be known as Park DuValle.

The demolition of Cotter and Lang Homes was accompanied by a reduction in crime which was not surprising since there were no people or buildings on the site. However, as construction commenced and even as owners and renters moved into the newly built homes at Park DuValle, the incidence of crime did not increase. All of our informants reported, and the Division of Police confirmed, that Park DuValle went from

being one of the highest crime neighborhoods in the city, to being one with almost no crime (see Table L-2, Crime Statistics – reduction in crime at Park DuValle).

**Table L-2. Crime Statistics – reduction in crime at Park DuValle**

<b>Crime Statistics</b>	<b>1990</b>	<b>1994</b>	<b>1998</b>	<b>2002</b>
Total Crimes City of Louisville	24,034	26,343	26,292	10,794
Total Crimes Park DuValle	351	530	24	13
Park DuValle Crimes as % of Total	1.4%	2.0%	0.0009%	0.001%

*Source: City of Louisville, Division of Police (Smiley 2002)*

As shown in Figure L-4, numerous public, private and non-profit agencies were involved in creating the Park DuValle development. In implementing the Park DuValle HOPE VI development funding from the City of Louisville CDBG program paid for the infrastructure, including redesign of the network of streets, sewers, sidewalks and lighting. The Louisville Development Authority, the city agency charged with carrying out Park DuValle along with HAL, was considered the manager of the project team (Jones 1999).

Louisville Development Authority (LDA) is a city agency, yet is different from a traditional planning commission because it does not handle zoning and land use regulation. This is handled by a separate zoning commission. LDA creates neighborhood plans, area plans and district plans, and supervises the implementation of these plans. LDA was instrumental in persuading the private consultant (Urban Design Associates) to increase the density in phase two, in accordance with new urbanism principals (Cash 2001). Louisville Real Estate Development Company (LREDC) became involved as the developer for the homeownership portion of the project, which began during phase two:

The Louisville Real Estate Development Company is a subsidiary of Louisville Community Development Bank (LCDB). It was created during the empowerment zone application process in 1996. Modeled on Chicago's South Shore Bank, LCDB only invests in twelve neighborhoods in the City of Louisville, those targeted as the neediest in the empowerment zone process. LREDC is the construction lender for builders (Downard 2002).

Other major agencies and organizations involved in the planning process included (Jones 1999):

- National City Community Development Bank, which provided financing for the homes in the “village” of model homes. Potential homebuyers use this village to develop ideas for the type of house that they want to build.
- The Park DuValle Neighborhood Advisory Council and the Park DuValle Revitalization Policy Board represented community groups in West Louisville.

- PNC Bank provided loans and investment money for the rental housing development in Phase II.
- The Community Builders, Inc., a non-profit real estate development company, was the master developer for the land and property manager for the rental housing.
- The Housing Partnership, Inc. was the non-profit identified as co-developer, along with Louisville Real Estate Development Company (a subsidiary of LCDB) for the construction and marketing of the for-sale homes.
- The U.S. Department of Housing and Urban Development (HUD) was the sponsoring federal agency.

The development of all 125 acres at the Park DuValle HOPE VI site is anticipated to take six years (1998-2004). There will be 650 rental and 450 owner-occupied homes and a variety of retail and commercial spaces when the development is complete. Of the rental and homeownership units, one-third will be for public housing, one-third will be affordable housing and one-third will be non-subsidized, or market-rate homes. Russell-Lee Park is located at the north of the Park DuValle development (See Figure L-1, Map, Park DuValle HOPE VI).

#### EDUCATIONAL FACILITIES ON THE PARK DUVALLE SITE

There are two elementary schools located at the site of Park DuValle; both of them are “magnets” in the Jefferson County Public School System. One of them, the Carter Traditional Elementary School (Figure L-5), was physically rehabilitated and programmatically redesigned as part of the HOPE VI implementation. “Traditional” programs stress high expectations for both the students and their parents, focus on basic skills instruction, require students to wear uniforms and emphasize firm discipline (Myerson Katz 2002). The second, Kennedy Montessori School (Figure L-6), was not physically or programmatically altered during the HOPE VI process. It is another magnet option for households in the Jefferson County Public School System. The Montessori Method uses a unique set of learning materials to arouse a child’s spontaneous interest (American Montessori Society [AMS] 2002).

#### **To what extent was income mixing and the attraction of middle-income households a goal?**

Park DuValle was planned as a mixed-income development. That is, one third of the units were set aside for public housing (persons at or below 30 percent of Area Median Gross Income AMGI). One third was for affordable housing (31-60 percent AMGI), and one third was for market rate housing (60 percent and greater AMGI). Participants in the interviews emphasized that a mixed-income community was the overarching goal.<sup>42</sup>

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<sup>42</sup> While this definition may seem straight forward, there are a large range of incomes below median, yet above sixty percent. There was a variance in the way data are tracked for the homeownership versus the rental development, in part because of the different financing mechanisms. In the homeownership portion

There needed to be public housing in the community, because originally there were two public housing developments. We wanted to be able to give those people the opportunity to come back. We also wanted to be able to attract market rate renters and people who were first-time homeowners, as well as those who were stepping up to buying second homes. Homes range from \$80,000 to around \$250,000 (Peterson 2001).

The rationale behind the mixing of incomes was to “de-stigmatize” public housing by creating a new neighborhood (Jones 1999). Massive, concentrated public housing projects such as Cotter and Lang Homes had become “warehouses for households entrapped in poverty” (Housing Authority of Louisville 1996). To achieve mixing, homeownership opportunities would be provided at all income levels. Park DuValle would be built as a neighborhood where everyone now wanted to live.

In the informant interviews no one said that the goal of Park DuValle revitalization was to attract middle-income households with children. There does not appear to have been any plan to market Park DuValle to households with children. “There is not an outreach directly to households with children. They are just there.” (Downard 2002).<sup>43</sup>

### **How well did the Housing Authority of Louisville, the Jefferson County Public Schools and the City of Louisville work together?**

#### *Schooling*

Some credit Louisville Mayor Jerry Abramson for persuading the Jefferson County Public Schools (JCPS) to participate (Cash 2001). JCPS participated in writing the grant for empowerment zone funding. However, it was during the implementation phase of Park DuValle that the school system began to take an even more active role. A

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anything below eighty percent of AMGI is considered affordable for financing purposes, and the developer actually tracked those above and below median income. Because the rental is financed using low-income housing tax credits, affordable is considered to be households at or below sixty percent AMGI. Conversely, anything above sixty-percent is considered to be market-rate, but could be occupied by people who are below the median income for Louisville. Someone whose income is sixty-five or seventy percent of AMGI could certainly rent one of the apartments classified as market rate, but they still would not be middle-income.

Therefore, although our informants reported that middle-income people were renting apartments at Park DuValle, it proved impossible to verify because the property manager does not keep track of incomes for anyone above sixty-percent of AMGI. Nevertheless, it is clear that many of the new homeowners are middle-income (thirty-five percent).

<sup>43</sup> It should be noted that Park DuValle’s marketing brochure includes idyllic scenes of parents with children.

building, which had once been a middle-school, was located on the site. At the time of the HOPE VI grant application, it contained DuValle Education Center which offered a head-start preschool program and adult education classes. JCPS decided in 1999 to renovate the DuValle Education Center to house Carter Traditional Elementary School:

Well, I do not know the key players who decided to renovate Carter. That was the big decision to renovate the DuValle Education Center and make it Carter Elementary. The big, "Ah-Ha!" And, I am not sure when that happened. It happened in the early part, between phase one or phase two (Cash 2002).

The HOPE VI grant application discusses the involvement of the schools under "Concurrent Collaborative Efforts." It states that JCPS "is committed to expanding its early childhood development programs" (Housing Authority of Louisville 1996 [Exhibit D. Section B.2d]). Nevertheless, in Louisville and Jefferson County, it is customary for the school system to be involved in planning activities, although it is a separate political entity from the city or county government. A relationship existed between the city, the housing authority and the schools at the beginning, and because there is only one school district, it was easy to accomplish:

[Jefferson County Public School System is] involved in so many of the discussions because we are a large community, a metropolitan area, but we have one school system. This is unusual, when you go to Indianapolis or you go to any number of places. In the confines of the metropolitan area, they may have as many as ten school districts. We only have one. When you have to choose, who comes to the table, representing the school district, there is no question; there is only one person that can be invited because we only have one superintendent. Other communities do not have that advantage. I think the structure of our school system alone, makes it advantageous to bring them to the table (Charmoli 2001).

Therefore, while JCPS does not seem to have been highly involved in the writing of the HOPE VI grant application, it came to have a role in planning for the revitalization of the neighborhood when it committed 14 million dollars to move Carter Traditional Elementary School to the Park DuValle site.

Kennedy Montessori School already existed as a magnet school in the Jefferson County Public School System. Montessori is a learning model encouraging active personal pursuit of many different experiences: physical, social, emotional, and cognitive. The Montessori Method utilizes a special set of learning materials which creates an environment where the children learn at their own pace. In the Montessori Method, classrooms are multi-aged to allow children at various stages in development to learn from one another. The strategy is to design the program to fit each child, rather than forcing the child to fit into the existing program (AMS 2002).

As part of the HOPE VI redevelopment plan, DuValle Education Center was renovated, and Carter Traditional School moved into the building. The Traditional magnet program focuses on discipline and the “three R’s”:

The traditional program is strictly reading, writing, and arithmetic. They have uniforms. They have a strict protocol. When you go into a traditional school, you do not hear a lot of noise. You do not see a lot of traffic in the halls. It is a stricter, more disciplined atmosphere than the regular. It is a regimented program (Peterson 2001).

DuValle Education Center was not permanently displaced by the renovation of Carter Traditional School, and has returned to the renovated building. DuValle Education Center provides a variety of early childhood education programs, childcare, adult education, after-school programs, the Salvation Army Boys and Girls Club and Neighborhood Place, a consortium of social services. Although most children who live at Park DuValle will go to school outside of the neighborhood, many participate in programs at the DuValle Education Center.

Children who live at Park DuValle are unlikely to attend either Kennedy or Carter because racial criteria affect selection for the magnet schools.<sup>44</sup> Each home in the county is assigned by address to one elementary, one middle- and one high-school. These are the “resides” schools, more commonly referred to as “home” schools. In elementary school, the home school is part of a “cluster” of schools, which can be either nearby or in a distant neighborhood. Children are encouraged to apply to schools inside their cluster. If they apply to a school outside their cluster the school system usually does not provide transportation (Myerson Katz 2002). Because of the use of racial criteria for selection, it is easier for a black student to get into some schools, and conversely, some are easier for a white student to get into:

It is probably easier for a white student to get in Carter traditional than it is an African American. But it is still a difficulty even for whites, because, if a white third grade female leaves, there's a vacancy next year, that's the only [type of] person who can fill that slot. In the Carter School, there are three students that are [from] Park DuValle households. And, there is a long waiting list for the traditional school program. There are three traditional elementary schools in Jefferson County. And, there is a wait to get in any of them (Peterson 2001).

It was during the time period (2000-2001) of the renovation of Carter Traditional School, that JCPS became engaged in a conversation with the master developer, The Community Builders, Inc. (TCB) about the value of community based schools. In other cities, TCB had positive experiences with neighborhood based schools and wanted the

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<sup>44</sup> Informants reported for the 2001-02 school year only five children out of a total of 333 children living in the area surrounding Carter/Kennedy schools attended one of these two elementary schools (JCPS provided total number of children).



renovated elementary school to be a Park DuValle neighborhood school. JCPS was unwilling to change the system of racial desegregation policies to make this possible:

The hope with TCB was that there would be a community school within this development. And, it would be a value point; people who moved into the area would know that their children would go to a certain school, and that they would be involved in that school, and there would be some ownership in that school. So, the reason for getting Jefferson County Schools involved very early in the discussions was that community schools do not exist in Jefferson County. Unless we talk about parochial schools, there are no community schools in the public school system. And, because of court ordered bussing, there will not be. But the hope was that we could convince the Board of Education that creating a community school in Park DuValle would be the thing to do, and would be key to the success of this development. We are not there yet<sup>45</sup>(Peterson 2001).

TCB staff has developed a close relationship with the principal of Kennedy Montessori School (Opal Dawson), in order to have a connection not just at the school board level, but locally. Opal Dawson served on the Park DuValle Revitalization Policy Board and as a principal of the Montessori School has significant discretion over program participation and community use of the facility. TCB staff sees a need to deal directly with Ms. Dawson who had the power to provide for the community's needs, rather than jump to a higher level person at the school board:

At the Montessori School, she has the summer program, in the past her summer program has only been for her students. Why can't our young people in this development have access to her program? It is the public schools; they use the public money. But, those are relationships that have to be built. It is not calling up Steve Daeschner, the superintendent and saying, "Hey, we want Park DuValle children involved in the program over at Kennedy School". If she wants to fill that program before school is out with her kids, by the time we hear about it, it is too late. She can always say I did not know they wanted to be involved. So cultivating a relationship at the school level is crucial (Peterson 2001).

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<sup>45</sup> Part of the reason JCPS were unwilling to negotiate about a neighborhood school for Park DuValle was the recent settlement of a lawsuit by African American parents regarding Central High School. "In particular one school Central High School which was traditionally African American challenged that order, and got some changes so that more African American students could attend that traditionally African American School. But, the Board made it perfectly clear that there would be no other changes to the system. No other changes to the order. What we have now we will live with. So, it would take another court action to make any changes." (Peterson 2001).

Relocation of the residents of Cotter and Lang Homes was the first order of business for the Housing Authority of Louisville (HAL) and the Jefferson County Public Schools (JCPS). It was an experience that transformed the relationship between the two agencies. In 1998-99 when children were to be relocated from their homes, it was decided that every effort should be made to keep them in their current schools (Charmoli 2001).

In the Jefferson County public school system, children are assigned to a cluster of schools based on their geographical location. Because housing in Louisville remains segregated, the African American children in the West End are needed throughout the County for the racial integration of the schools to be a success (see Table L-3, racial characteristics of the population, Park DuValle, West Louisville, City of Louisville, Jefferson County)<sup>46</sup>. This results in very small geographic divisions for the clusters in the West End. In areas of Louisville or Jefferson County where the population is a white majority, a cluster might be as large as a neighborhood, and desegregation is achieved by bringing in children from the West End of Louisville. In order to have enough black children to integrate all of these clusters, there are more geographic divisions for the West End. Consequently, a move two streets over can put a West End child in another school, if the student is not enrolled in a magnet program.

**Table L-3. Racial characteristics of the population, Park DuValle, West Louisville, City of Louisville, and Jefferson County.**

	Park DuValle		West Louis-ville CCD		City of Louisville		Jefferson County	
	Persons	%	Persons	%	Persons	%	Persons	%
<b>White persons</b>	<b>12</b>	<b>0.5</b>	<b>12,282</b>	<b>19</b>	<b>161,261</b>	<b>62.9</b>	<b>536,849</b>	<b>77.4</b>
<b>Black or African American Persons</b>	<b>2,091</b>	<b>99.5</b>	<b>51,173</b>	<b>79</b>	<b>84,586</b>	<b>33</b>	<b>131,091</b>	<b>18.9</b>
<b>All other racial categories</b>	<b>0</b>		<b>1,286</b>	<b>2</b>	<b>10,384</b>	<b>4.1</b>	<b>25,664</b>	<b>3.7</b>
<b>Total Population</b>	<b>2,103</b>	<b>100</b>	<b>64,741</b>	<b>100</b>	<b>256,231</b>	<b>100</b>	<b>693,604</b>	<b>100</b>

*Sources: U.S. Census Bureau 2000, Louisville Real Estate Development Company 2002, and The Community Builders, Inc. 2002*

HAL prepared relocation units in a downtown public housing development, and arranged for JCPS to provide transportation from this location to the Cotter and Lang

<sup>46</sup> TCB, the rental property manager, was able to provide exact racial demographics for phase two; a total of 1,752 residents, 5 of whom were white. LREDC, the homeownership developer, was only able to provide demographics on a household basis; 147 total homes sold in phase two, three of which were sold to white households. In order to convert to numbers of persons, we multiplied the number of homeownership households by the average household size for Jefferson County from the 2000 census (2.39 persons).

children's current schools. However, many Cotter and Lang residents preferred not to relocate into another public housing development, and moved out on their own:

I think there was collaboration between the schools and the Housing Authority. I think that it changed during the relocation when the people learned that a lot of the theory did not work. Theoretically, there were supposed to be these elaborate plans for transition for the children in the schools, which flew in the face of the school districts desegregation plan (Eugene 2002a.)

Despite these difficulties, Jefferson County public school system and the Housing Authority of Louisville worked closely on the relocation of the residents. While it is clear that some of the residents were not happy with the relocation plan, JCPS and HAL developed a stronger relationship by working through the issues:

When we were into the major job of relocating all of the households out of those two developments, that [situation] had the potential for chaos. But, it went very well. We were able to do it in probably a year; it was less time than we thought. There was a lot of stuff that had the potential to drive everybody crazy that did not happen. Because, I can honestly say, I think that everyone worked together to make it happen. We had a couple of meetings where school officials brought in all the principals. I have never seen that level of concern. You can look back on it talked about very much, but it happened (Seay 2002).

The Housing Authority of Louisville and the Jefferson County Public Schools continued to collaborate, even after the relocation was over. By working together through a situation that was enormously complex and difficult, the relationship between HAL and JCPS was strengthened:

In fact, I think that had it not been for that continuing to work, we would not be in this renovated facility, and Carter Traditional School would not be here. So, they did continue to work but there was a period of time when it got overwhelming. And, they still collaborate (Eugene 2002a)

The director of HAL reported that there are ongoing collaborations with JCPS such as the "CHOICE" program which provides intervention to at-risk middle school children who reside in public housing (Barry 2002a).

Our informants credited those who participated in the Park DuValle planning process for treating the school as an asset:

I would say that through this whole planning process they have treated this facility as one of the largest community assets. They

needed to build around it and build it up. I think that is true of any school; that is necessary. A school is always central; it is a meeting ground for any community, so you need to involve [residents] in the process (Eugene 2002a).

Having an educational facility as a neighborhood focus is helpful, even if it does not serve the immediate area exclusively. In the case of Park DuValle, the renovation of the old DuValle Middle School to incorporate both the Carter Traditional Elementary and the DuValle Education Center was praised as a major physical enhancement. Because of the after-school and social service programs at DuValle Education Center, the new building serves both the immediate neighborhood and the entire district. The planners are credited with treating the school as an asset:

The fact was, there were two school properties in the neighborhood, and that one of them [had the capacity for] being converted into a more functional, attractive feature. Those were the pluses that existed to build on. The idea was keeping the school as a focal point in the development plan (Cash 2001).

There is some frustration, at least within The Community Builders, that there is no community school. Based on its experience in other communities, TCB believes that a high quality neighborhood school attracts middle-income households with children to buy homes in HOPE VI communities. Yet in Louisville there will be no neighborhood based schools because the Board of Education continues to view racial integration as a top priority:<sup>47</sup>

With Carter, you've got this beautiful school over there that everybody points to. A beautiful traditional School. But, the people in this neighborhood are never going to be inside that school, because their children can never go there (Peterson 2001).

## OTHER INSTITUTIONAL PARTNERSHIPS AND COLLABORATIONS

The expectation that agencies and organizations in Louisville would collaborate with one another is a theme that recurred often in the interviews:

I think one of the other aspects of this plan is the insistence on collaboration with both the school system, which is not answerable to the city; it is not a city agency, and the parks department, area churches [and so forth]. I mean everybody was in the mix in terms of creating the plan (Cash 2001).

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<sup>47</sup> Although the court lifted the desegregation order on Jefferson County Public Schools in the fall of 2000, the school board decided to continue its pupil assignment plan and maintain a racial balance in JCPS (Daeschner 2001).

Although the Housing Authority of Louisville (HAL) was the lead agency, the Mayor of Louisville was instrumental in bringing all of the other organizations together. Andrea S. Duncan was the Director of the HAL at the beginning of the Park DuValle redevelopment. Tim Barry worked for the City of Louisville, and he was Mayor Abramson's point person for this project. The next mayor, Dave Armstrong, appointed Tim Barry Director of the HAL when Duncan retired. HAL is the owner of the 125 acres that comprise Park DuValle (Jones 1999).

Jerry Abramson was Mayor of Louisville in 1996 when the city applied for empowerment zone designation from the federal government. Although Louisville's application was never approved, Abramson "just kept pushing" for the revitalization effort in West Louisville (Peirce 2000a):

Jerry Abramson, who was Mayor at that time, gathered more than 100 people and engaged them in an extensive, intensive planning process in hopes of obtaining empowerment zone status and funding for the City of Louisville. Redeveloping Park DuValle became a part of the plans in that application. However, we did not gain the empowerment zone status or funds. Although the planners and the mayor were disappointed, the process endowed the city and the group with a desire to see the plans through (Eugene 2002b).

Abramson worked with HAL to identify \$31.4 million in public housing monies, which was combined with a HOPE VI grant of \$51 million and Community Development Block Grant (CDBG) funding of \$13-14 million plus incentives through Kentucky Housing Corporation for tax credit financing (Peirce 2000a). This funding allowed Park DuValle to roll forward.

When Abramson left office in 1998, his successor, Dave Armstrong, continued to view Park DuValle as essential to the revitalization of Louisville:

Louisville Mayor Dave Armstrong is one of the staunchest supporters of the rebirth of Park DuValle. Although the project started under his predecessor, Jerry Abramson, Armstrong has made urban development one of the main goals of his administration (Jones 1999).

While the HOPE VI grant application lists the Housing Partnership, Inc. as the non-profit sponsor for the homeownership, Louisville Real Estate Development Company (LREDC) was later added as co-developer for the homeownership portion of the project. Its parent, the Louisville Community Development Bank is mentioned in the HOPE VI funding application, but LREDC later came to play a more important role in the implementation of the project than was envisioned in the original plan.

The Louisville Community Development Bank was formed and organized at the same time as the HOPE VI project was beginning. The Housing Partnership, Inc. was originally supposed to be the non-profit partner for the homeownership portion of the project all by itself. However, the executive director resigned during the early implementation stages of Park DuValle. In addition, there were problems with the structure of the Housing Partnership Board:

Federal requirements demanded a community based development organization, as [defined] by our board members. The Housing Partnership had city officials, as well as countywide officials, on their board, and that does not meet the guidelines of a community based development organization. [The Louisville Real Estate Development Company] board of directors is here, in the community (Romero 2002).

Although the Housing Partnership, Inc. remained a co-developer the Louisville Real Estate Development Company (LREDC) took over the work of construction financing and managing buyer incentives during the implementation of Park DuValle. The Housing Partnership's new executive director served as spokesperson for the homeownership component of Park DuValle and the organization continued to play a small role in marketing.

The Park DuValle Neighborhood Advisory Council and the Park DuValle Revitalization Policy Board represented community groups in West Louisville. Park DuValle Neighborhood Advisory Council (PDNAC, pronounced as "Pid-knack" by those familiar with the concept) involved the resident councils of Cotter and Lang Homes, the Baptist AME Church, New Zion Baptist Church, and the broader Park DuValle community. While it was "a vibrant force all during the early development stages", the redevelopment had unexpected consequences for the Council. As homeowners began to build they brought their issues to the PDNAC meetings (Eugene 2002a):

Every meeting got to be homeowner issues. So, the renters quit coming. The people who lived in the area stopped coming, because Park DuValle is bigger than the HOPE VI plan (Eugene. 2002).

PDNAC stopped meeting, and no longer exists. In March 2002, attempts were underway to revitalize PDNAC (Eugene 2002a).

The Park DuValle Revitalization Policy Board (PDRPB), a project of Mayor Abramson, was comprised of representatives from the broader Park DuValle neighborhood and the Housing Authority of Louisville. The policy board encouraged the stakeholders in setting the overall policy, planning and implementation of the revitalization efforts and approved the essential elements of the plan. PDRPB served as

an advocate for resources needed to accomplish the plan, and worked toward gaining community support for the plan and its implementation<sup>48</sup> (Eugene 2002a).

The above noted collaborations and partnerships led to two major initiatives, as part of the application for Empowerment Zone funding: the redevelopment of Park DuValle and the Louisville Community Development Bank the parent of LREDC. Yet, Louisville never received empowerment zone funding or designation. One option, at that point, certainly was to walk away from the goals the community established. Instead Abramson, and many others, persisted. Empowerment zone funding was not going to pay for the redevelopment of Cotter and Lang Homes. Abramson's team created a new package of financing options to carve out the \$180 million needed to create Park DuValle. The mayor set a powerful example for the community; in the face of failure of the initial application, he recognized that the community goals were very important. He led the effort to accomplish these goals through his persistence (Peirce 2000a).

Next, the mayor set an expectation that everyone would work together. In Louisville, and the rest of Jefferson County this was not limited to participation by the city and the housing authority. It included residents of public housing, community-based institutions and the school system. Once the expectation was established, the mayor called the meetings together, for organizations like the Park DuValle Revitalization Policy Board, in order to facilitate the work which needed to be done:

As much as good physical planning, it's community building that sets HOPE VI apart – getting residents involved in setting goals and strategies; focusing on skills and assets they already have, setting norms and standards of acceptable behavior, developing creative partnerships with the city's other institutions (Peirce 2000a).

The primary reason for the success at Park DuValle is the level of collaboration between different levels of government. Other communities need to create a culture where executives of the many different branches of government within any community - city, county and schools, have the ability to work together, and make it a priority.

This case study shows that individuals can make a difference. Mayor Abramson fostered planning in low-income neighborhoods of Louisville through his work on Louisville's Empowerment Zone. He facilitated the communication by establishing the Park DuValle Redevelopment Advisory Board, and by creating an interface between community residents and the housing authority. Finally, the mayor convinced the school leaders to become involved in the planning for Park DuValle, and made them feel like they were an important part of the plan:

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<sup>48</sup> After Abramson left office in 1998, the Park DuValle Revitalization Policy Board stopped meeting on a regular basis (Eugene 2002a).

[The Mayor] brought to the attention of the School Board Superintendent the values of doing this, even down to the level of the principals. I do not know who the principal at Carter is, but they have had multiple discussions with the principal at Kennedy. In that regard, we have offered them some design solutions to their own internal circulation problems. Dock loading problems. If we want them as an asset then we need to make sure they feel a part of the redevelopment plan (Cash 2001).

Through Mayor Abramson's leadership, everyone felt involved in the planning process. His insistence on collaboration in the Louisville community continued under Mayor Armstrong. The lesson is that it is desirable to create a "culture" in a city or county inducing school superintendents, mayors and county executives to work together:

We have had two superintendents, we have had two mayors, we have had three county judges, and the conversation continues. The expectation is you will work together. Sure the personalities are different, but that does not make any difference. You will work together, that is the expectation (Charmoli 2001).

## MARKETING

The Housing Partnership assists the Louisville Real Estate Development Corporation with marketing of the for-sale homes. The Community Builders, Inc. is responsible for marketing the for-rent homes. The brochures refer people interested in more information about home ownership or leasing to Park DuValle Neighborhood Management, which is the office of The Community Builders, Inc. located at one of the two clubhouses in the neighborhood.

The marketing brochure for the Villages of Park DuValle was produced before the decision was made to renovate Carter Elementary. Under a section titled "Everything you're looking for in a neighborhood" the Kennedy Montessori/Magnet Elementary School is listed. However, there is no mention of JCPS or how to obtain information on the schools. Informants in our interviews did not think there was any direct marketing effort aimed at middle-income households with children, yet the brochure features idyllic scenes of neighborhood life including many children who appear to be from diverse ethnic backgrounds (see Figure L-7, Marketing Brochure Image).

The Housing Authority of Louisville adopted an affirmative marketing plan in 1997 and attempted to appeal to the growing international community in Louisville, translating its marketing materials into several different languages (Barry 2002a). However, the international marketing effort actually led to few sales or leases. A video was produced, and a website developed at [www.hall.org/parkduvalle.htm](http://www.hall.org/parkduvalle.htm), however the website has not been updated since phase one – The Oaks.



A lot of marketing was done at the beginning of the project, but faded as Park DuValle has been built (Peterson 2001). The success of the sales and leasing of the community has rendered marketing rather unnecessary especially with all the recognition the project has received. The American Institute of Architects “has showered accolades on the revitalized Park DuValle” (Merkel 2001). Park DuValle was also highlighted as a smart-growth success story by the National Governor’s Association (Poynter 2001a) and featured on the cover of HUD’s 2000 Annual Report (U.S. Department of Housing and Urban Development 2001). For phase three there will be no marketing name, such as The Oaks for phase one and The Villages for phase two; it will simply be marketed as Park DuValle.

To market the for-sale homes a “village” of model homes was created at the beginning of phase two. Each design in the village featured a different builder. The opportunity to participate in the design of the home was a drawing card for some households:

One of our secrets here is that we help them choose their home, develop their home, design their home, within the exterior requirements which Charles Cash talked to you about. The inside is up to the individual to be able to develop on their [sic] own, as he thinks it ought to be built. It takes longer; it is more cumbersome, it is more troublesome, much more troublesome. But, it creates much stronger stakeholders, we think (Downard 2002).

In the city of Louisville, as well as in the remainder of Jefferson County “word-of-mouth” was a strong factor in the sale and leasing of units. A banking official who purchased a large home in Park DuValle noted:

I think it just kind of marketed itself. As I was out working in my yard, I had numerous people drop by and say, what are they doing? How can I get involved? What do the houses cost? We have just been bombarded with questions. I guess word-of-mouth is one of the best marketing tools you can get (Howard 2002).

Park DuValle HOPE VI has appealed to African Americans who grew up in the West End of Louisville, as a place to “return to their roots”. Problems associated with crime and the public housing caused middle-income African Americans who grew up in West Louisville to move away from the neighborhood (Jones 1999). Park DuValle represents an opportunity to rent or purchase a new construction home in what is perceived to be a safe neighborhood:

I think there are a fair number of people who purchased homes here who are long-time West End residents. There has not been new housing in Louisville's West End in God knows how long;

years. And so, if you are a lifelong resident of West Louisville and you want to buy a new home, apparently, this is it (Peterson 2001).

To attract homebuyers to Park DuValle, National City Bank of Kentucky offered a special mortgage product at a point and a half below market rate for 30 years for buyers in the development (Howard 2002). In addition to the availability of low-interest loans, there is an incentive from HUD, a soft second mortgage that is forgivable after five years in the home. There are two sources of funds through HUD for the soft second mortgages. For low-income buyers the funding is part of the HOPE VI program funds. For people with higher incomes, funding for these mortgages comes from HUD's Economic Development Initiatives (Section 96) which can be used for subsidies. First time buyers are eligible for up to \$10,000 through the soft second mortgage and all other buyers are eligible for \$5,000 (Romero 2002). The subsidy programs are administered by Louisville Real Estate Development Corporation, and designed to entice buyers to Park DuValle:

This is to attract people who have choice. One of the things you have to do, is you have to grab them. People of a certain income, they can live anyplace else, and they do. You have to have an incentive to attract households that have children (Barry 2002a).

David Howard, Vice President of Community Development for National City Bank and Board Member of HAL bought a home in Park DuValle. He was lured by the incentive of the soft second mortgage plus the interest rate available at a point and a half below market rates.<sup>49</sup>

If you build up any kind of equity at all, from the sale of a previous home, and you bring that equity down to Park DuValle, with the incentive, plus the low rate, you can just about double what you're going to buy there, in terms of the house, the house alone (Howard 2002).

Part of the marketing effort is to develop a viable neighborhood business district. Middle-income households want access to goods and services. Phase three includes a retail center which was under construction during our site visits to Park DuValle in the spring of 2002 (Figure L-8, Commercial/retail space at Park DuValle under construction). On the Park DuValle site the new retail uses are concentrated on the first floor of a building that houses senior citizens on the upper floors. Beyond the HOPE VI site Mayor Armstrong is spearheading an effort to attract a major grocery retailer to West Louisville (Poulton 2000). The major commercial and retail center which used to serve the neighborhood, Algonquin Manor Shopping Center, recently closed and is being

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<sup>49</sup> Another attraction of Park DuValle is its convenience to access other parts of town. Although the location is not adjacent to downtown Louisville, it is adjacent to interstate 264, and one informant who lives at the site said it takes less than minutes to drive to his work place downtown (Howard 2002).

converted into a warehouse with office space, forcing West End residents to drive to Southern Indiana to shop at major stores (Carter 1999b).<sup>50</sup>

Although a major grocery retailer has yet to be identified, the first tenant in the commercial space at Park DuValle will be the Park DuValle Community Health Center, a private, non-profit corporation, formerly located on 34<sup>th</sup> Street (Carter no date). Barbour Brothers Dry Cleaning Company will occupy the retail space below the senior citizen apartments at Park DuValle (Morris 2001).

The use of new urbanism design principles has also been part of the marketing effort. Park DuValle's architects (Urban Design Associates) looked to the traditional styles of homes in Louisville neighborhoods to develop eight different options for the homeownership and more than six different floor plans for the rentals in Phase II (see Figures L-9 through L-11):

Urban Design Associates discovered three "very Louisville" styles – Old Louisville Victorian, Colonial Revival, and Craftsman. What's happening here isn't just a 180-degree turn from decades of failed mega-public housing projects; it's Americans creating enduring 21<sup>st</sup> Century neighborhoods by recapturing the remembered styles and qualities hidden in their cities' historic designs (Peirce 2000b.)

The use of new urbanism principles has resulted in Park DuValle ownership and rental products remarkably different from comparably priced units in the suburbs. Part of the success of Park DuValle must be attributed to the chic designs, according to Charles Cash, assistant director of the Louisville Development Authority. Cash had a meeting with people interested in buying homes at Park DuValle when phase two was unveiled:

I began [my discussion] after seeing the volume of people that were there, and said that you may not know it, but by coming here, by being interested in this neighborhood, you are trendsetters. You are recognizing the first new neighborhood built in West Louisville in 50 years. And, by being interested in participating in that, you are becoming a trendsetter. Other new urbanism projects are talked about in Jefferson County. But, this is the first one out of the ground. So, before it was cool at Home-a-rama, written up in the Home Section of the newspaper, you folks, you 500 people sitting here have the opportunity to be one up (Cash 2001).

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<sup>50</sup> For residents of Park DuValle, and other portions of West Louisville Southern Indiana is closer than other shopping in the Louisville metropolitan area.

## APPRAISAL OF THE HOPE VI PROCESS

### *Renting and leasing up units to a mixed-income population*

Phase two, The Villages, is now completed, leased and sold. While there is strong evidence of market rate ownership with fifty-two of one-hundred-forty-seven units sold to persons at or above one hundred percent of area median income (AMGI), the leasing information is not as straightforward (see Tables L-4 and L-5). The apartments which HAL and TCB call market rate are affordable for people at sixty percent AMGI. Conceivably people could be living in the apartments called market rate, but have incomes below one hundred percent AMGI. It should be noted however, that our informants believed that only middle-income people were renting the unsubsidized apartments.<sup>51</sup>

About one-third, (52 of 148) of the homes sold were to people at 100 percent AMGI and above (Table L-5). While it has proved difficult to obtain the exact percentage of these middle-income households where there are school-aged children, informants reported many of the market-rate buyers have children in Jefferson County Public Schools. We view this as an indicator of success because middle income households will only purchase homes in central cities if they believe the schools are safe, and offer high-quality educational opportunities.

**Table L-5. Sale of homes. Phase II Park DuValle Income Distribution 12/31/01**

Income Distribution (% of area median income)					
Stage of Construction, Number:	Less than or equal to 100%	More than 100 % but less than 115%	Unknown	Vacant/Model Homes	Total Homes
Under contract			2		2
In construction	9	3			12
Completed	80	49		2	131

<sup>51</sup> Conceivably, persons below one-hundred percent of area median income may be renting the non-subsidized units at Park DuValle. TCB does not track income for anyone over sixty-percent of AMGI. Market-rate rents at Park DuValle are \$450 per month for a one-bedroom, \$550-575 for a two-bedroom, \$660-680 for a three bedroom and \$715 for a four-bedroom apartment. Technically, these rents are affordable to anyone with income at sixty-percent of AMGI or above, however, the issue is slightly more complicated in Louisville and in Kentucky as a whole. In Kentucky, rents are very affordable throughout the state, and thus while a government program might allow a development to charge more, that rent might not be competitive in the real-world market. For example, one program designed to serve people at eighty percent of AMGI has calculated that persons in that income bracket can afford to pay \$950 per month for a two-bedroom. However, in Louisville, market-rate rents are more similar to the range TCB is charging at Park DuValle.

new Construction.					
Completed rehabilitation	2			1	3
Total	91	52	2	3	148

*Source: Louisville Real Estate Development Company*

About one-third, 62 of the 213 rental units were leased at market rate rents typical in Louisville (Table L-4). There is a phenomenon in Louisville, and indeed throughout the state of Kentucky that the highest rents the market can command are remarkably affordable compared to other urban areas around the country.

**Table L-4. Leasing of homes. Phase II Park DuValle**

Income category	# Units	% of Units	# Units Leased	% of Units Leased
Less than 30% AMGI	74	34.75%	73	35%
31-60% AMGI	74	34.75%	73	35%
More than 60% AMGI	65	30.5%	62	30%
<b>Total</b>	<b>213</b>	<b>100%</b>	<b>208</b>	<b>100%</b>

*Source: The Community Builders, Inc. (01/10/2002)*

Originally, the Housing Authority of Louisville was concerned about whether there was a market for the development. However, early on it was clear that market rate households were interested. Sales of homes were rapid for middle-class households, whether they had children or not:

In fact, more than interest, we have a ton of households living there. We had things other places just did not have. People who live there include a [HAL] board member, a city official, bankers, two bank vice-presidents, and a physician next to households who may only make forty-five to fifty thousand dollars a year (Barry 2002a).

HAL reported that Park DuValle currently has a waiting list for both apartments and single-family homes:

It is to the point now where we have several thousand people on the waiting list for apartments. You do not want to raise people's expectations to the point where you are going to have to disappoint them. So, you have a waiting list that continues to grow, at some point we have to kind of slow down, not have 10,000 people thinking they might get an apartment in Park DuValle. It is a great

problem to have. We have a bunch of homeowners too, waiting to get a lot to start building (Barry 2002a).

At first, it seemed surprising that people would buy a \$250,000 homes in a formerly high-crime central city area. In other cities, it might be a chancy thing because of the schools. However, in Jefferson County, school choice is eliminated from the home buying equation, because where people live has little to do with where their children will go to school:

I think having one school system does make a difference. Because, in communities that have multiple school systems, you have households that make a choice about where they live based on the school system that children are going to go to (Charmoli 2001).

Thus far, because the project has appealed primarily to people who already lived in Louisville, the schools have not become an issue for buyers (Romero 2002). People who moved in Park DuValle were already familiar with the West End of Louisville, and what the school system had to offer (Howard 2002). In Louisville, people just do not expect their children to go to school near where they live:

Because of the magnet schools, I do not think they expect their kids to go to school in the neighborhood. They expect them to be more mobile, and they expect them to travel some distance to go to school, because of what they are interested in (Cash 2001).

Ralph Merkel, a reporter with *Business First* a Louisville weekly newspaper purchased a home in Park DuValle and considers himself an urban pioneer (Merkel 2001):

The despair of residents from the former Cotter and Lang Homes has been replaced by pride. There are public housing units a few blocks from my house now, but I defy you to tell me which ones they are. True integration of all incomes and races is the goal here. The idea is to create attractive places to flourish. No one here is stigmatized by his or her address. Doctors and lawyers and accountants live a few blocks away from people receiving public assistance (Merkel 2001).

Kelly Downard, President and CEO, Louisville Real Estate Development Corporation offered a similar comment:

When you bring in someone who is living in a Section 8 apartment, they are not stigmatized by being a Section 8 type of person. They are in a wonderful neighborhood. And we think over time, that's going to do more for the whole neighborhood,

than anything else you can do, in terms of programmatically [sic]. Because, when you say, “I live at Park DuValle”, it is not a housing development; it is not a housing authority development. It is not stuck with the normal kinds of things you would expect. It is a great neighborhood. Nobody really can tell; I am sure everybody knows, but you cannot tell who is who [by the appearance of the buildings]. Now, the diversification of income is the only thing that makes this different from any other housing project, I’ll say that until the day I die (Downard 2002).

Whereas Park DuValle has succeeded in the promotion of income mixing it has failed so far in promoting racial integration. Ninety-nine percent of buyers and renters are African American. This public housing revitalization project is a mirror of the larger West Louisville community (predominantly African American) where Park DuValle is located. Racial integration is a long-term goal, if it is a goal at all:<sup>52</sup>

You had to re-establish the neighborhood first. We wanted to attract households to Park DuValle, regardless of race. Whoever comes through the door is served first. I would like to see more racial diversity, but that will happen over time (Barry 2002a).

*Were lower income households able to return to Park DuValle?*

The plan for Park DuValle meant that most of the households were not going to be able to return to the development. There were 1,116 public housing apartments in Cotter and Lang Homes. Plans call for a total of 1,100 homes to be built on the Park DuValle site. However, of these, only one third will be for public housing residents. Some doubt whether the residents of Cotter and Lang understood, at the time they voted in favor of the Park DuValle plan, that there was not to be space for everyone to return (Eugene 2002a.)

Initially, HAL only kept track of those households it helped relocate (i.e. physically move). The relocation package offered to residents of Cotter and Lang Homes varied based on the status of a tenant. Everyone was offered relocation to another public housing development. However, only those in good standing (i.e. no criminal background, good rent payment history) were offered the opportunity to return to Park DuValle or to receive a Section 8 voucher. Moving to another public housing development did not appeal to some residents.

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<sup>52</sup> Michael Brazley and John Gilderbloom (2002) argue that Park DuValle reinforces historical patterns of racial segregation and economic isolation in public housing. Currently there are no commercial services or shopping. They found public transportation to be poor in quality; there are no community employment opportunities and there is limited entertainment.

Many people who were offered only the option of public housing chose to strike out on their own. When HAL came under criticism for losing track of these households, it set about finding them:

I think some of the research from the housing authority has shown [that some of] the households moved into single family homes out in the neighborhoods, which [were] more desirable for them, than the other options [available to them] at the time (Romero 2002).

There were 1,273 households relocated from Cotter and Lang Homes. Among these, 611 households moved into other HAL public housing, and 232 received Section 8 vouchers. However, 198 households were evicted for non-payment of rent or other lease violations such as drugs, and 232 households were categorized as other (buying other homes, living with relatives or going homeless) (Brazley and Gilderbloom 2002). And so while HAL eventually found almost all of the Cotter and Lang residents who moved to private housing, the criticisms persist:

Cotter/Lang came down, and people were dispersed. But, the Housing Authority [initially] lost track of them, and I think it was very poorly done. When we get ready to do the next one, that is one of the things [we are going to make] sure of, that we do this rather thoughtfully (Downard 2002).

It appears that tight screening by HAL prevented many of the needier, multi-problem residents of Cotter and Lang from moving back to the new Park DuValle development.<sup>53</sup> The Assistant Executive Director of HAL indicated that HOPE VI regulations allow housing authorities to create neighborhoods with occupancy standards that are perhaps a little bit higher than a typical public housing development. Park DuValle regulations require prospective residents be moving toward self-sufficiency. To be eligible to live at Park DuValle, public housing residents must be employed or enrolled in a job training program.<sup>54</sup>

If you do not have some type of incentive that inspires people to achieve those goals, then they will never achieve them. I think that is what HOPE VI is about, setting these goals a little bit higher. You have to be employed or you have to be in a job-training program, and that encourages people to move up, out of public housing, [or into the Park DuValle] development. It is the incentive (Wray 2002).

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<sup>53</sup> Susan Popkin and her associates (2000) argue that the HOPE VI program may do more to hurt the poor than help them. As a result of strict screening requirements many of the most needy public housing residents are hurt because they are unable to move back into the new development and because they are ill-prepared to use housing vouchers in the private housing market.

<sup>54</sup> The only exception to the rules requiring Park DuValle public housing residents to be employed or enrolled in a job-training program were those receiving Supplemental Security Income benefits (SSI) as head of household.



Working through the PDRPB the people who lived in the neighborhood developed the selection criteria for public housing tenants to be able to return. The policy board recommended to the housing authority stricter standards than those eventually adopted:

They were, in fact, a little too strong. We were amazed by that. We had to back them up and say "whoa"; that could be illegal. Regardless of your record, if you have been late one time with your rent in a year they wanted to prevent you from leasing in Park DuValle. I cannot think of anybody who has not been late with their rent sometime in their life. I would not qualify. If everything else is fine, but you are late with your rent, you should not be penalized for that. (Barry 2002a).

Welfare reform took place in 1996 just prior to the time the selection criteria were developed. Welfare reform set a life-time limit of three years for people to receive temporary assistance to needy households and gave states the opportunity to free up direct assistance to fund employment or training programs. Participation in these employment and training programs was the common denominator for the public housing residents who were successful in returning to Park DuValle (Seay 2002).

On the first day TCB began accepting pre-applications for rental housing at Park DuValle 1,839 were received. Approximately half of these were from former residents of Cotter and Lang Homes (Jones 1999). Louisville's experience suggests that HOPE VI revitalization may hurt the neediest households since they are unable to return to the original site and because they may have trouble searching for housing in the private housing market.

#### *Impacts on the quality of local schooling stemming from a mixed-income population*

Given Jefferson County's merged city-suburban school district and the widespread reliance on busing as a pro-integration mechanism few of Park DuValle's children attend public schools in this community. As a result, Park DuValle's mixed-income population logically could not have much impact on these schools. However, the development of Park DuValle has had some modest positive impacts on local schooling.

It was during the implementation of the Park DuValle HOPE VI development that the Jefferson County public school system decided to spend approximately \$14 million to renovate the former DuValle Junior High School. Nearby, Carter Traditional Elementary School was housed in a deteriorating building:

But, the community felt it also needed a school. It needed that school look to it, feel to it, and, function. That's when it was decided that one of our traditional schools was close by, and we

were ready to close it because it was an older facility that really did need to be replaced. This was an opportunity to take something that needed to be replaced, and move it into a facility that was going to be renovated (Charmoli 2001)

The DuValle Education Center was renovated to house Carter Traditional Elementary, one of the magnet schools in the Jefferson County Public School System. Fortunately, the building had two “wings”; it would not be necessary for the DuValle Education Center to move out when Carter moved in. Today, the traditional school is in one wing, and the DuValle Education Center has returned to the other. The DuValle Education Center today houses early childhood education, childcare, adult education, after-school programs, the Salvation Army Boys and Girls Club and Neighborhood Place, a consortium of social services:

Neighborhood Place is a social service one-stop shop, if you will. So households who find themselves in trouble or in crisis of some sort, whether it is they need food stamps or there is abuse in the home, or drug and alcohol, or whatever. All of the multiple problems that households have, we now serve the community through our public social service agencies. We have all of them in one place, called the Neighborhood Place. So, if you come in, you need food stamps, you need immunization, and you need mental health counseling, you can get all of that, coming through the door. There are six different agencies inside that door that can serve you. So, it became an idea of a real center that functions for the community, and that was part of the school system’s role, to make that happen (Charmoli 2001).

Although Louisville does not have neighborhood schools, Park DuValle has facilities that are neighborhood oriented. Each afternoon, Jefferson County Public School System buses bring Park DuValle children from numerous schools around the county to the DuValle Education Center, where they can benefit from a variety of after-school activities.

The DuValle Education Center however, has reported that enrollment in the Boys and Girls Club and head start preschool programs had increased. Thus, the HOPE VI development resulted in increased demand for neighborhood after-school and recreational programs (Eugene 2002a).

#### *Patterns of social interaction between lower and middle-income households*

We were less successful gathering information on social interaction than we had hoped. Perhaps because Park DuValle is so new, informants had little to say about the interaction between people of different incomes. The fact that few of the key informants actually lived in the community may have hindered our ability to learn about social

interaction patterns. One informant speculated that interaction between parents would be greater than between single individuals. This would be so because parents would share this common concern, and because children from different income backgrounds would tend to play together (Peterson 2001).

One thing that we can say with certainty is that interaction is encouraged in numerous ways. The Community Builders, Inc. plan and coordinate community events, such as a summer jazz picnic and a Christmas Party:

The way we work it is hosting activities and events that require participation on both parts [owners and renters]. Now the big holiday event I talked about a little earlier, we formed a committee of homeowners and tenants to plan and actually carry out this event. We also had home tours; free to the public, so we wanted to open up a rental unit, as much as we wanted to open up the houses. What that said to the tenant is, "Hey, my place is just as special as the guy that owns the \$250,000 house down the parkway". We did not have as many, but we had some renters who were willing to open their home for our tour (Petersen 2001).

The Christmas Party in 2001 was held at one of two clubhouses in the community (see Figure L-12). Both clubhouses have pools. Owners and tenants both use the pools and can rent the clubhouse. Still, it is hard to know whether such activities actually promote social interaction.

As mentioned earlier, Park DuValle Neighborhood Advisory Council ceased to exist, because of a schism between owners and renters (Eugene 2002a.) Now, there are separate associations; one organization for owners and a separate one for renters. This implies that owners may be predisposed to interact with other owners and similarly, renters may be predisposed to interact primarily with other renters.

#### *Impact of Park DuValle on neighborhood revitalization*

At Cotter/Lang, there was a crime problem. However, key informants were adamant in stating that crime came from outside the community:

I think some of the problems associated with 32nd and Young, and 'the meanest corner in Louisville', were brought in from the outside. We had one corner of Park DuValle that was pretty notorious because it was a liquor store. You get rid of the liquor store; all of your problems go away (Barry 2002a).

The crime problem in Park DuValle has disappeared since the revitalization. It appears that some of the criminal activity shifted to other parts of the Louisville area:

We also found that you had an increase in criminal activity in other housing developments here and in southern Indiana [because of] the gang activities. It was not [considered when] people were assigned different places [in the relocation process]. We did not stop to think [that] we were going to move the gang activity, so [there was a period of time when there was] all kind of fighting over whose going to stand on [which] street corner. That went on for about a year and a half. The crime rate went up, and then it went down. It is a thing that you never stop to think of that is pretty important about how you move people around (Downard 2002).

Safety is an important consideration for middle-income households with children and they would not choose housing in an area where crime was a concern. Clearly many middle-income households who chose to make their homes in Park DuValle had the economic means to purchase a home in other areas of Jefferson County, yet they chose the HOPE VI redevelopment because they felt secure about the safety of their children.

## CONCLUSIONS

In this case study of Louisville's Park DuValle HOPE VI revitalization, we have sought to answer three questions. First, to what extent were income and racial mixing and the attraction of middle-income households with children emphasized at Park DuValle? Second, how well did the Housing Authority of Louisville, the Jefferson County Public School System and the City of Louisville work together on the planning and implementation of this development? What approaches (including but not limited to marketing) were used to attract middle-income households with children? Third, how successful has the development been so far in achieving the multiple goals set for it? In particular, what has been (or what are likely to be) the impacts of social mixing in the residential and school settings in Louisville's West End?

Firstly, Park DuValle was planned as a mixed income community, one which would destigmatize public housing units because middle-income as well as low-income households would seek to live in the area. Neither the attraction of middle-income households with children nor the creation of a racially integrated community was a goal for the Park DuValle effort.

Secondly, there was a high level of collaboration between housing and school administrators in the planning and implementation of Park DuValle because Louisville's community leaders set the expectation that HAL and JCPS would work closely together and involve other community organizations such as PDNAC. Mayor Abramson saw opportunity in the empowerment zone process, and brought together these organizations and many more in a community planning process that gave birth to the notion of improving the neighborhood of Park DuValle. The example he and others in the community set in their determination to follow through with the goals established in the

process, even without winning the empowerment zone funding played a key role in inspiring the community.

The City of Louisville, Housing Authority of Louisville and Jefferson County Public School Planners all recognized the value of the community's educational facility as a focus in the redevelopment. This case study proves that close collaboration between schools and housing officials is feasible. Perhaps this is easier to do because there is only one Jefferson County Public School System. In most metropolitan areas, there are a large number of school systems.

While some of the participants in the Park DuValle process would prefer to see a neighborhood based school in the community, the desegregated school system seems to help make Park DuValle successful. There was tremendous planning and collaboration between housing officials and school officials in this case study, yet, in the end, the city/county school system actually takes the issue of schooling out of a buyer's decision making process. Regardless of where the parent chooses to buy a home in Jefferson County, children are unlikely to go to school nearby. Clearly, there are tradeoffs between achieving school integration at the metropolitan level and fostering a sense of neighborhood at the HOPE VI site.

The Park DuValle development used multiple approaches to attract middle-income households. Financial incentives available for homebuyers proved effective, and included below-market interest rates and soft-second mortgages available for market-rate as well as low-income buyers. These incentives have been critical to luring buyers to Park DuValle who had choices throughout Jefferson County. Other HOPE VI developments around the nation may be able to replicate the program of financial incentives used at Park DuValle.

Another approach which was successful in Louisville cannot be replicated in most other communities. The countywide public school system in Louisville and Jefferson County was established in the 1970's. The notion that most children will attend school in other neighborhoods is generally accepted in Louisville and Jefferson County at this point in time. It offers a unique opportunity, in terms of HOPE VI sites, because parents are unlikely to be deterred from a public housing revitalization site because of the perception that their children would need to attend substandard schools.

Thirdly, Park DuValle has been a success in terms of 1) renting and leasing-up quickly, 2) attracting market rate households, 3) promoting collaboration among a variety of agencies, and 4) in achieving a safe residential environment. However, as at HOPE VI sites in other cities, many of the lower-income households formerly living in Cotter and Lang Homes were not able to return to Park DuValle.

Park DuValle's short history suggests that under certain circumstances it is feasible to attract middle-income households with children to HOPE VI sites. Middle-income parents will move to such developments in places like Park DuValle when they perceive their children will receive a first-rate education. Whether our positive results are

unique to areas with county-wide school systems like the one in Jefferson County cannot be answered by this case study alone.

Figure L-1. Park DuValle HOPE VI

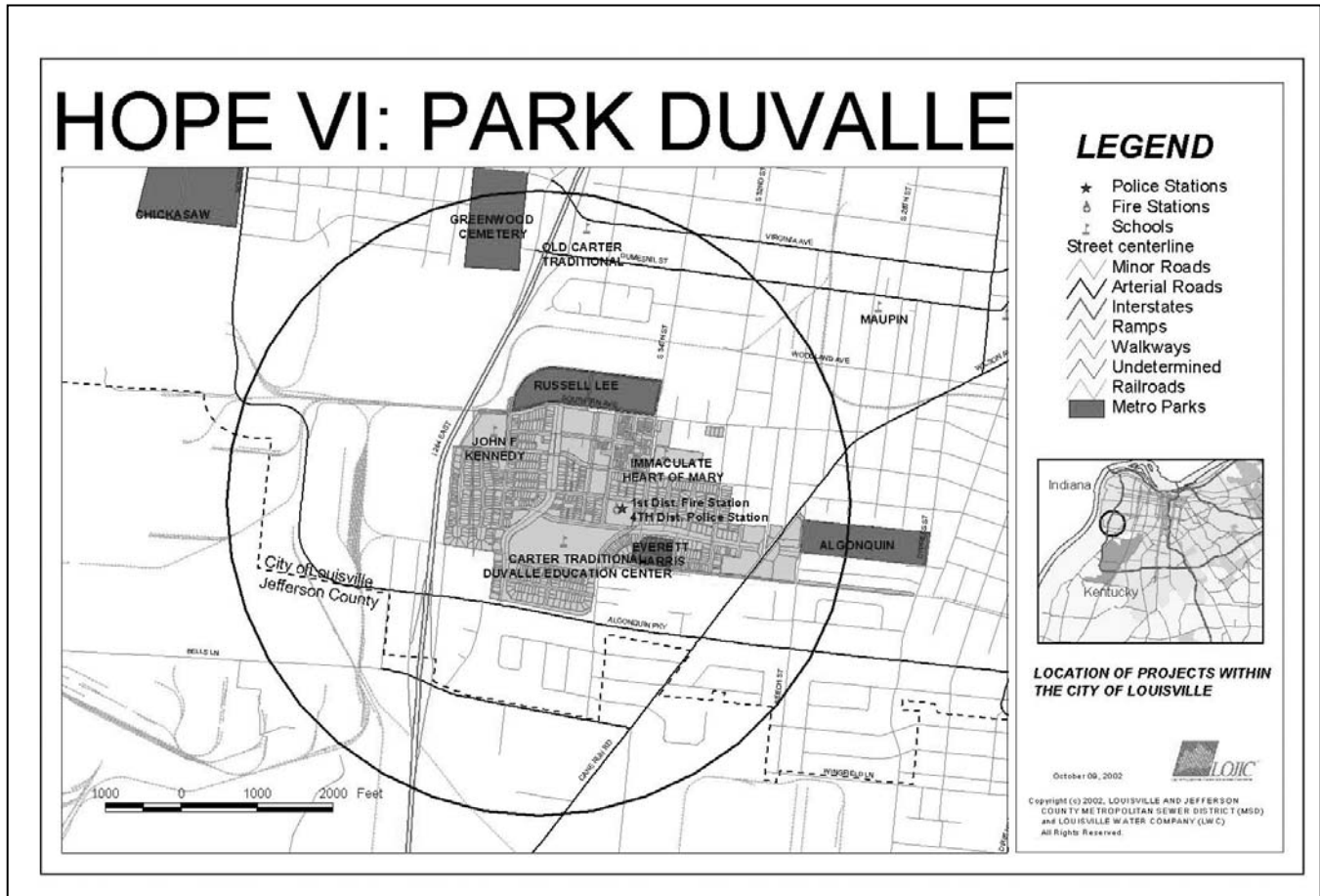
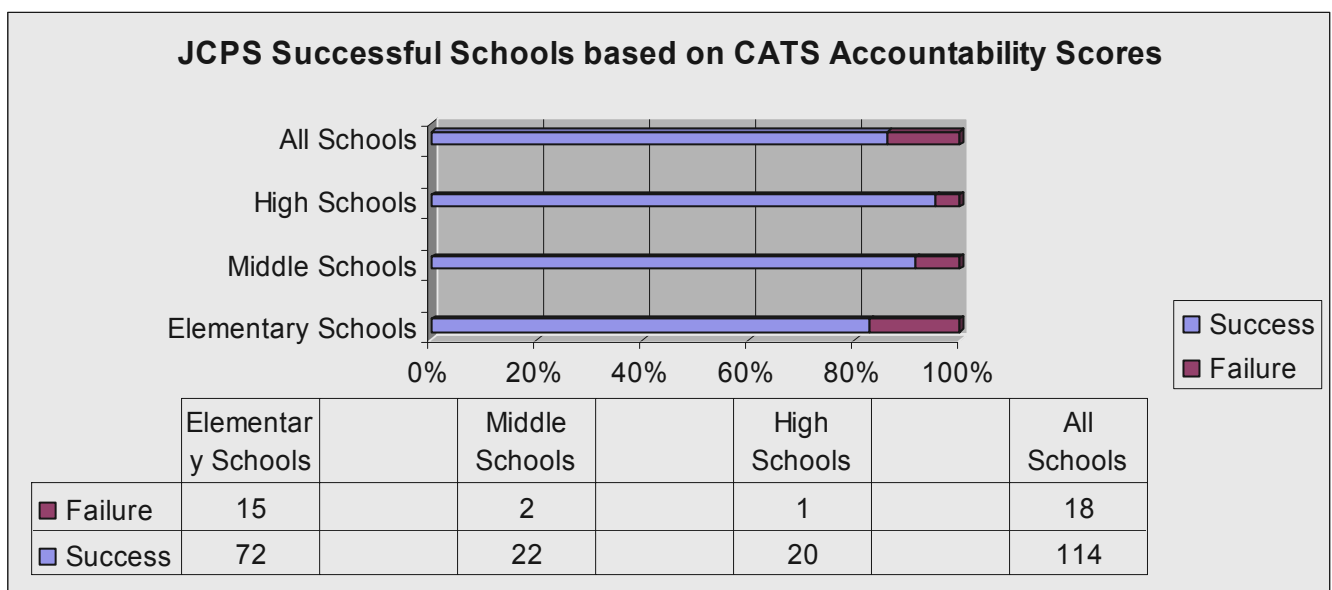


Figure L-2. – Rating of JCPS Successful Schools



Source: Jefferson County Public Schools, Annual Progress Report 2001

**Figure L-3. Timeline for Park Duvalle’s redevelopment**

	<b>Timeline for the redevelopment – Park DuValle HOPE VI public housing revitalization, Louisville, Kentucky</b>
1995 –1996	The idea to demolish Cotter and Lang Homes and redevelop the area into Park DuValle originated as part of the Empowerment Zone Process.
1996-1998	Demolition of Cotter and Lang
September 1996	Louisville fails to receive Empowerment Zone Funding. The Housing Authority of Louisville (HAL) applies for a HOPE VI grant \$51M. Total cost will be \$180 million. HAL commits an additional \$31.4M. City of Louisville commits \$14M (CDBG); the balance was to come from private investors and the Kentucky Housing Corporation (low-income housing tax credits).
December 1996	HAL and City of Louisville select The Community Builders, Inc. (TCB) as master developer for Park DuValle.
February 1997	HUD approves Park DuValle HOPE VI grant application.
Spring 1998	Phase One, The Oaks, 100 rental units is completed.
January 1999	Leasing of The Oaks is complete.
June 2000	The Model Village opens for Phase Two, The Villages. Phase Two will include 213 rental homes and 147 homeownership units.
2000-2001	The DuValle Education Center is renovated to include Carter Traditional Elementary School.
August 2001	Groundbreaking Phase III to include 25,000 S.F. retail space, 100 apartments for seniors, approximately 200 other rental units and approximately 300 additional homeownership units.
February 2002	Phase Two, The Villages, completed. All units leased and sold.
2004	Estimated completion of Phases III a, b and c. Total Park DuValle redevelopment area 125 acres.

*Source: The Authors.*

**Figure L-4. Major agencies and organizations**

**Major agencies and organizations in the development of Park DuValle:**

- Louisville Community Development Authority (LCDA) – the City of Louisville planning and implementation agency. The city provided \$14 million funding for Park DuValle.
- The Housing Authority of Louisville (HAL) provided \$34.1million funding through regular public housing funds.
- The Park DuValle Neighborhood Advisory Council (PDNAC) and the Park DuValle Revitalization Policy Board (PDRPB) represented community groups in West Louisville.
- The Community Builders, Inc., a non-profit real estate development company, was the master developer for the rental housing.
- Louisville Real Estate Development Company (LREDC) was developer of the for-sale homes.
- The U.S. Department of Housing and Urban Development (HUD) Provided a HOPE VI grant of \$51 million.

*Source: The Authors*



**Figure L-5. Carter Traditional Elementary**



Source: The Authors.

**Figure L-6. Kennedy Elementary School**



Source: The Authors.

**Figure L-7. Brochure Image**



Source: The Villages of Park DuValle Marketing Brochure

**Figure L-8. Commercial/retail space at Park DuValle under construction.**



Source: The Authors.

**Figure L-9. View of phase two, The Villages of Park DuValle**



Source: The Authors.

**Figure L-10. Two houses at Park DuValle**



Source: The Authors

**Figure L-11. A single family dwelling in phase two of Park DuValle**



Source: The Authors.

**Figure L-12. The larger of two clubhouses at Park DuValle**



Source: The Authors.

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Cash, Charles C., Jr., AIA. December, 2001. Assistant Director of Planning and Urban Design, Louisville Development Authority.

Charmoli, Jane. December, 2001. Developmental Government Relations Specialist, Jefferson County Public Schools.

Downard, Kelly. January, 2002. President and CEO, Louisville Real Estate Development Company.

Eugene, Georgia. March, 2002. Principal, DuValle Education Center.

Howard, David C., Jr. January, 2002. Vice President, National City Bank of Kentucky and Park DuValle Homeowner.

Peterson, Donna L. December, 2001. Program Manager, Community Initiatives Department, Park DuValle, The Community Builders.

Romero, Cyndi. January, 2002. Vice President, Louisville Real Estate Development Company.

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## **CHAPTER 5: WASHINGTON, D.C**

The major economic activity for Washington, DC is government, however, the District has experienced a reduction in employment with the downsizing and relocation of some of its primary employers, federal government agencies (Brookings 2001; Urban Institute 2002). In addition to employment concerns, the District of Columbia (DC) endured a population decline that ultimately led to an eroded tax base. According to census data, the District lost a quarter of its population between 1970 (756,668) and 2000 (572,059). A large portion of the District's population has moved to outer areas of the DC metropolitan area. Between 1980 and 2000, the population of the region grew by 42 percent to reach a total population of 4.9 million. In 1990, the region's population growth surpassed Detroit's, making it the fifth largest metropolitan area in the country (Urban Institute 2002). The exodus of middle-class households with children was especially heavy, which resulted in concentrated poverty and distress in some DC neighborhoods. In turn, the eroded tax base and the cost of serving distressed neighborhoods, led to deteriorated public services and infrastructure as well as additional declines in economic activity (O'Cleireacain & Rivlin 2001).

Although the District has recently endured an upswing in commercial and residential investment, some parts of the city continue to experience dismal conditions. Twenty-two percent of the DC's population lives below the poverty line. The poorest of the poor experience low levels of literacy, substance abuse, inadequate childcare facilities, and limited access to employment opportunities and greater earnings. The District's poverty rate climbed during the early 1990s with a 24 percent poverty rate in 1996. However, it began to decline in both the District and the region during the country's economic prosperity during the 1990s, and by 2000, the poverty rate had dropped to 15 percent (Urban Institute 2002). The majority of the region's poor households live outside of the District, however, most of the high-poverty neighborhoods are located in the eastern corridor of the District and in Prince George's County. Current household data reveals that extremely low income households are clustered within the District (Urban Institute 2002).

In order to regain a strong tax base, DC needs to encourage individuals that work in the District to also live in the District; hence, DC is engaging in a residential growth strategy designed to attract and retain a larger employed population. Since a major component of the residential growth strategy is to attract more middle-income households with children, efforts need to concentrate on providing affordable housing, creating more jobs, increasing the incomes of low-income households, and improving school performance and facilities. This comprehensive strategy requires a high level of community-wide commitments and an enhanced ability for city agencies to coordinate with each other and with the school system (O'Cleireacain & Rivlin). The question is: How is the District of Columbia Housing Authority's (DCHA) HOPE VI program promoting these goals?



## THE DISTRICT OF COLUMBIA PUBLIC SCHOOL (DCPS) SYSTEM

With the decline in population, the District has subsequently experienced a decrease in student enrollment in its public school system. Student enrollment declined from 146,000 in 1970 to 79,037 in 2000 (O’Cleireacain & Rivlin). Table 2 illustrates the population and student enrollment for the District compared to the metropolitan area.

**Table W-1: Washington DC compared to Metropolitan Area  
Households and School Enrollment form 1970 – 2000**

WASHINGTON DC				METROPOLITAN AREA	
Year	Population	Households	School Enrollment	Population	School Enrollment
1970	756,668	263,000	146,000	2,153,332	422,067
1980	638,432	253,143	100,049	3,251,000	374,336
1990	606,900	249,634	80,694	3,616,585	365,684
2000	572,059	248,338	79,037	4,351,094	454,480

*Source: Brookings Greater Washington Research Program: O’Cleireacain & Rivlin (2001)*

1. *Population estimates are from the census, US Census Bureau*
2. *Household estimates are from the census, US Census Bureau*
3. *School enrollment estimates are from the information provided by the DC Public and Charter Schools*
4. *In 1970 and 1980, the Washington PMSA includes DC-MD-VA. In 1990, Washington PMSA is DC-MD-VA-WV. The DC population is subtracted from the PMSA total.*
5. *Metro school enrollment includes total publicly funded school enrollment form Montgomery County, Prince George’s County, Arlington, Alexandria, and Fairfax County.*

As the District struggles with its decline in student population, the DCPS has had to address the poor academic performance of students in the city’s public schools. Reform efforts to address the quality of schools in can are categorized in three stages: decentralization, choice, and privatization. In 1989, the Federal City Council (FCC) (a non-profit, non-partisan organization comprised on the region’s top business, professional, educational, and civic leader who are dedicated to improving the Nation’s Capital) created the Committee on Public Education (COPE) in an effort to engage the wider community and to decentralize the District’s public school policy decision-making.

The aim of COPE was to form formal alliances between schools and businesses to reform public schools by recommending conventional changes such as: curriculum requirements, new assessment tests, lengthening the school day and school year, and creating better opportunities for teachers (FCC 2003; Henig et al. 1999). In addition to conventional changes, COPE suggested structural changes in the public school system. In an attempt to decentralize the governance structure of DCPS, COPE recommended that a single entity be created that would be responsible for both policy and financial responsibility. The recommendation sought to change the existing governance structure in which the Mayor's Office and the DC City Council handled financial responsibility, but Congress held policy responsibility. The pursuit to reform DC public schools gained additional momentum as Parents United, an organization established prior to COPE whose focus was on ensuring adequate funding and addressing school quality issues, joined COPE in its mission to reform public schools (Henig et al. 1999).

In 1991, the onset of a new Superintendent, Franklin Smith, brought about three organizational changes by: (1) decentralizing the decision-making process giving more policy making responsibility at the local school level; (2) instituting public school choice so that all children in the public school system could choose the school they wanted to attend (all schools had to function and market itself as a magnet school; and (3) privatizing management of some schools (the idea stemmed from Baltimore's privatization efforts) (Henig et al. 1999).

Reform efforts were discredited as the slow progress of change and mismanagement of schools continued to be issues for DCPS. In 1996, the DC Control Board took over the education and managerial bankrupt system. Although the Control Board was put in place, it was also confronted with obstacles that proved to dampen school reform efforts (Henig et al. 1999). Over the years, performance levels in reading and math have declined. In addition, the percentage of students at or above grade level in reading and math is low and decreases as students' progress in grade levels. Table 3 shows the percentage of students at or above grade level in reading and math and the five-year goal of DCPS.

Currently, the District of Columbia is undergoing major reform efforts to improve student performance, which can ultimately attract households with children back into DC neighborhoods. In March 1991, Paul Vance, the Superintendent of DC's Public Schools, commissioned a steering committee with the task of developing a Business Plan for Strategic Reform to the organization for the next 3-5 years. The scope of the plan was to address pre- K-12 education and prioritize teaching and learning. The transformational goals focus on:

- Principals and teachers
- Curricula, programs, and learning environments
- Central administration and support
- Fiscal responsibility

- Parents and community
- Interagency partnerships

**Table W-2: Percentage of Students at or above Grade Level in Reading/Math and 5-Year Expectation**

GRADE LEVEL	READING/MATH PERCENTAGE	FIVE-YEAR EXPECTATION
<b>1<sup>st</sup></b>	<b>50/54</b>	<b>75</b>
<b>3<sup>rd</sup></b>	<b>41/52</b>	<b>75</b>
<b>6<sup>th</sup></b>	<b>48/62</b>	<b>75</b>
<b>9<sup>th</sup></b>	<b>25/48</b>	<b>75</b>
<b>11<sup>th</sup></b>	<b>29/40</b>	<b>75</b>

*Source: DC Public Schools Business Plan for Strategic Reform*

The overall business plan concentrates on setting higher expectations on school and student achievement and accountability, maintaining a clear focus on a specific set of reforms and initiatives, and creating a collaborative mindset within the system to expand on local and external best practices and work in partnership with many communities to reform the system (DCPS 2001). School reform and improvements is essential to help DC neighborhoods gain and sustain stable conditions that yield a better quality of life for households with children. Although there are efforts to improve neighborhood schools, the issue of housing affordability must be addressed to encourage an influx of households.

#### THE DISTRICT OF COLUMBIA HOUSING AUTHORITY (DCHA)

With a strong housing market but increasing poverty rate, the issue of affordability within DC is a constraint for low- and middle-income households to reside within the District. There are approximately 274,845 housing units in Washington, DC, 26,507 of which are vacant (Census 2000). The citywide median value of a single-family home is approximately \$150,060, and in some areas the median value exceeds \$200,000 (DC 2001). In cities with a tight housing market such as in DC, lower income households rely on subsidized housing or public housing. The total public housing stock in the District is 11,000 public housing apartment units in 60 developments. Although the DCHA is responsible for providing public housing as a source of affordable housing, many of the units were inadequate with only one-third meeting minimum code standards. There was a 20 percent vacancy rate attributed to the 2000 abandoned, uninhabitable units in the public housing stock in need of extensive repairs, demolition, or redevelopment (Glazychev 1999).

The public housing agency in the District has a history of organizational and operational problems. The Department of Public and Assisted Housing (DPAH) was the predecessor agency to what is now the DC Housing Authority. In 1995, while the DPAH struggled to maintain its public housing stock, its status as the nation's 2<sup>nd</sup> worst housing authority (Chicago was the worst) resulted in a federal judge removing the public housing authority from the control of the city government and turned it over to court-appointed Receiver, David Gilmore. David Perry, the Deputy Director of the Federal City Council, recalls the earlier days of the department:

You have to remember that the city's Department of Public and Assisted Housing (DPAH), which was the predecessor agency to what is now the DC Housing Authority, which is an independent organization with its own Board. But in those days it was the City department. And the half-life of directors of that department was literally about 10 months. It became clear to everyone else in reasonably short order, but it was clear to us from the mid '80s on that that department was totally dysfunctional. And directors just came and went with regularity. And some of us had been giving a lot of thought to the whole issue of public housing and whether the public housing policy of, particularly concentrating very large numbers of extremely poor people together who had a variety of issues above and beyond issues of income, whether this was frankly a sensible or, I would argue, even humane policy (Perry 2002).

Since the department went into receivership, reforms have been made to make DC's public housing a more safe and viable source of affordable housing (NARPAC 2002b). In the January 2000 Semi-Annual Progress Report of the DCHA, it was reported that public housing in the District bears little resemblance to its previous conditions in 1995. Vacancies are down to a handful of units and occupancy levels have been consistently above 98 percent. Virtually all of the conventional stock has been renovated under the Occupied Units Rehabilitation Program, and the backlog of unspent modernization funds has been completely eliminated. Rent collection is consistently at 95 percent of the rent roll or better every month. In addition, the DCHA police have patrolled developments across the city and crime has been reduced dramatically (DCHA 2000). Due to the improvements made to public housing, the housing authority came out of receivership in when its performance score of 33.3 in 1994 rose to 81.3 in 1999 (60 is a passing score) (NARPAC 2002). In an attempt to improve the public housing stock in some of the large vacant developments, the housing authority sought to work in conjunction with private developers to encourage homeownership opportunities and mixed-income communities (Glazychev 1999). This type of effort is consistent with the overarching goals of the HOPE VI program, particularly with the goals at the Townhomes on Capitol Hill.

THE ELLEN WILSON COMMUNITY DEVELOPMENT CORPORATION  
AND THE TOWNHOMES ON CAPITOL HILL

The Townhomes on Capitol Hill (referred as “The Townhomes”) is one of five HOPE VI developments in the District<sup>55</sup>. Table 4 briefly outlines the District’s HOPE VI projects. Although, in most cases, the number of units rebuilt for public housing residents is decreasing, the program is offering additional homeownership opportunities.

**Table W-3: HOPE VI Developments in the District of Columbia**

<b>HOPE VI Project</b>	<b>HUD Grant (millions)</b>	<b>Units to be Demolished</b>	<b>Units to be Built</b>	<b>Homeowne r Units</b>	<b>Units with Annual HUD Operating Subsidies</b>
<b>Ellen Wilson</b>	<b>\$25</b>	<b>134</b>	<b>134</b>	<b>134</b>	<b>0</b>
<b>Wheeler Creek</b>	<b>\$20</b>	<b>403</b>	<b>314</b>	<b>132</b>	<b>273</b>
<b>Frederick Douglass/ Stanton</b>	<b>\$30</b>	<b>650</b>	<b>600</b>	<b>320</b>	<b>370</b>
<b>East Capitol</b>	<b>\$31</b>	<b>927</b>	<b>486</b>	<b>145</b>	<b>196</b>
<b>Arthur Capper/ Carrolsburg</b>	<b>\$35</b>	<b>758</b>	<b>1,150</b>	<b>*</b>	<b>*</b>
<b>TOTAL</b>	<b>\$141</b>	<b>2,872</b>	<b>2,684</b>	<b>731</b>	<b>839</b>

*Source: Housing in the Nation’s Capitol (Urban Institute 2002)*

*Data Source: Columns 1-3: District of Columbia Office of the Deputy Mayor for Planning and Economic Development (unpublished data); Columns 4-5: HUD, Hope VI Quarterly Project Progress Report.*

*\* Not yet reported*

<sup>55</sup> Although there are five HOPE VI developments in DC, this research only focuses on the Townhomes on Capitol Hill (former Ellen Wilson Dwellings).

The Townhomes are nestled on the edge of one of the Districts more affluent neighborhoods, Capitol Hill. Its location is just blocks away from the Nation's Capitol and easily accessible to various local and federal government agencies and redevelopment efforts at the Navy Yard. Although the Townhomes on Capitol Hill is a welcomed neighbor in the Capitol Hill community, it was not always the case. Formerly known as the Ellen Wilson Dwellings, the development was a public housing community built in 1941. The Ellen Wilson project sat on a 5.3 acre parcel in southeast Washington, and was comprised on 134 units located within two- and three- story walkup apartment buildings (DCHA 2002).

As time passed and the project experienced physical deterioration and management problems, the Ellen Wilson Dwellings fell victim to some of the social-ills experienced in unstable inner-city neighborhoods:

The Ellen Wilson project didn't just get shut down on a given Tuesday. Over a period of several years, it deteriorated. There was a lot of crime in that immediate neighborhood. There was crime associated with people who lived in the project. And people frankly who lived at Ellen Wilson, who were themselves were most likely to be the victims of crime or to be living in sort of anarchic circumstances. You know, good decent people didn't want to stay there, so the residents of Ellen Wilson were voting with their feet and they were leaving. And it began to be de-populated. Ultimately, by the late 1980s, it was completely de-populated. And it was effectively shut down (Perry 2002).

In addition to the physical deterioration of the structures and the vacancy at the site, the buildings were not architecturally integrated into the larger neighborhood. So, the design and the lack of maintenance made the project stand out "like a sore thumb" (Perry 2002).

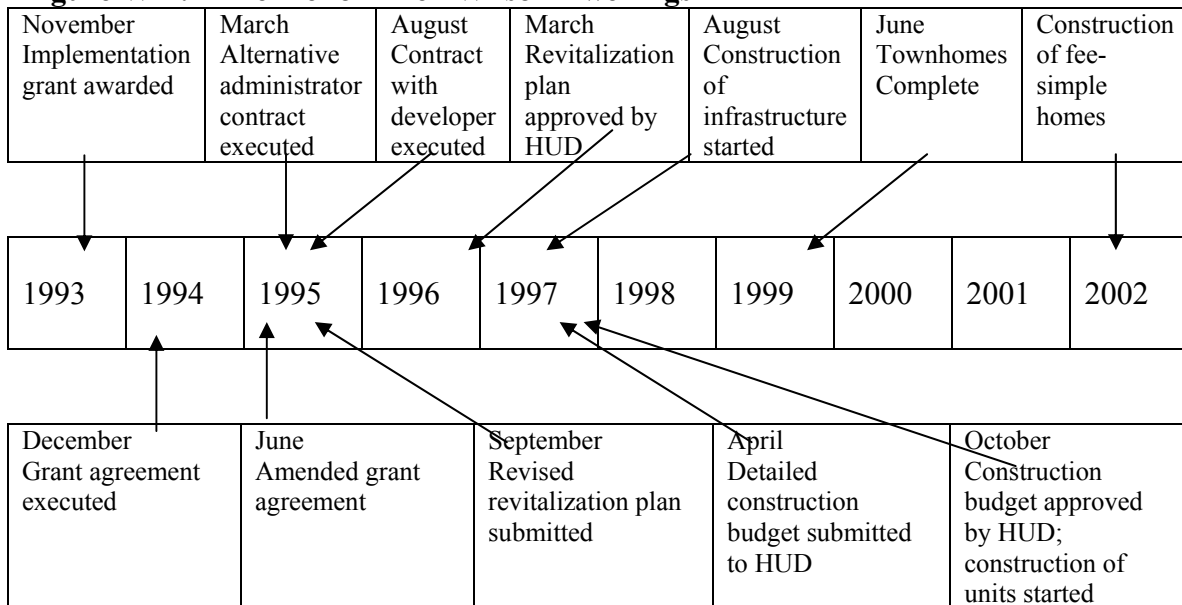
In 1988, the public housing development was vacated in anticipation of plans to modernize the facilities. However, when the estimated cost for modernization was beyond the available funding, the improvements did not take place and the buildings remained vacant. Once the site was abandoned, it became an eyesore for the community and a haven for criminal related activities. Fortunately, the Ellen Wilson Community Development Corporation (CDC), a group including residents from the entire Capitol Hill neighborhood, sought to revitalize the site and ultimately submitted a proposal to the DPAH to redevelop the site. Consequently, DPAH approved the proposal which gave the CDC permission to redevelop the former Ellen Wilson site. Once the Notice of Availability of Funding for the HOPE VI program was announced, the CDC partnered with the housing authority to apply for the grant. HUD approved the grant, however, they would not disperse funds to the housing authority since it was considered a "distressed" agency at the time. Therefore, HUD agreed to award the grant to an alternate administrator who would be responsible for the program at this site. As a result,

Ellen Wilson received a \$25 million HOPE VI revitalization grant in 1993 and becoming the first HOPE VI site in Washington, DC without any city assistance.

We did this on our own. And HUD actually had sufficiently, was sufficiently skeptical about the city's capabilities, that part of the [quid pro quo] for giving us the HOPE VI was the creation of the alternate administrator regime to act frankly as fiduciary for the federal monies 'cause they didn't have any confidence in DPAH. And they weren't certain what the city, where it was all headed. So they said, look we need to have some newly created entity which we'll call an alternate administrator, who will essentially represent the federal interest to make sure this thing comes off the way its supposed to (Perry 2002).

**Figure W-1** outlines the timeline for the Ellen Wilson Dwellings. As shown, the townhomes were complete in 1999 and the estimated completion of the fee-simple homes is late 2002.

**Figure W-1: Timeline for Ellen Wilson Dwellings**



Source: GAO (1998) *HOPE VI: Progress and Problems in Revitalizing Distressed Public Housing*.

The Ellen Wilson CDC, led by co-chairs David Perry and Fran Taylor, had the vision to redevelop the old public housing site prior to the creation of HOPE VI. Prior to becoming a CDC, residents of Capitol Hill came together to discuss and possibly come up with a solution to revitalize the vacant public housing site.

In the late 1980's, I was one of 8 or 10 people who either lived or worked on the hill, and in my case I lived there. Who came together and essentially what caused us to come together around what became this project was the feeling that simply rehabilitating that clearly failed public housing project did not make sense to us... there had to be a better way and that you really could create a mixed-income regime. You could create a new community that fit seamlessly into the existing community both socially and architecturally (Perry 2002).

In 1991, the group began formulating plans for the development and ultimately became the impetus for receiving the grant and revitalizing the site, as described by Loraine Bennett, a long-time resident of the Capitol Hill neighborhood and a member of the Ellen Wilson Community Development Corporation:

The Ellen Wilson CDC came together in about I think 1991 or 92 for the purpose of exploring options that might be available for the redevelopment of what was then a closed vacant public housing site, and that's the Ellen Wilson site. So we came together without any commitment from anyone except to each other to explore what the possibilities were. And so the CDC was formed for that purpose, prior to HOPE VI or anything (Bennett 2002).

What is unique about this group of citizens is that the group was interested in redeveloping the site at least four to five years prior to the HOPE VI program. Their interest in redeveloping the public housing site and their vision to create a mixed-income community stemmed from the redevelopment efforts of Columbia Point Public Housing in Boston.

I was very familiar with the old Columbia Point public housing project in Boston. I lived in Roxbury in the summer of 1966 or '67. So I knew that area, and I knew that Columbia Point had gone absolutely into the tank, which was at the time the largest public housing project in New England, had gone completely under the tank. And then, a guy name Joe [Corkin] from [Corkin Jennison], his firm had taken on what became a 10 year project of transforming Columbia Point in Boston from a failed public housing project, into a very attractive and very successful mixed-income community that had housing for former public housing residents and market rate housing. All interspersed without any distinctions being made from the outside about who lives where. And I'd seen that new community. So we kind of knew that there was a different way to go and our sense was we ought to try doing something like that in Washington. So, we set up a CDC. We applied to the Department of Public and Assisted Housing. And



essentially got ourselves designated as a local, the local group that would attempt to pull together a plan for this site. I honestly can't remember which of the many DPAH directors we were ultimately successful with, because there were so bloody many of them (Perry 2002).

Once the CDC was created, various institutions were involved in the planning and physical development of The Townhomes. The Ellen Wilson CDC managed to create partnerships with developers, architects, the Advisory Neighborhood Commission, and neighborhood residents to assist in the design and development of the site. With the assistance from talented, competent, and imaginative professionals such as Amy Weinstein (an architect) and Marilyn Malconian (Telesis Corporation and a former Deputy Assistant Secretary at HUD during the Carter administration), the CDC was able to develop a plan well suited for this Capitol Hill neighborhood. The CDC also sparked the interest of Joe Corking, the developer of the Boston site. Subsequently, a partnership was formed consisting of Telesis, Corkin Jennison (CJ), and the Ellen Wilson CDC, in which CJ became the builders and managers of the community while Telesis and the CDC served as the overseers of the development process and monitored the implementation of the physical development plan (Perry 2002).

Prior to the Townhomes, residents of Capitol Hill had already experienced living in a community that was racially and economically diverse. In 1990, the neighborhood was comprised of approximately 14,608 residents in which 73 percent were white, 23 percent were black, and 4 percent were others<sup>56</sup>. So when they envisioned the same model for the vacant public housing site, the CDC had little doubt of its potential success:

This sounds like, perhaps an arrogant boast after the fact, but I think a number of us, and I certainly include myself in this number, never doubted for a minute that the notion and the model that we had in our minds for this new community would work. And would work in this, and would work in that location. And the reason I think we felt so strongly about that is that I've lived in that community for now going on 24 years, and my own block is a mixture of old and young, black and white, wealthy and people of very modest means. That is what Capitol Hill was. It's now becoming richer than it was the case even 10 years ago. But certainly, and my block today is still very much that way. So, we knew that, you know, that this could happen on the Hill, because that's in fact was for many of us. So, when we were postulating that you could create a new community where white people would live next to black people, and old people next to young people, and rich people next to people of more modest means. What we really

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<sup>56</sup> According to the District of Columbia Office of Planning, the Capitol Hill neighborhood is bounded by census tracts 65, 66, 67, 69, 70 and 82.

were describing was our own collective experience in living in that community. And I also just think a lot of us had more faith in human nature. If we pulled this project off and did it right, if we created a physically attractive project, the location is very stable, people like to live on the Hill, that it would work (Perry 2002).

By 2000, the population demographics slightly changed. Out of an estimated 14,292 residents, 73 percent were white, 20 percent were black, and 7 percent were others (NIS 2002). Although the entire Capitol Hill neighborhood may be racially integrated, there are pockets or streets within the neighborhood that appear to be racially segregated. Furthermore, the gentrification of the Capitol Hill area makes it difficult for existing residents, particularly lower income or former public housing residents, to remain in the neighborhood.

Even though the physical element is an integral component of the HOPE VI program, the social condition of the community is also pertinent to the success of the revitalization effort. Since the HOPE VI grant for the Townhomes on Capitol Hill was awarded during a time of receivership for some of the District's local government agencies, including the housing authority, the institutional collaborations for the community and supportive services (CSS) component of the HOPE VI grant has not existed. In the grant, several institutions were identified to provide the "soft" services, however, these collaborations were not realized. Laurie Putscher of TAG Associates, the firm hired to implement the CSS plan, describes the local situation:

Basically the housing authority was totally dysfunctional when the grant was awarded; [it] ultimately went into receivership. So that was one institution. And the District government was also dysfunctional and was under the control board, so it was in a severe deficit position and [the] staff were very demoralized. And we, unlike the subsequent HOPE VIs, there's starting to be people we can talk to that can make decisions. And there's starting to be some overall vision in place for the neighborhood and that kind of thing. There was nobody who was doing anything except making sure they didn't get fired. And the way you made sure you didn't get fired was not sticking your head up. And, the Mayor had committed to various permit fee waivers and things like, which then, you know, had to go all through the control board because the Mayor no longer had power to make those commitments when it came time to actually, you know, to call those [commitments] in. So city government, the various social services and what else in the city government, while on paper... we said they were available and we were using them, really weren't much help. You know people would make commitments to do stuff and then nothing would happen. We'd go back to see them but having a piece of paper just didn't mean anything (Putscher 2002).

Since the site was vacated, there was not a resident base to develop a CSS plan based on resident's needs. Consequently, the CDC wanted to create an endowment of fund to use later to develop and support projects in the community, including the larger neighborhood encompassing two more recent HOPE VI developments, Arthur Capper and Carrolsburg.

### *The Extent in Which Income Mixing Was an Achieved Goal*

Under the HOPE VI revitalization plan, the concept was to create a small-scale, self-sustaining development comprised of a community center and 134 new townhouse units sold through a cooperative structure to households. In addition, 13 lots containing 19 units are being developed as fee simple market-rate townhomes, which are expected to sell for approximately \$180,000 to \$260,000. The overall goal of the redevelopment plan is to create a mixed-income community to ensure that a range of households would have access to the housing. The mixture of incomes was an important component from the onset.

We had different developers come in and it was because at that point we simply wanted to develop our principles, our foundation. And so we did that and we came up with some critical elements. One being that we wanted mixed, we wanted all levels of income. We wanted all units built to the same standard. We didn't want any units built for any income group, so we wanted the units to be interchangeable. We wanted a way to guarantee and maintain the mixture. We wanted everyone to be an owner, which is what led us to cooperative. Cause they didn't want, we didn't want different levels of residents or different values placed on different kinds of income. We wanted everyone to be the same kind of resident, which meant an owner (Bennett 2002).<sup>57</sup>

The Ellen Wilson CDC wanted to market the units to a variety of different income level households, particularly middle-income and low-income households.

We really wanted government employees. We wanted teacher employee types. You know, for me personally the biggest thing, the most important group there was the middle income. They're the glue that holds the top and the bottom together. And to me, they were the one population, segment of our population that were denied housing on the Hill. We had plenty of public housing, for the size of the community anyway. And we had plenty of our

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<sup>57</sup> The Townhomes on Capitol Hill provides opportunities through a limited equity cooperative, which is different than regular homeownership. Each homeowner purchases a share of stock in the corporation, which entitles them to live in their home and participate in the governance of the development. The development is owned and controlled collectively by the residents.

grand housing. And my daughter's a police officer. I had, my kids grew up in that community, couldn't afford to buy there or even rent there if they chose to do that. And then something I really thought about, as they became adults, we hadn't provided, as a community, for even our own children. And so, that was one of the biggest appeals for this approach to me. But in terms of the glue of the community, it seems to me they are the glue. And so we marketed heavily to that income group. To police, firefighters, teachers. I don't know how many we ended up with, but we really worked hard at that. We didn't have to work at the lower end. We really didn't have to work, we didn't have to work at all really. Once the units became available there was such attention paid to it and the place is beautiful. We didn't have any trouble (Bennett 2002).

We wanted to create a community that would provide a range of incomes, but particularly for people of very modest incomes, that we would be able to give them safe, affordable, decent housing. People whose only "problem" in life is that they didn't have any money, in our estimation, deserved to live in this attractive housing as you or me (Perry 2002).

In a neighborhood that has, over time, "priced out" both low and middle-income households, the Townhomes on Capitol Hill provides housing opportunities for those income level households. In addition to the townhomes, there are 13 additional fee-simple homes that will sell at the market rate. Although these homes may not be affordable to low- and middle-income households, the profit from the units will go into a reserve for the cooperative units (Bennett 2002). In order to ensure that different income level households would reside in the development, the cooperative payment structure was developed around three income bands<sup>58</sup>:

- 33 households at 0% to 24% of the area median income
- 34 households at 25% to 50% of the area median income
- 67 households at 50% to 115% of the area median income

Cooperatives were chosen for this development to ensure that affordability would be maintained throughout the life of the project. David Perry describes the rationale behind choosing the cooperative structure for the Townhomes:

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<sup>58</sup> The area median income is approximately \$91,000. This figure is based on the median income for the District of Columbia, not the national median (Putscher 2002).

We wanted to maintain that affordability over time. One of the things that concerned us, we thought, you know the neighborhood is basically a strong neighborhood. The areas to the north and to the east were fairly solid, so we didn't see the neighborhood being at risk. And the issue was, how do you structure it in a way that you don't effectively confer a windfall on the lucky few who get in initially. Who, if you just structured it as a coop or a condo regime somehow, they would be the beneficiaries of this public investment. So, we hit upon the idea of a limited equity coop as a way of essentially not giving people a lot of upside, but protecting them from downside risks, which obviously does exist in the housing world. But fundamentally, the reason we went for a limited equity coop was to ensure affordability over the life of the project, which we defined as a forty year period. And it works out relative to where people were when the project came on line. Another 25 years from now, that initial band, from 0-25% of area median income, the same kinds of people who were able to move in the late '90s would be able to move in 2017. That was our idea. And that no one would "get rich" off this project. That you'd always have, you'd always have that mix of incomes and you'd always have the kind of cross-subsidization going on that we were able to achieve (Perry 2002).

Although the configuration of income bands set out to create homeownership opportunities to households with different income levels, the real test of the HOPE VI effort is to attract middle-income households into former public housing. Attracting market-rate households to the Townhomes on Capitol Hill did not present a challenge. The historic district of Capitol Hill has changed tremendously over the years and has been a pretty stable area that has continually grown geographically and escalated in terms of the market values of homes. Most of the change has been driven by the real estate market making the area a "hot" neighborhood to live in (Bennett 2002). Although the prime location on Capitol Hill was an incentive, the relatively low cost of units compared to other housing opportunities in the neighborhood was also influential in attracting households to the HOPE VI site.

There was an effort to attract former residents back into the development, however, due to poor resident tracking by DPAH, it was difficult to contact former residents. In addition, households tended to be settled into their new neighborhoods and did not want to wait two to four years for the completion of the development. Even if former residents wanted to move back into the development, the CDC and Corcoran Jennison (CJ) Management, Inc. established move-in criteria. In this case, entry standards were set for everyone, not just public housing residents. CJ Management conducted the screening of residents:

I don't think it's a market failure if a HOPE VI project does not, is not able to recapture all of its former residents. What would be a mark against a HOPE VI project, in my judgment, would be one where you didn't make a really full faith effort to give everybody who wanted to come back an opportunity to do so. That having been said, you know, we had criteria for re-entry or for entry period, and we did say early on, and the public housing residents were very clear about this. They wanted one standard for everybody. There wasn't going to be a series of checks for the households of more modest means and then a different set of standards for people who are, you know, competing at the market rate level. Everybody would be subject to a credit check. You know, everybody was gonna, there was going to be a police check. If you had a felony conviction, you weren't going to live there, end of story. Irrespective of your income, irrespective of the circumstances (Perry 2002).

In discussing the occupancy of residents, the CDC and the community were careful and maintained their stance to create a safe, decent and affordable community. In order to encourage former public housing residents back into the community, they had to be assured that it would not be the same community they left:

And, so if they're coming back, they want to come back to an attractive, stable, safe community and they're not interested in having bad actors move back in. So, but the residents were actually a lot tougher than some of the rest of us. I mean, former residents of public housing were often tougher than other members of the board (Perry 2002).

### THE ROLE OF SCHOOLS IN THE HOPE VI COMMUNITY

As households search for housing, the quality of schools is often a consideration, so municipalities explore ways to improve schools to attract residents into their neighborhoods. At the Townhomes of Capitol Hill, this was not the case. There are four public schools in the area that serve pre-kindergarten through ninth grade students: Hine Junior High, Tyler Elementary, Van Ness Elementary, and Watkins Elementary. The combined enrollment of these four schools is 1,745 students. Of the 1,745 students enrolled, there are: 1,657 Blacks, 62 Whites, 18 Hispanics, and 8 Asians. Three out of the four schools did not have white students (Watkins Elementary was the only elementary school with white enrollment). Eastern Senior High School, the only high school listed in the area, has an enrollment of 1,543 students in which there are 1,535 Black students, 1 White student, 12 Hispanic students, 2 Asian students, and 2 Native American students (DCPS 1999; NCES 2003). This data demonstrates that the diversity in the neighborhood is not reflected in the neighborhood public schools.

During the planning and implementation phases of the HOPE VI site, the importance of schools was mentioned, but it did not receive a lot of attention since there was a modest level of participation from the schools during the process and the main focus of the HOPE VI proposal was on redeveloping the HOPE VI site:

Well, they [helped] identify and develop needs in the beginning of the implementation of our community and supportive services plan, but not in the end. Well, I think, were the schools invited? Yes, the schools were invited, some of the schools, to take part in the planning. They weren't the most active participants. School people go. You know we had our meetings at night because everybody had jobs and people who have jobs tend to want to go home, so I don't think we had much participation from the schools. I don't think there was any attempt to exclude them. And I know the person we had doing human resources really got involved with bringing some programs to the school at 5<sup>th</sup> and M. And we did a lot of programs for them; she did a lot of programs for them. There's no formal involvement with the schools though (Bennett 2002).

Although a few institutions formed partnerships to provide community and supportive services later in the process, there is little evidence to indicate that schools were involved to improve educational opportunities in the neighborhood. Even though efforts made through the HOPE VI program attempted to enrich school programming in the community by offering an after-school computer program for neighborhood kids, the participation level was too low to credit the program to any major changes in educational improvements for children in the neighborhood.

### *Using Schools as a Marketing Strategy to Attract Households*

Schools were not considered in the planning and implementation of the Townhomes on Capitol Hill. Schools were not the driving force that attracted middle-income households into the development, but it should be acknowledged that these households knew they were moving into a community that was going to be integrated:

Everybody who moved into this, knew that they were moving into a community that was, had mixed-incomes by design. And that they were moving into a community that was going to be very integrated by income, probably by race, and that they would all be owners on equal footing with each other (Bennett 2002).

Some neighborhood residents initially resisted the plan to redevelop the site based on problems on crime, drugs, and other negative activities that had occurred at Ellen Wilson. Based on negative experiences with public housing, opposers did not want public housing to be rebuilt on the site. However, now that the development is built and it is not public housing, the surrounding community has come to accept The Townhomes as a part of their community. Ms. Sally Dancie (a former and current resident of Ellen Wilson (The Townhomes) and a member of the Ellen Wilson CDC) and Ms. Bennett recall some initial neighborhood reluctance, but notes that the redeveloped site is accepted by the neighborhood:

You know you gonna always have somebody who's not gonna really want it because, I think, they were thinking that it was gonna be part, basically public housing and they had already has a kind of bad experience with that being here. But it worked out very well (Dancie 2002)

Yes, they're very happy. Delighted with it. They're delighted with it. And that NIMBY stuff, you know. I see it here, we approve projects all the time that people don't want. And it really saddens me, you know, saddens me. That period was very hard, it was very hard because I kept seeing the faces of the people that they were rejecting in their language you know. It bothered me a lot. But this was a wonderful thing to be part of. I gotta tell you, next to raising my children, the next thing I'm proudest of is this project (Bennett 2002).

Ms. Putscher of TAG Associates sums up the goal of developing the Townhomes on Capitol Hill:

We really just want, we don't want it to stand out as a project. Good, bad, or indifferent project. We just want it to be, you know, another two blocks in the city (Putscher 2002).

### SOCIAL INTERACTION OF RESIDENTS

Negative perceptions about low-income households are potential barriers to social interaction amongst different income level households. Although the site offers a variety of homeownership opportunities, one of the struggles faced by the CDC was their ability to deal with neighborhood tension on the type of housing that would be developed. During the planning phase, there was pressure to provide affordable housing, but there was also community resistance to making the units available for the poor. Concerned with the amount of public subsidy given to the development, area residents were concerned that The Townhomes would be another Ellen Wilson. In the end, Tommy



Wells, the former chair of the Advisory Neighborhood Commission<sup>59</sup>, facilitated a community discussion that identified and responded to resident concerns (Bennett 2002). The diminished tension in the neighborhood is credited to his involvement in the process and the reliance on other institutions in the community proved to be valuable during the planning and development phase.

#### OTHER AGENCIES OR ORGANIZATIONS INVOLVED IN THE IMPLEMENTATION

Since The Townhomes was an early HOPE VI site that was all grant funded, raising leveraged funds from other organizations or the private sector was not mandatory, therefore institutional partnerships that were outlined in the grant were not formal, making it difficult to execute the arrangements. However, TAG Associates were able to work closely with the Capitol Hill Group Ministry to avoid providing a duplication of social services. The Capitol Hill Group Ministry is a community based non-profit organization founded in 1967. The provide an array of services that for the homeless and provide supportive services for at-risk youth and their households, who reside in public housing and low-income areas on Capitol Hill. TAG was also able to partner with a local church to place recovering substance abusers into an apprenticeship program created through the HOPE VI program.

Another opportunity the TAG was able to take advantage of was the deconstruction program. In Washington, DC, deconstruction is becoming a popular way of providing opportunities for low-skilled workers to enhance their skills in the construction industry. Deconstruction is essentially an alternative to traditional demolition practices. Instead of crushing and burying valuable building materials, as is done in traditional demolition, a deconstruction process salvages not just the most readily available components—appliances, cabinets, doors, windows—but also may extract additional materials such as oak flooring, oak stair treads, and structural timbers. It offers environmental, economic, and workforce development advantages that are a natural fit with the goals of HOPE VI. Participants were able to gain experience through deconstruction projects, which allows them to be compensated while getting on-the-job training (Putscher 2002).

Proponents cite the benefits of a deconstruction program as: it is an environmentally responsible choice; it can generate revenue; and it provides job training and can spawn new businesses (HRF 2001). Residents were able to participate in a deconstruction program coordinated by the U.S. Army:

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<sup>59</sup> There are 37 Advisory Neighborhood Commissions (ANCs) in the District's eight wards. An ANC consists of representatives (commissioners) elected by neighborhood Single Member District (SMD). The city's ANCs advise the District government on issues related to zoning, social service programs, health, police protection, sanitation, and recreation (District of Columbia 2002).

Well you know one institution that we had a lot of support from, believe it or not, it was the Army. Our apprenticeship program somehow got word that Walter Reed [Army] Medical Center, which is on the other end of Washington Street, had some greenhouses that they had to take down because they no longer had the greenhouse program as one of their occupation therapy things. And they were going to use the land for building another building. And somehow, because they were federal and because all the other federal agencies that oversaw them, they had to do a deconstruction program. So, they actually contracted with our apprentices to do the deconstruction. So it was a good, on the greenhouses, so it was a good work experience and they were paying them. It was a good learning experience because we did training, we did group training, classroom training in addition to actually on the job training. So this was on the job training as well as understanding how buildings got put together by actually taking them down. Yes, that was an important institution. And I'm trying to remember how the connection was made. Our apprenticeship program director just heard it through the grapevine. We, you know negotiated with the Army, got a contract all set-up. That was the institution, the Army. Believe it or not. I bet you don't have anybody else working with the Army (Putscher 2002).

#### APPRAISAL OF HOUSING-SCHOOL LINKAGE: MOVING IN A PROMISING DIRECTION

Since The Townhomes were vacant prior to the HOPE VI grant, it was difficult to assess resident needs to include in a CSS plan. This may have been a major barrier in getting public schools and other institutions involved, but even more so, getting original residents involved. Although this was a unique situation that made tracking and contacting residents difficult, it is important to have a good tracking system to ensure that original residents that are permanently or temporarily relocated are receiving the necessary services, including improved educational opportunities. At Ellen Wilson, improving schools was not a concern or issue to attract households. The primary goal of the HOPE VI proposal was not necessarily to attract households with children. Whether households with children have located to the site is not determined. The information on the number of households with children was requested but was provided:

In the case of Townhomes, I'm not saying that grades schools aren't important for communities, because they clearly are, but it was less important in the case of Townhomes 'cause we were sure

of the success of the project. The project was gonna work because of its location and because of the quality of the development itself, irrespective of the quality of the surrounding, the neighborhood schools (Perry 2002).

Although collaboration between housing and school officials during the Townhomes development was minimal, the future of housing and school officials working together appears to be promising in the District. At other sites, the DCHA is actively engaging residents and schools in the planning process to ensure quality schools in their neighborhood. During the time of the planning of the Frederick Douglass and Stanton Dwellings HOPE VI site (now known as Henson Ridge), the city was doing an assessment of its schools. In the assessment, schools were tiered based on their critical need for improvements level. First tier schools were considered most critical and the tiers continued down to a fourth tier. Turner Elementary, the school serving the Henson Ridge area, was identified as a third or fourth tier school, which meant that it was not slated for immediate improvements. The residents rallied together and convinced the school system to change the school to a second-tier so that improvements to the school and the development could occur simultaneously. Mr. Bernard Tetreault, the former Director of the Housing Opportunities Commission (HOC)<sup>60</sup> in Montgomery County, Maryland and currently a Real Estate Development Advisor for the DC Housing Authority, gives an example on how schools were considered at Frederick Douglass and Stanton, a more recent HOPE VI redevelopment site:

The academic achievement, it was just terrible. And it was determined, even in the planning process, that they would strive for a new Turner Elementary School as part of the process. During the implementation phase, the HOPE VI had already been approved. We got a new superintendent of schools and he went through and proposed that certain schools be closed, and one of them was Turner Elementary because of the low-achievement scores. And the residents petitioned and also showed up at hearings and that sort of stuff. As a result of their active participation, the school is still open. It's kind of an interesting side note. I'm demonstrating that the school isn't just out there somewhere. The school has become a very important element of this project more than any of the others as a matter of fact. I can't even tell which elementary schools serve Willow Creek, but I sure can tell you that Turner serves Fred Doug (Tetreault 2002).

Although the school at Frederick Douglass and Stanton has not been officially approved, the direction in which everything is moving is that there will be a new school that will be developed concurrently with the new community (Perry 2002).

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<sup>60</sup> HOC is one of the most highly regarded housing authorities in the United States.

## CONCLUSIONS

The Townhomes on Capitol Hill HOPE VI development in Washington, DC was examined to answer three research questions. First, what approaches were used to market the site in order to attract middle-income households with children? Secondly, was there collaboration between the housing authority, the school district, and city government in planning and implementing the HOPE VI development? Thirdly, what extent did social mixing occur (or will likely occur) in the residential and school settings at the Townhomes.

The Ellen Wilson CDC, District of Columbia Housing Authority, the District of Columbia Public School system, and the developer worked cooperatively together to redevelop an old vacant public housing site into a mixed-income development that integrally fits within the surrounding community. In order to create a more stable development, the vision for The Townhomes was to create housing opportunities for households with a range of incomes. This was accomplished by offering cooperatively owned units reserved for different income levels. Based on the tier-system created for the development, the income range of households at the Townhomes is potentially \$0 to \$104,650. With the income bands in place, the creation of a mixed-income development was inevitable. Whether households with children have located to the site is not determined. The information on the number of households with children was requested but was not provided.

Although collaboration between housing and school officials during the Townhomes development was minimal, the future of housing and school officials working together appears to be promising in the District. At other HOPE VI sites, the DCHA is actively engaging residents and schools in the planning process to ensure quality schools in their neighborhood.

The research did not yield any evidence on the level or type of social interaction taking place at the Townhomes. This is not surprising and is probably considered an average finding in a typical neighborhood where anonymous living occurs. There is a resident association in place and a proposed community center that should provide an avenue for social interaction among residents. Interaction occurring naturally in the community could not be determined.

**Figure W-1—New homes and alley way.**



*Source: The Authors*

**Figure W-2-- New homes**



*Source: The Authors*

**Figure W-3—Community marker**



*Source: The Authors*

**Figure W-4—New homes**



*Source: The Authors*

**Figure W-5-- Tree-lined street of new homes**



*Source: The Authors*

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## **CHAPTER 6: CONCLUSIONS**

### **THE PROSPECTS FOR ATTRACTING AND HOLDING MIDDLE-INCOME HOUSEHOLDS WITH CHILDREN AT HOPE VI SITES.**

Mixed income housing, a key component of HUD's HOPE VI public housing revitalization program is assumed to be a good thing for low-income parents and low-income children. However, case studies of income-mixed subsidized private housing developments, as well as HOPE VI communities, have shown that "meaningful" mixing rarely occurs. In some developments the mixing involves lower-income households with children on the one hand and upwardly mobile singles and childless couples on the other. In other cases the mixing involves moderate-income and low-income households, a modest level of mixing which may have limited social benefits.

To promote more meaningful social mixing will likely require closer linkages between school districts, housing authorities and city governments than has existed in the past. Are such improved linkages feasible? To answer this question we conducted a comparative case study analysis of four HOPE VI sites: City West (Cincinnati), Park DuValle (Louisville), The Terraces (Baltimore), and The Townhomes of Capitol Hill (Washington, DC). We have sought to answer three sets of questions. Firstly, what approaches were used to market the four sites and what strategies were used to attract and hold middle-class households with children? Secondly, what approaches were used to achieve collaboration between the housing authority, the school districts, and city governments? Thirdly, to what extent have these different efforts been successful in attracting and holding middle-income households with children? To what extent has social mixing led to meaningful social interaction across tenure and class lines?

Firstly, although all four HOPE VI developments aimed to create mixed-income housing, attracting and holding middle-class households with children was not a prominent goal. Cincinnati officials emphasized developing home-ownership opportunities for low-income former residents of public housing as well as attracting upwardly mobile singles and childless couples, since these were the types of households interested in downtown and near-to-downtown living. Louisville officials made no specific efforts to attract middle-income households with children because children who moved into Park DuValle would be bused to schools throughout Jefferson County. The Terraces (Baltimore) development team's marketing strategy did emphasize public school improvements but the strategy also primarily stressed the proximity to employment opportunities and the low cost of the housing units. The developers of The Townhomes (Washington DC) were so interested in getting the HOPE VI development built as quickly as possible that they took advantage of the Capitol Hill's appeal to middle-income singles and childless couples.

Secondly, whereas Jefferson County Public Schools maintained a high level of collaboration throughout the HOPE VI planning and implementation process (reflecting a culture of housing-schools cooperation in that city) there was limited collaboration in the

other three cities. However, the level of collaboration rose during the HOPE VI process. Cincinnati Public Schools became more involved when it began conducting its own facilities master plan and needed to consider what was likely to happen enrollment-wise in the West End. At The Terraces site (Baltimore) schools-housing collaboration accelerated after a school board team visited the Centennial Place HOPE VI development in Atlanta, which contains a unique community, based magnet school. A K-8 math, science, and technology curriculum focused school is being built near The Terraces. Although there was virtually no school-housing collaboration in the planning at Townhomes on Capitol Hill, the school district has been playing a more active role in more recent HOPE VI developments.

These higher levels of collaboration have not resolved a key issue, the extent to which urban school districts should make an explicit effort to attract middle-income households with children. And if they choose to play such a role, what programs are most likely to be effective and politically feasible? As Chung (2002, 12) notes, desegregation (busing) and magnet schools have shown some success “eradicating inequalities in the public school system, these remedies have thrown the baby out with the bathwater by disconnecting schools from communities.” On the other hand efforts to improve neighborhood schools at HOPE VI sites while drawing a predominantly low-income student population are of limited value. Low-income students could benefit by having middle-income students as role models; and middle-income parents are likely to push for improvements in school quality. Creating place-based magnet schools could achieve the desired effects of both programs (increased integration and improved neighborhood schools) while also luring middle-class households to these locations.

None of the HOPE VI sites has been able to implement a place-based magnet school. In Cincinnati’s West End one of the schools will be a prestigious magnet school, the Cincinnati Academy of Math and Sciences (CAMAS). CMHA urged the school board to give a preference for City West children to be able to go to this school near the City West site. Such a policy might make the City West site more attractive to middle-income households with children. CPS has not yet agreed to give residents this preference. In Louisville, the developer—The Community Builders Inc. (TCB)—believed that a neighborhood-based school would be a benefit for revitalizing the Park DuValle neighborhood. However, the JCPS refused to make Carter a neighborhood-based elementary school because it believed it would disrupt its countywide racial desegregation plan for the schools. A Baltimore community planning group proposed a K-8 math, science and technology curriculum for a new school serving the Terraces and a citywide magnet in the same building *but only if there is excess capacity*. Will middle-income parents who are interested in providing high quality schooling move into a community if they are unsure whether a citywide magnet school will exist? Wille’s (1997) account of school integration in Dearborn Park (Chicago) suggests that they will not. Thus, although place-based magnet schools seem like an ideal way to promote HOPE VI communities they face serious political and bureaucratic resistance.

Thirdly, geography played a key role in influencing a HOPE VI site’s ability to attract middle-income households with children. Because of their highly urban locations

City West (Cincinnati) and Townhomes on Capitol Hill were successful in attracting childless middle-income households but not middle-income households with children. The Terraces (Baltimore) was successful in attracting moderate-income homeowners (some of whom previously lived in public housing). Whether The Terrace's modest level of income mixing (between moderate- and low-income households) will have any beneficial impact on lower-income householders is an open question and should be the focus of future research. Park DuValle, Louisville's ability to attract middle- and upper-middle-income households with children was a function of the attractive moderately priced suburban-type homes, the low-level of crime and the interest of many of the African American households in remaining in Louisville's West End. Schools did not play a prominent role in Park DuValle location decisions; households knew that their children would have to be bused to a racially integrated school elsewhere in Jefferson County.

Given the fact that Park DuValle is the only site to attract middle-income households and the uniqueness of the site due to the county-wide school system we are not optimistic about the prospects for attracting to HOPE VI sites middle-income households with children because these households want to have their children attend schools where middle-class values are stressed. Furthermore, such households typically have many other locational options in suburban areas. At best HOPE VI sites will attract middle-income childless singles and couples (as in Cincinnati and Washington) or moderate-income households (as in Baltimore) where the social benefits of mixing are uncertain. To attract middle-income households to near-downtown and inner-city locations is likely to require a combination of place-based magnet schools, crime reduction, and market incentives to attract such households.<sup>61</sup> Additional research is needed on the effectiveness of such strategies.

Finally, our research suggests that it may be more difficult than most people realize to translate physical proximity between middle/moderate and low-income people into positive social interaction. In Louisville, TCB has experienced difficulty bringing together owners and renters in the same resident association because they have different interests. Consequently TCB has had to create separate associations for owners and renters. In Cincinnati, TCB has focused its efforts on below market-rate households and has not implemented special programs to promote mingling between lower-income renters with children and childless market-rate owners; differences in family structure may preclude meaningful interaction between the two groups. Although a Community Management Association was created for the Terraces (Baltimore) to promote interaction between owners and renters, there has been a considerable level of tension between these groups. Low-income renters complain that the townhouse owners (some of whom

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<sup>61</sup> The Schools and Housing Opportunities Initiative of the U.S. Department of Justice (2000) goes a long way toward responding to our recommendations. "The initiative's primary objective is to develop and implement housing remedies that expand housing opportunities for persons of all races, particularly in communities with school desegregation plans. These remedies may include housing counseling programs, marketing campaigns, subsidized housing mobility programs, home buyer and renter clinics, down payment assistance and mortgage credit programs and other housing remedies that expand housing choice." Unfortunately the web site has not been updated since March 1, 2000 and our attempts to obtain more information about the initiative were unsuccessful.

previous lived in public housing) act too “uppity” and that they (the low-income renters) were not consulted on key maintenance and upkeep issues. The Housing Authority of Baltimore is currently trying to unify what is now a divided camp. One key implication of the preceding is that policymakers and politicians ought to be more realistic about what HOPE VI can and cannot accomplish even if owners and renters live in close proximity.

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