

An aerial photograph of a city skyline, featuring several prominent skyscrapers and a dense urban landscape. The image is slightly hazy, giving it a soft, atmospheric feel. The text is overlaid on the top half of the image.

# Thanks to the following people for their help and support in making this panel possible:

- The Honorable Annise Parker
- Andy Icken, Chief Development Officer
- Jim Noteware, Housing and Community Development Department
- George Greanias, John Sedlak, METRO
- Marlene Gafrick, Jesse Givens, Donald Perkins, Planning and Development Department
- Ann Taylor, Jonathan Brinsden, Lance Gilliam, ULI Houston



# Houston, Texas

The public sector role in  
creating places of lasting value



Urban Land  
Institute

Daniel Rose Center for Public Leadership in Land Use



# What is the Urban Land Institute?

Mission: Provide leadership in the responsible use of land and in creating and sustaining thriving communities worldwide.



30,000 members worldwide:

- Developers
- Investors, Bankers and Financiers
- Architects and Designers
- Public officials
- Academicians

ULI expertise:

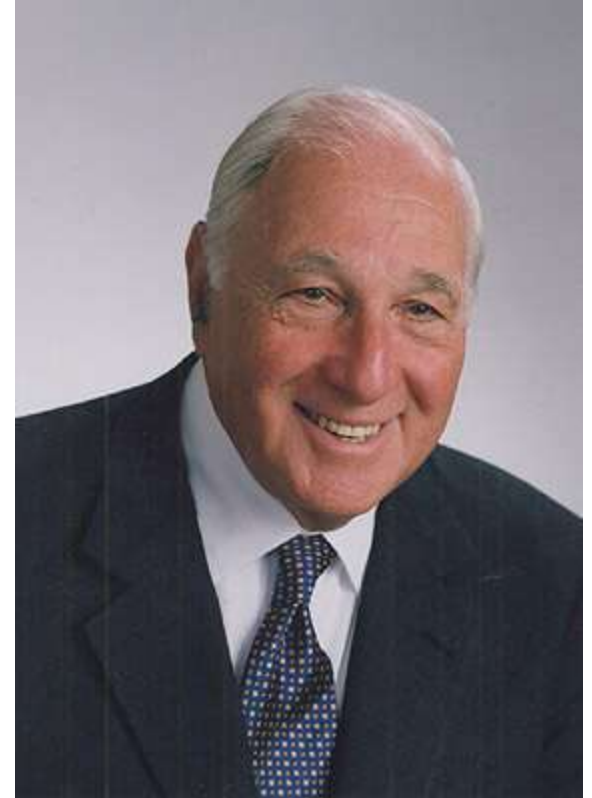
- Research
- Education
- Best practice
- Advisory panels
- Ideas exchange



# ULI Daniel Rose Center

for Public Leadership in Land Use

Mission: To encourage and support excellence in land use decision making. By providing public officials with access to information, best practices, peer networks and other resources, the Rose Center seeks to foster creative, efficient, practical, and sustainable land use policies.



Daniel Rose Center for Public Leadership in Land Use



# Rose Center Staff

- Executive Director: Jess Zimbabwe
- Fellowship Director: Gideon Berger
- ULI support staff: Sarah Jo Peterson, Alison Johnson

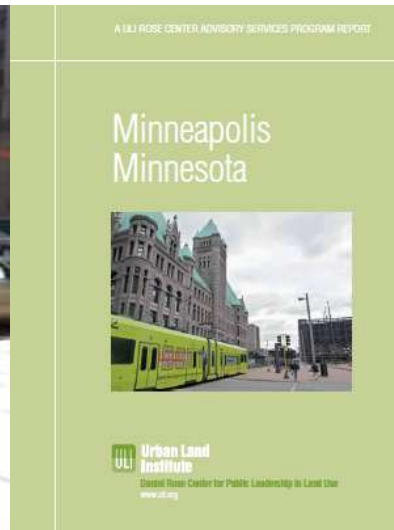
# Daniel Rose Fellowship Program

- Four cities selected for yearlong program of professional development, leadership training, assistance with a local land use challenge
- Mayor selects 3 fellows and team coordinator
- 2010-2011 class: Charlotte, Detroit, Houston, Sacramento



# City Study Visits

- Based on ULI Advisory Services Program
- Assembles experts to study land use challenge
- Provides city's fellowship team with framework and ideas to start addressing their challenge



# The Panel





# The Panel

- Co-Chair: Antonio Fiol-Silva, Principal, WRT, Philadelphia
- Co-Chair: Marilee Utter, President, Citiventure Associates, Denver
- Nadine Fogarty, Principal, Strategic Economics, Berkeley, CA
- Ana Gelabert, Harvard Loeb Fellow & Former Planning Director, Miami
- John Hodgson, President, The Hodgson Company, Sacramento (Rose Fellow)
- Jim Schumacher, Assistant City Manager, Charlotte (Rose Fellow)
- Olga Stella, VP for Business Development, Detroit Economic Growth Corporation (Rose Fellow)



# Problem Statement



How should the city approach the challenge of redeveloping deteriorating multifamily housing and prevent the spread of disinvestment to adjacent neighborhoods?



The background of the slide is a photograph of a residential street. On the left, a paved road curves into the distance. To the right of the road is a grassy area with a black metal fence. Behind the fence are several multi-story apartment buildings with light-colored siding and dark roofs. The sky is overcast with grey clouds.

## Presentation Outline

1. Observations (John Hodgson)
2. Immediate actions/triage (Jim Schumacher)
3. Taking a step back (Antonio Fiol-Silva)
4. Building competitive neighborhoods (Ana Gelabert)
5. Role of the public sector (Nadine Fogarty)
6. Next Steps (Olga Stella)



# Observations: Public leadership

- Experienced new team
- Seeking partnerships with private sector
- Working to break down silos
- Strong backgrounds in the public and private sectors
- Results oriented
- Tough job ahead
  - Economy
  - Administrative accountability

A map of Houston, Texas, showing major highways and city boundaries. The map is overlaid with a semi-transparent text box containing a list of observations. The map features several highways, including I-45, I-610, I-290, and US-249. The city limits are outlined in red, and the surrounding area is shaded in light blue. The text box is positioned in the upper left quadrant of the map.

# Observations: Houston

- Three rings define the city and metro area:
  - Inside 610 loop: revitalizing downtown
  - Between 610 and 8: central location but older housing and retail areas; limited amenities
  - Edge: new communities and subdivisions
- Stable neighborhoods of single-family homes
- Oversupply of Class B and C apartments
- Percentage of multi-family housing is not unusual

# Observation: Houston's Housing Mix Compared to Other Cities

	Percent multi-family	Percent rental
Miami	62%	65%
Atlanta	53%	48%
Dallas	51%	55%
Houston	48%	53%
Phoenix	35%	41%

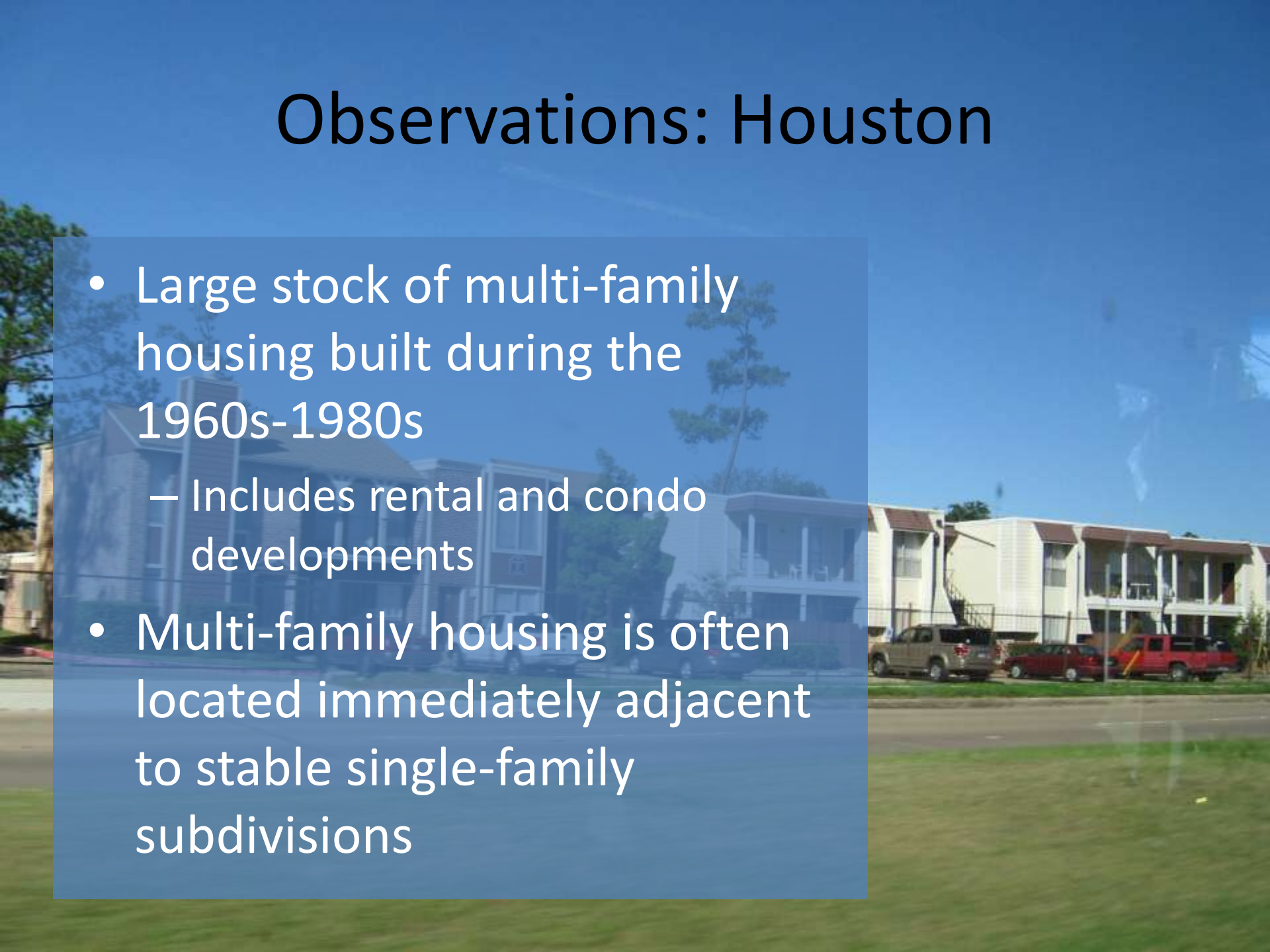
Source: American Community Survey, 2009

Multi-family housing includes dwellings with two or more units and mobile homes



# Observations: Houston

- Large stock of multi-family housing built during the 1960s-1980s
  - Includes rental and condo developments
- Multi-family housing is often located immediately adjacent to stable single-family subdivisions



# Observations: Houston

- Aging multi-family housing and retail areas line many corridors that are the gateways to the single-family subdivisions
- Strategies used thus far to maintain the attractiveness of the multi-family housing
  - Code enforcement
  - Rehabilitation assistance
  - Demolition

# Observations: Broadway Corridor

- Assets: Good bones, Hobby airport and transit service, including potential light rail service
- Blight is limited – at this time just a few properties
- Demographics of the multi-family housing changing the needs of neighborhood – i.e. reconstructing the school
- Limited neighborhood retail
- Few parks and recreation opportunities evident
- Hobby Airport Environs Image Plan in 2003 calling for more commercial development
- CIP in place to widen and redo the street
- Hobby Area Management District under development
- Proposed historic district
- Stable for now ...



# Observations: Antoine Corridor

- Problems of the multi-family buildings are more acute
- Market-rate, healthy housing adjacent to abandoned buildings
- Crime and safety issues
- Reaching the stage of demolition
- Uncertainty about what comes after demolition
- Diminished expectations of the home-owners
  - Amenities
  - Retail
  - Concern about property values
- Lack of parks, closed golf course
- Strong north-south bus service
- Near Northwest Management District in place and Greater Inwood Partnership is active



The background of the slide is a photograph of a residential street. On the left, a paved road curves into the distance. To the right of the road is a grassy area with a black metal fence. Behind the fence are several multi-story apartment buildings with light-colored siding and dark roofs. The sky is overcast with grey clouds.

## Presentation Outline

1. Observations (John Hodgson)
2. Immediate actions/triage (Jim Schumacher)
3. Taking a step back (Antonio Fiol-Silva)
4. Building competitive neighborhoods (Ana Gelabert)
5. Role of the public sector (Nadine Fogarty)
6. Do it (Olga Stella)



# Immediate Actions: Triage of Multi-family Developments

Goal: “Stop the bleeding and stabilize”

- Safety of residents
- Stabilize or remove problem developments
- Create platform for new private investment





# Potential Immediate Actions

- Aggressive enforcement of minimum housing codes
- Update and enforce multi-family registration program

# Potential Immediate Actions

Identify developments that can be stabilized through:

- Reinvestment of CDBG and other public funds
- Reducing crime through a security remedial plan
- Supporting an interested and capable owner
- Placing the property in receivership

# Potential Immediate Actions

Identify developments that cannot/should not be saved, resulting in:

- Demolition
- Purchase for floodplain/park/open space
- Purchase for public facility, such as library, school, community center (in partnership between departments and with other public entities)
- Position for future private sector development - new housing or other uses



The background of the slide is a photograph of a residential street. On the left, a paved road curves into the distance. To the right of the road is a grassy area with a black metal fence. Behind the fence are several multi-story apartment buildings with light-colored siding and dark roofs. The sky is overcast with grey clouds.

## Presentation Outline

1. Observations (John Hodgson)
2. Immediate actions/triage (Jim Schumacher)
3. Taking a step back (Antonio Fiol-Silva)
4. Building competitive neighborhoods (Ana Gelabert)
5. Role of the public sector (Nadine Fogarty)
6. Next steps (Olga Stella)

# Take a step back – the big picture

- Houston's advantage is its diverse economic base
- Becoming a “young adult” – need to address different growth issues than a “teenager”
- New housing products are a better investment than upgrading old buildings (i.e., “don't throw good money after bad”)
- City must strategically invest to compete
- Investments set the table for private investors
- A competitive city is comprised of competitive neighborhoods

# What if ...

- The private sector could be stirred to competitively reposition and expand their offering of multi-family housing options ...



What if ...



# What if ...

- Community Development strategies informed the reconfiguration of non-performing multi-family housing stock in a way that created more stable and livable neighborhoods...



What if ...





# What if ...

- Transit could play a more significant role in spurring the redevelopment of the existing multi-family housing stock...

What if ...



# What if ...

- Open Spaces could play a role in spurring the redevelopment of neighborhoods, help achieve greater cohesiveness between single and multi-family residents, and provide a shared sense of place ...



What if ...





The background of the slide is a photograph of a residential street. On the left, a paved road curves into the distance. To the right of the road is a grassy area with a black metal fence. Behind the fence are several multi-story apartment buildings with light-colored siding and dark brick accents. The sky is overcast with grey clouds.

## Presentation Outline

1. Observations (John Hodgson)
2. Immediate actions/triage (Jim Schumacher)
3. Taking a step back (Antonio Fiol-Silva)
4. **Building competitive neighborhoods (Ana Gelabert)**
5. Role of the public sector (Nadine Fogarty)
6. Next steps (Olga Stella)

# Long-Term: Components of a Competitive Neighborhood

Solution goes beyond dealing with blighted properties

- A range of housing opportunities and choices (e.g., townhomes)
- A strong sense of place and identity
- Mix of different land uses
- A walkable neighborhood
- Resident-serving retail and services
- Neighborhood parks and recreational opportunities
- Quality educational facilities and libraries
- Variety of transportation choices
- Local job opportunities
- Broad community and stakeholder participation



# Houston Community Preferences

2010 Houston Area Survey (Rice University):

- 80% support future growth by redeveloping older urban areas
- 73% want better land use planning
- 52% support more spending on transit
- 41% want smaller homes and walkable neighborhoods

The background of the slide is a photograph of a residential street. On the left, a paved road curves into the distance. To the right of the road is a grassy area with a black metal fence. Behind the fence are several multi-story apartment buildings with light-colored siding and dark roofs. The sky is overcast with grey clouds.

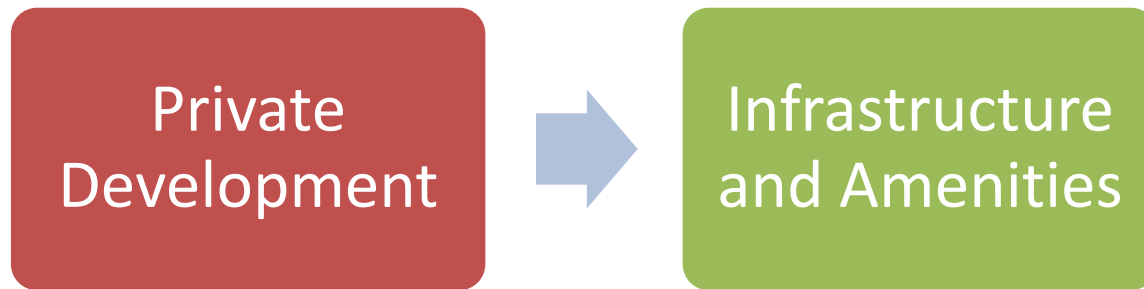
## Presentation Outline

1. Observations (John Hodgson)
2. Immediate actions/triage (Jim Schumacher)
3. Taking a step back (Antonio Fiol-Silva)
4. Building competitive neighborhoods (Ana Gelabert)
5. Role of the public sector (Nadine Fogarty)
6. Next steps (Olga Stella)

# Getting there:

## The changing role of the public sector

### In a hot market:



### In a cool market:





# Targeted Public Sector Investments Create Value

## For example:

- **Parks and recreation:** proximity to neighborhood parks is associated with a 13% increase in home values (Greenville, SC)
- **Neighborhood Retail and Grocery:** proximity of walkable amenities was associated with between a \$700 and \$3,000 increase in home values (national comparison study)
- **Transportation Choices:** proximity to quality transit increases property values (2-25%)
- **Streetscape:** streetscape improvements are associated with a 28% increase in home value (Philadelphia, PA)

# Targeting and Prioritizing Activities to Attract Private Investment

- Work with community to define vision and needs to support high quality of life
- Closely examine market to identify longer-term development potential
- Consider role of transit in enhancing market value and quality of life
- Find community partners to play key roles (e.g., CDCs, non-profits, lenders, private developers, foundations)

The background of the slide is a photograph of a residential street. On the left, a paved road curves into the distance. To the right of the road is a grassy area with a black metal fence. Behind the fence are several multi-story apartment buildings with light-colored siding and dark roofs. The sky is overcast with grey clouds. The title 'Presentation Outline' is overlaid in red text on the left side of the image.

## Presentation Outline

1. Observations (John Hodgson)
2. Immediate actions/triage (Jim Schumacher)
3. Taking a step back (Antonio Fiol-Silva)
4. Building competitive neighborhoods (Ana Gelabert)
5. Role of the public sector (Nadine Fogarty)
6. Next steps (Olga Stella)



# Next Steps

- Set high-level priorities for neighborhood revitalization
  - What is meant by success?
  - How will it be measured?

# Next Steps

- Design solutions based on desired neighborhood outcomes, not on current department functions
  - Try to understand the real drivers of persistent neighborhood problems
  - What can each department contribute to the solutions?

# Next Steps

- Select at least one neighborhood to demonstrate a collaborative multi-agency approach to neighborhood revitalization
- Begin to create the elements of a comprehensive neighborhood revitalization plan (e.g., housing, amenities, infrastructure, connectivity to jobs)



# Concluding Thoughts

- City is on the right track
- Need to focus on more than one dimension while recognizing City can't solve everything immediately
- There are short-term needs, but this is a long-term effort
- The policy question for Houston: What is the public sector role in a market-driven strategy to create places of lasting value?

# The following people took the time to discuss their perspectives with our panel:

City Councilmember Jarvis Johnson | City Councilmember Brenda Stardig | Corrie Rae, Council District A | Debbie Harlow, Greater Inwood Partnership | Mike Carpenter, Near Northwest Management District | Eric Barvin, The Barvin Group LLC | Danny Perkins, Hobby Airport Chamber of Commerce | Joy Horak-Brown, New Hope Housing | Stephan Fairchild, Covenant Community Capital | Tim Williamson, Wells Fargo Bank | Greg Erwin, Winstead Attorneys | Cassie Stinson, Kelly, Hart & Hallman, LLP | Laura Bailey, Capital One | Gary Altergott, Morris Architects | Edwin Friedrichs, Walter P Moore | Reid Wilson, Wilson, Cribbs & Goren PC | Clint Harbert, METRO | Kimberly Slaughter, METRO | Jeffrey Smith, Houston Housing Finance Corporation | Javier Montoya, Houston Police Department | Tom Allen, Houston Legal Department | David Kim, HCD | Teresa Geisheker, P&D | Shawn McCoy, P&D