

A Call for Balanced Redevelopment

The issue for communit[ies] is not simply coming out for or against growth but getting the right kind of growth. (Fainstein & Fainstein, 1991, 317)

Purpose

The purpose of this paper is to assist in the initiation of a community dialogue and planning process for the redevelopment taking place in and around the Park Avenue neighborhood that brings to the table all relevant stakeholders – residents, civic leaders, developers, businesses, organizations, and local and state government. Our goal is the formation of a balanced and comprehensive development plan that assures the social and economic benefits of development are experienced by new and old residents, businesses, and property owners alike.

We hope the information herein will both underscore the critical need for this community planning process, the value of the existing social fabric in the community, and be a strong foundation to begin a productive, realistic conversation around viable options.

In addition, we hope this document will assist in fostering civil, informed, and constructive dialogue around the topic of redevelopment throughout Omaha.

Park Avenue

Park Avenue – composed of the Ford Birthsite and Leavenworth neighborhoods – prides itself on being one of the most diverse and historically rich areas in our community and, as such, has experienced a surge of reinvestment and redevelopment. In fact, Park Avenue meets the common criteria for redevelopment in nearly every way. Below is a “checklist” offered by Rose (2002) that may be used as a predictor for redevelopment efforts:

- High proportion of renters
- Ease of access to job centers (freeways, public transit, reverse commutes, etc.)
- Location in a region with increasing levels of metropolitan congestion
- Comparatively low housing values, particularly for housing stock with architectural merit

Park Avenue has a renter occupancy of 77 percent; sits directly adjacent to a highway, an interstate, and the primary arterial in Omaha; is positioned in proximity to a new, mixed-used development and a large, attractive public park; and has had relatively low housing values, many with desirable construction styles representative of 19th century architecture. As a result of its attractive location and amenities, Park Avenue is a strong candidate for redevelopment. However, initial redevelopment activities have come with both benefits and challenges.

The primary challenge presented by redevelopment in Park Avenue is the effect on low-income individuals and families. Current Census demographics report that 33 percent of residents, and 48 percent of minors, in Park Avenue live below the poverty line (Census, 2012). Unfortunately, as we have watched development progress, at times our

organization has witnessed a lack of sensitivity to existing, lower income residents in the neighborhood whom we know and work with on a regular basis. We are supportive of redevelopment when done in a manner that respectfully considers and engages the surrounding community and those directly and indirectly impacted by the change.

The challenge, therefore, is to foster redevelopment in this area that takes advantage of surging reinvestment while assuring that the benefits of economic growth are shared by new and old residents alike.

The Context of Urban Redevelopment

An important starting place in a conversation about development is to understand the urban context that undergirds our current development patterns. Because a great deal of information is readily available on this topic, only a brief summation is provided below:

- During the Industrial Era of the 19th and 20th centuries, populations began migrating from rural areas to urban areas. Due to transportation limitations, urban populations clustered closely together creating high density near factory workplaces.
- In the mid-20th century, several issues led to urban sprawl and suburbanization, including a dramatic increase in mobility (due largely to greater affordability of the automobile and the federal highway system) and a newfound affordability for homeownership (thanks largely to the G.I. Bill and standardized building practices).
- In the mid- and late 20th century, urban core areas underwent a period of urban decay – a phenomenon wherein households remaining in city centers suffered from the ill affects of a lost tax base and social marginalization. Urban decay was not a natural phenomenon but one supported both by federal programs and marketing practices that included redlining, “urban renewal,” and other overt and subvert social steering endeavors. The overwhelming majority of those who suffered from the effects of urban decay were low-income people, primarily minority populations (Gillham, 2002, p. 133).
- In the late-20th century and early-21st century, urban areas began to regain their popularity, resulting in a resurgence of the city. Many individuals and families who once took great lengths to escape the city now took advantage of the freedom afforded by their social mobility to move back into the urban core. Neighborhoods once solely populated by low-income people and ethnic minorities began to experience both the benefits and detriments associated with this trend. Concurrent to the increase in redeveloped, market-rate housing stock in urban areas has been the steady, 35-year decrease in federal and local investment in in HUD and low-income housing (Rose, 2002).

Urban redevelopment, as we know it today, has often resulted in “gentrification,” and it is critical to any conversation surrounding urban development to have a proper (and, ideally, shared) understanding of the term. One standard definition of gentrification reads, “The buying and renovation of houses and stores in deteriorated urban neighborhoods by upper or middle income families or individuals, thus improving property values but often displacing low income families and small businesses” (dictionary.com).

Godsil (2014) argues that gentrification is in affect “when rental and home purchase prices have increased by 25% over a two-year period” (p.8), but it is also important to note that there are various degrees of gentrification ranging from early-stage gentrification, as we see in most mid-size cities today, to “super-gentrification” (i.e. total gentrification of an entire neighborhood), as has been documented in places such as Brooklyn Heights, New York (Lees, 2008, 403). Therefore, even with a shared definition of what gentrification is there can be confusion or disagreement on its actual existence within a particular context.

It is important to note in these and similar definitions, that gentrification is a *neutral* phenomenon, referring simply to market trends. Unfortunately the term has taken on a largely negative connotation over the last several decades but, as a stand-alone term, it is neither “bad” nor “good.” That said, the functional outcome can be positive, negative, or both. This is a necessary clarification to make prior to any meaningful dialogue on the subject.

The Pros and Cons of Urban Redevelopment

Now that gentrification has been defined we can begin to evaluate some of common “pros” and “cons” associated with it:

- Pros
 - Beautified and strengthened housing stock
 - Increased property values
 - Vacant properties become occupied
 - Economic development (attraction of new businesses)
 - Increased availability of “workforce housing” to support growing, urban-based industry
 - Increased tax base (resulting in better schools, etc.)
 - Reversal of central-city decline
- Cons
 - Upward pressure on rental and housing prices, resulting in scarcity of affordable housing¹
 - Displacement of “in-place” residents and small businesses
 - Loss of existing social and cultural capital
 - Economic and social marginalization of low-income and minority residents
 - Possible resentment and community conflict

In view of the pros and cons, *the question is not how to deter urban redevelopment but rather how to promote urban development in a way that capitalizes on the benefits while mitigating the negative consequences result when left unchecked.*

The Critical Nature of Displacement

¹ Increased rental and housing prices are not necessarily negative affects of urban redevelopment, as long as they do not result in displacement and loss of cultural/social capital.

The critical issue of resident displacement deserves special attention.

Displacement of in-place residents is undesirable first for the simple humanitarian reason that it undermines the autonomy of individuals and families through “forced,” unwanted relocation².

One example of this lost autonomy on a mass scale was the Temple Courts redevelopment in Washington D.C., where only 22 of more than 200 families displaced had the means or fortitude to return home following the project’s completion (Khalek, 2014). Of course, not all in-place residents are subject to displacement due to gentrification. In fact, one study (Freeman, 2005) suggested that in-place residents actually benefitted from the outcomes of redevelopment. However, certain populations are more vulnerable to displacement than others, including low-income, elderly, disabled, and those without rent-stabilized apartments (Sullivan, 2014). Individuals in these groups are often left with no choice to remain in their neighborhood and no opportunity to benefit from its development.

Personal stories, however, can get lost in discussion of vague demographic groups. A friend of inCOMMON, Gary, was evicted from his apartment with the minimum 30-day notice in the spring of 2014. After quickly reshuffling to a nearby apartment, Gary was again evicted (this time not due to redevelopment) and is currently living in a homeless shelter at the time of this writing. Countless stories like this have been heard again and again in neighborhoods experiencing similar changes³. With several development projects completed in Park Avenue, we are starting to hear more of these concrete stories here. There is already a destabilizing undercurrent of uncertainty and fear among residents. In a random survey administered by volunteers at inCOMMON, over 35 percent of the 143 respondents reported that “eviction due to redevelopment is a concern for me” (Community Needs Survey, 2014).

Further, when observed through the lens of the historical context of urban redevelopment, displacement of residents is clearly connected to issues of social and racial justice. People who were once “abandoned” to the urban core through lack of choice are again being excluded, this time through unwanted relocation, now that the urban space has had a resurgence in its perceived value. In both situations, the decisions and actions of those holding political and economic power have directly shaped the security, stability, and wellbeing of those without. Creating a new, more just paradigm requires actively, intentionally seeking the voice of those who are often left voiceless and involving them in shaping their community and future.

Another detrimental result of displacement is the loss of cultural capital. If ignored, displacement of in-place residents by gentrifying newcomers can result in the homogenization of neighborhoods by affluent, socially mobile populations. The resulting population replacement oftentimes leads to the loss of a preexisting and vibrant neighborhood culture. Beyond the social and anthropological considerations of such actions, cultural or “vernacular” capital has been shown to be a critical element within successful community and economic development (Carr & Servon, 2009, p. 28). In other

² See the Dudley Street Neighborhood Initiative’s “Declaration of Community Rights” (DSNI, 1993).

³ Some communities have even begun to document and share stories in an effort to make known the personal effects, and autonomy lost, in the midst of redevelopment. See <http://www.shapingsf.org>.

words, a neighborhood's strong cultural identity makes it more desirable and increases residents' sense of ownership. Ironically, as a neighborhood gentrifies it can begin to lose much of the flavor that at first attracted and catalyzed initial redevelopment investment.

Strategically-planned and balanced redevelopment efforts can preserve the heart of a community in a way that benefits all stakeholders – existing residents, new residents, developers, and municipal governments.

Several areas across the country have successfully “employed a cultural preservation approach to urban economic development,” such as the U Street Corridor in Washington, DC, District del Sol in St. Paul, Minnesota, Mercado Central and Midtown Global market in Minneapolis, Minnesota, Market Creek Plaza in San Diego, California, and Chinatown in Honolulu, Hawaii (Carr & Servon, 2009, p. 31). If the cultural identity of a neighborhood is preserved and leveraged, “An economic strategy grounded in vernacular culture [can] achieve a balance between small, culturally diverse businesses and larger chain establishments, develop and celebrate the historical character and nature of the community to make it attractive to residents and investors, and foster uniqueness that serves the needs of the resident community and likely attracts outside shoppers and tourists as well” (Carr & Servon, 2009, p. 30).

A Call for Balanced Redevelopment

With both these historical and present realities in mind, we are asking civic leaders and developers to partner with existing residents and stakeholders in utilizing balanced development strategies that respect the surrounding community and assure that the social and economic benefits of development are experienced by new and old residents alike. What does this look like?

- People-Centered Redevelopment
 - In contrast to hyper pro-development models that promote the progress of the built environment as absolute, redevelopment efforts should consider the value of people within neighborhoods. Strong and successful communities are composed of both quality building stock *and* invested residents. As such, the values and opinions of residents should be sought prior and during projects that affect their neighborhood. Furthermore, residents must not be viewed as isolated individuals disconnected from the surrounding community⁴. Above all else, neighborhoods are a network of people with intertwined histories, relationships, and shared experiences that together make up an irreplaceable kind of quality of life.
- Holistic, Planned Redevelopment
 - In contrast to siloed, ad hoc endeavors, redevelopment efforts should follow and add value to a comprehensive neighborhood plan⁵. Redevelopment

⁴ For example, relocating an existing resident into a new (and even higher quality) apartment/house is not necessarily a lateral transaction, due to the loss of social networks and sense of belonging and security.

⁵ This is not to be critical of the work and risk assumed by initial redevelopment efforts. This leading step of re-investment represents the beginning of the planning process and establishes the “proof of concept” required for future endeavors.

projects, particularly larger-scale apartment and commercial buildings, do not result in autonomous, stand-alone structures. They either fit in or contrast with the surrounding built, natural, and social environment. Redevelopment efforts should consider the full spectrum of a neighborhood or community – social, cultural, environmental, economic, and physical. This calls for a deeper consideration of the effect of development that balances short-term, financial return with long term community strength. We desire to help build and ultimately live in neighborhoods that are thoughtfully and proactively planned for both present and future generations. Our belief is that neighborhoods that promote holistic development maintain their value for the long-run.

Available Tools for Balanced Redevelopment

The lack of quality, affordable housing in gentrified neighborhoods is a natural result of the free market. However, in order to build diverse, economically strong, holistically healthy communities, we must pursue a different outcome. By definition, correction will not come via laissez faire economics but through intentional intervention. In other words, proactive, non-market driven action must be taken.

A different approach *is* possible. Communities around the country have successfully utilized many of the tools and best practices below to cultivate balanced development and minimize adverse effects on changing communities⁶:

Involve the Community

- Community Planning
 - Allow the community to provide input into the redevelopment plan.
- Educate the community on available options and opportunities
- Create organized bodies and partnerships to mitigate the damaging effects of gentrification and displacement
 - Displacement Free Zones (DFZ) are grassroots “efforts to hold the line against displacement through... tenants rights workshops, legal assistance, tenant organizing, and campaigns for protective policies” (Strategic Actions for a Just Economy, n.d.).

Create and Preserve the Supply of Affordable Housing for All Incomes

- Incentives (i.e. tax breaks and credits) for planners, developers, and local governments to control displacement, such as the Brownfield Tax Incentive⁷.
- Mixed-Income Housing Communities
 - Mixed-income housing for infill development projects can leverage developer incentives and increased residential density.
- Community Land Trust (CLT)

⁶ More details available at the CDC’s Healthy Places Web Portal: http://www.cdc.gov/healthyplaces/healthtopics/gentrification_strategies.htm Organized in categories offered by Rose (2001).

⁷ <http://www.epa.gov/brownfields/index.html>

- A private, nonprofit corporation created to develop and steward land and housing for community that permanently reserves land for income-eligible residents (policylink).
- Inclusionary Zoning (IZ)
 - “Land use regulation mandating a percentage or the housing units in all larger projects be affordable to people of low and moderate incomes” (policylink). In turn, developers receive cost offsets.
- Retention of Subsidized Housing
 - Preserving affordable rental units by protecting subsidized housing units with expiring Section 8 contracts.
- Just Cause Eviction Control and Rent Controls
 - “Laws that protect renters by ensuring that landlords can only evict with proper cause, such as a tenant’s failure to pay rent or destruction of property” (policylink).

Support Policies that Increase Resident Income and Assets

- Low-Cost Loans (Below Market Rate Loans)
 - “A very low-cost guaranteed loan with a minimal down-payment to allow for purchase of a home” to existing residents (Godsil, 2014, p. 9)
- Code enforcement policies that assist homeowners with making improvements
- Limited –Equity Housing Cooperative
 - A housing development that provides a method for renters to acquire their buildings and share in permanently affordable and democratically-controlled home ownership opportunities.
- Education and Skill Development
 - Explore opportunities and resources for job creation and training within the development planning

Explore Alternative Financing Strategies

- Housing Vouchers
 - “Issu[ance] of a voucher to cover increased rental costs to all renters able to establish that they lived or operated a business in the neighborhood for a set number of years” (Godsil, 2014, p. 8).
- Housing Trust Funds
 - “Distinct funds established by cities, counties and states that dedicate sources of revenue to support affordable housing. HTF are usually created by legislation or ordinance” (policylink).

Although some of the aforementioned tools are already being implemented in our community, they oftentimes go underutilized due to either inherent or contextual challenges. It is important to note that not only does each tool inherently possess varying strengths, weaknesses, and scale of impact, each neighborhood (and political environment) is unique, and therefore, tools that are effective in one geography may not be effective or appropriate in another. Accordingly, policy design and contextualization are of upmost importance in both selecting and implementing the right tools and strategies for balanced development.

That said, the first element – involving the community – is probably the most important. We are just now beginning to see the signs of displacement in Park Avenue, and involving the community now – early on – is critical. In-place Park Avenue residents should feel empowered to prevent displacement, have a say in how the neighborhood will change, and prosper as it does.

Again, the goal is not to sabotage market-rate development, but to seek a form of development that is people-centered, holistic, and planned.

Call to Action: Neighborhood Masterplan

In accordance with these values, we believe the first step in any redevelopment effort is to have a cohesive plan. *This document does not argue for the use of a particular tool – or even for a particular ratio of market-rate, low-income, and mix-developments within a neighborhood – but for the establishment of a holistic, people-centered plan created by all neighborhood stakeholders: developers, businesses, organizations, institutions, government, and, of course, residents themselves. In its most basic form, this neighborhood master plan would be used to inform, guide, and, where necessary, critique redevelopment efforts*⁸.

This document calls for a reimagined and democratic form of redevelopment in our historic neighborhoods that thoughtfully and creatively weaves together the diverse range of desires, motivations, and dreams that reside there. Without such a process and plan the voice of those who lack power – those who are poor and oftentimes members of minority populations – will go unheard, inevitably resulting in inequitable and inhumane displacement practices and, thus, the dissolution of what might otherwise become a truly vibrant, diverse, and “beloved” community (King, 1957)⁹.

⁸ The Dudley Street Neighborhood Initiative is an example of a successful comprehensive revitalization plan (DSNI, n.d.).

⁹ This paper is intended to be a “living” document. In addition to updates and edits that will arise via ongoing feedback and dialogue, future editions should consider including explicit steps for developing the proposed neighborhood master plan.

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