

Houston Texas



**Urban Land
Institute**

Daniel Rose Center for Public Leadership in Land Use

www.uli.org

Houston Texas

The Public Sector Role in a Market-Driven Strategy
to Create Places of Lasting Value

December 6–9, 2010
A ULI Daniel Rose Fellowship Program City Study Visit Report

Urban Land Institute
Daniel Rose Center for Public Leadership in Land Use
1025 Thomas Jefferson Street, NW
Suite 500 West
Washington, DC 20007-5201

About the Urban Land Institute

The mission of the Urban Land Institute is to provide leadership in the responsible use of land and in creating and sustaining thriving communities worldwide. ULI is committed to

- Bringing together leaders from across the fields of real estate and land use policy to exchange best practices and serve community needs;
- Fostering collaboration within and beyond ULI's membership through mentoring, dialogue, and problem solving;
- Exploring issues of urbanization, conservation, regeneration, land use, capital formation, and sustainable development;
- Advancing land use policies and design practices that respect the uniqueness of both built and natural environments;
- Sharing knowledge through education, applied research, publishing, and electronic media; and
- Sustaining a diverse global network of local practice and advisory efforts that address current and future challenges.

Established in 1936, the Institute today has nearly 30,000 members worldwide, representing the entire spectrum of the land use and development disciplines. Professionals represented include developers, builders, property owners, investors, architects, public officials, planners, real estate brokers, appraisers, attorneys, engineers, financiers, academics, students, and librarians.

ULI relies heavily on the experience of its members. It is through member involvement and information resources that ULI has been able to set standards of excellence in development practice. The Institute has long been recognized as one of the world's most respected and widely quoted sources of objective information on urban planning, growth, and development.

©2011 by the Urban Land Institute
1025 Thomas Jefferson Street, NW
Suite 500 West
Washington, DC 20007-5201

All rights reserved. Reproduction or use of the whole or any part of the contents without written permission of the copyright holder is prohibited.

Cover photo: Urban Land Institute.

About the ULI Rose Center

The mission of the ULI Daniel Rose Center for Public Leadership in Land Use is 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, chairman of Rose Associates, Inc., in New York City, committed \$5 million in 2008 to create the center. Rose Associates operates throughout the East Coast as developer and manager of more than 30 million square feet of major office towers, commercial retail centers, mixed-use complexes, and high-rise residential buildings. Rose has pursued a career involving a broad range of professional, civic, and nonprofit activities.

The Daniel Rose Fellowship is the flagship program of the Rose Center. The Rose Fellowship is a yearlong program (from fall of the first year to fall of the next) intended to benefit the selected individual fellows through leadership training and professional development opportunities and to benefit their respective fellowship cities through technical assistance on a local land use challenge. The Rose Fellowship focuses on leadership, integrated problem solving, public/private collaboration, and peer-to-peer learning.

For the 2010–2011 fellowship year, the Rose Center invited the mayors of Charlotte, Detroit, Houston, and Sacramento to participate. Each mayor selected three additional fellows and a coordinator to serve as the Rose Fellowship team from his or her city. Each city's Rose Fellowship team selected a specific land use challenge for which they receive technical assistance.

During the city study visits, two assigned Rose Center faculty members, one fellow from each of the other three cities, and additional experts spent two half-days and two full days visiting each of the fellowship cities to learn about their land use challenge. Modeled after ULI's three-day Advisory Services panel, these visits include briefings from the host city's fellows and other local officials, a tour of the study area, and interviews with area stakeholders. The visits conclude with a presentation of initial observations and recommendations from the visiting panel of experts. Each city's fellowship team also works with their assigned faculty at the ULI Fall Meeting and two working retreats. Rose Center staff and faculty return later in the year to present formal recommendations to the mayor.

The Rose Center holds forums and workshops on topical land use issues for public sector leaders. These issues have included implementing sustainable development, neighborhood stabilization, and public financing for energy efficiency. In addition, the Rose Center provides a limited number of scholarships for public sector officials to attend the annual ULI fall meeting.

Rose Center Advisory Board

Joseph Rose, Chair
Partner
Georgetown Company
New York, New York

Seth Brown
Principal
Aspen Equities, LLC
Brooklyn, New York

Alex Garvin
President and CEO
Alex Garvin and Associates
Adjunct Professor
Yale University
New York, New York

Glenda E. Hood
President
Hood Partners, LLC
Orlando, Florida

William Hudnut III
Principal
Bill Hudnut Consultants, LLC
Chevy Chase, Maryland

Greg Johnson
President
Wright Runstad & Company
Seattle, Washington

Tom Murphy
Senior Resident Fellow
ULI/Klingbeil Family Chair for Urban Development
Washington, D.C.

Peter Rummell
Principal
Rummell Company, LLC
Jacksonville, Florida

Anthony A. Williams
Government Practice Executive Director
Corporate Executive Board
Arlington, Virginia

Rose Center Staff

Jess Zimbabwe
Executive Director
ULI Rose Center

Gideon Berger
Fellowship Director
ULI Rose Center

Alison Johnson
Program Manager
ULI Rose Center

Caroline Dietrich
Logistics Associate
ULI Education and Advisory Group

Sarah Jo Peterson
Senior Associate
ULI Infrastructure Initiative

ULI Publications Staff

James A. Mulligan
Managing Editor

Laura Glassman, Publications Professionals LLC
Manuscript Editor

Betsy VanBuskirk
Creative Director

Anne Morgan
Graphic Design

Craig Chapman
Director, Publishing Operations

Houston Rose Fellowship Team

Daniel Rose Fellows

Annise Parker
Mayor
City of Houston

George Greanias
President and CEO
Metropolitan Transit Authority of Harris County

Andy Icken
Chief Development Officer
City of Houston

Jim Noteware
Director, Department of Housing
and Community Development
City of Houston

Consulting Fellows

Marlene Gafrick
Director, Department of Planning and
Development
City of Houston

John Sedlak
Executive Vice President and Director
of Strategic Partnering
Metropolitan Transit Authority of Harris County

Fellowship Team Coordinator

Jesse Givens
Planner Leader, Department of
Planning and Development
City of Houston

Rose Center Houston Study Visit Panel

Rose Center Houston Faculty and Panel Cochairs

Antonio Fiol-Silva
Principal
Wallace Roberts & Todd, LLC
Philadelphia, Pennsylvania

Marilee Utter
President
Citiventure Associates, LLC
Denver, Colorado

Panelists

Nadine Fogarty
Principal
Strategic Economics
Berkeley, California

Ana Gelabert-Sanchez
Loeb Fellow
Harvard University
Miami, Florida

John Hodgson (Daniel Rose Fellow)
President
The Hodgson Company
Sacramento, California

Jim Schumacher (Rose Fellow Alternate)
Assistant City Manager
Charlotte, North Carolina

Olga Stella (Daniel Rose Fellow)
Vice President for Business Development
Detroit Economic Growth Corporation
Detroit, Michigan

Contents

Acknowledgments	8
Land Use Challenge and Summary of Recommendations	9
Citywide and Study Area Observations	13
Recommended Immediate Actions	19
The Big Picture: Building Competitive Neighborhoods	22
Public Sector Roles in Community Development	25
Next Steps and Concluding Thoughts	26
About the Fellows and the Panel	27

Acknowledgments

The ULI Rose Center would like to thank Houston mayor Annise Parker; the mayor's chief development officer, Andy Icken; Houston Housing and Community Development Department director Jim Noteware; and Houston METRO president and CEO George Greanias for agreeing to be Daniel Rose Fellows. The Rose Center also thanks Houston Planning and Development Department director Marlene Gafrick and Houston METRO executive vice president John Sedlak for serving as consulting fellows; Jesse Givens of the Houston Planning and Development Department for serving as the fellowship team coordinator; and all of them for hosting this Rose Center city study visit panel.

Special thanks go to Donald Perkins of the Houston Planning and Development Department; Kimberly Slaughter and Clint Harbert of Houston METRO; and Ann Taylor, Jonathan Brinsden, and Lance Gilliam of ULI Houston for their time and assistance during the panel's visit.

Interviews were conducted with numerous stakeholders, including elected officials; community and business organizations; representatives of the real estate, community development, and urban design professions; and staff from the city of Houston and Houston METRO. These stakeholders provided invaluable information and diverse perspectives that greatly aided the panel's understanding of the city's selected land use challenge. The panel thanks all those who gave their time to be part of the process.

Land Use Challenge and Summary of Recommendations

With nearly 2.1 million residents, according to the 2010 U.S. Census, Houston, Texas, is the fourth-largest city in the United States. The Houston metropolitan area is the sixth largest in the country, with almost 6 million people. Although the Houston region grew by more than 26 percent from 2000 to 2010, the city's population increased by only 7.5 percent over the same period, which means that the central city is growing less than 30 percent as fast as the region as a whole.

Metropolitan Houston's economy is driven by the oil and gas industry's high concentration of company headquarters and offices, international trade (it is the second-largest shipping port in the country) and all its associated transportation distribution and warehousing operations, and numerous medical centers and institutions of higher education. As in Texas as a whole (which has among the lowest housing costs in the nation), Houston was spared much of the real estate bubble that burst in the late 2000s; it has not seen the same degree of economic distress as other parts of the country. Unemployment in metro Houston was 8.2 percent in October 2010, compared to 9 percent nationwide, according to the U.S. Bureau of Labor Statistics. Perhaps more important to the housing market, the Houston metropolitan area had the fourth-lowest foreclosure rate in the nation in the third quarter of 2010 (with just fewer than 10,700 at a rate of one foreclosure per 209 housing units), according to RealtyTrac. Most important, job growth is increasing slowly but consistently.

At more than 654 square miles, the city of Houston covers an enormous geographic area. Although the city retains annexation authority to some extent, it is not always a feasible option, and more recently developed communities have not been annexed. Texas cities have extraterritorial jurisdiction (ETJ), based on population, so that development and infrastructure in unincorporated adjacent areas that rely on city services are built according to city standards.

Size Comparison



Houston's ETJ was established five miles from the city's boundary.

Houston has a strong tradition that it describes as pro-development: without formal land use-based (Euclidian) zoning, the private market drives development decisions and land use. The city has no framework for private and public investment decisions, such as a comprehensive plan that requires public participation and is voted on by the City Council, although ordinances regulate much of what zoning controls in other cities, such as setbacks, park space dedication, landscaping, parking, and access requirements. To protect the investments they have made in their homes from the potential threat of incompatible uses (or uses perceived to potentially lower their property values), homeowners use deed restrictions enforced through their civic associations.

Land Use Challenge

Deteriorating multifamily housing stock in Houston is creating blight conditions in some adjacent single-family neighborhoods. Houston experienced very rapid growth of its multifamily stock of wood-frame, garden rental developments with the oil boom of the late 1960s and early 1970s. Many of these multifamily developments have now exceeded the life expectancies of their construction, and the city is faced with multiple

At 656 square miles, Houston's geographic size dwarfs that of many large American cities. The area covered by nine major U.S. cities would fit within the Houston city limits.

Deteriorated multifamily developments are radiating blight in some Houston neighborhoods.



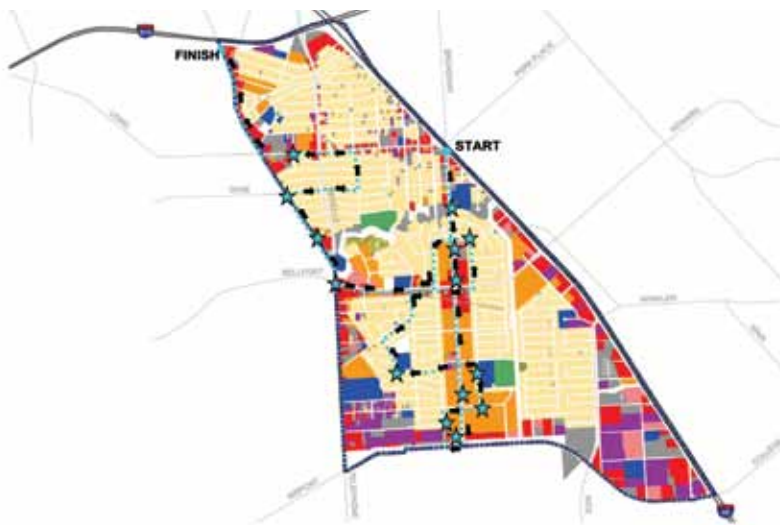
questions about how to prevent this trend of disinvestment from spreading into nearby healthy communities. In addition, recent hurricanes and tropical storms have caused significant damage to the city's multifamily housing stock, much of it still unrepaired. For their land use challenge, Houston's Rose Fellowship team asked the Rose Center to help them develop answers.

Although condemnation and demolition are a component of addressing the threat of dangerous buildings, the city views this approach as only one part of a larger potential strategy to strategically reposition relatively large vacant parcels. Houston is looking for new tools to redevelop dilapidated multifamily structures while creating community development initiatives to help resuscitate middle-class neighborhoods most at risk of decline. To optimize its efforts, the city of Houston has teamed with the Metropolitan Transit Authority of Harris County (Houston METRO) to create a multifaceted strategy to address this problem. Thus, Houston's fellowship team represents an interdepartmental and interorganizational approach.

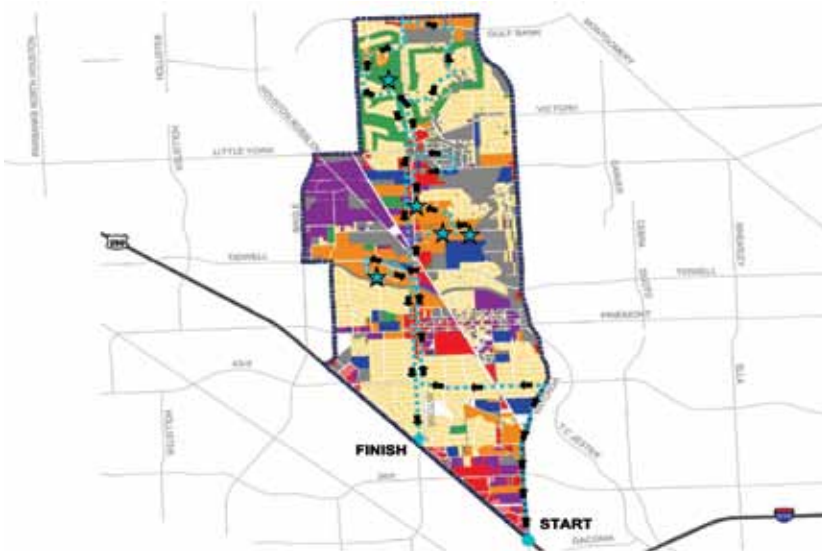
To develop an approach that the Houston Rose Fellowship team can replicate throughout different contexts within the city, the study visit examined two different communities dealing with this problem. The first lies within the Golfcrest/Bellfort/Reveille Super Neighborhood and is defined by the Broadway corridor north of Hobby Airport. This area has undergone study and review by METRO, which has developed transit alternatives for the future. The second area includes portions of the Central Northwest Super Neighborhood and the Greater Inwood Super Neighborhood. It is defined by the Antoine Drive corridor west of White Oak Bayou between Highway 290 and the city limit. Although this area also possesses high bus ridership, it is facing more immediate and challenging redevelopment needs than the Broadway corridor.

By addressing the problem of blight in middle-income neighborhoods caused by deteriorating multifamily structures, the city hopes to foster

2010 Land Use Classification for Broadway Street Area



2010 Land Use Classification for Antoine DeSoto Area



Middle: Land use along the Broadway corridor study area.

Bottom: Land use along the Antoine Road corridor study area.

and support healthy middle-income communities throughout Houston. After visiting the Broadway and Antoine corridors, the team of experts assembled by the Rose Center for the study visit saw the question of how the city should approach the challenge of redeveloping deteriorating multifamily housing to prevent the spread of disinvestment to adjacent neighborhoods as part of a broader policy issue for Houston: What should the public sector role be in a market-driven strategy to create places of lasting value?

Summary of Recommendations

As the new administration of Mayor Parker has recognized, a need exists to triage the numerous deteriorating multifamily developments in Houston. The immediate goal should be to “stop the bleeding” and stabilize areas where multifamily developments have become blighted eyesores and are allowing social problems to fester while alarming adjacent property owners, residents, and businesses. Many of these clusters of deteriorating multifamily structures are surrounded by still stable, large neighborhoods of middle-class single-family homes. Protecting the condition and viability of these homeownership neighborhoods is important for the city’s revitalization efforts.

The city can take several potential actions immediately, including aggressively enforcing minimum housing codes and updating and enforcing the existing multifamily registration program. It is important for the city to identify developments that can be stabilized through

- Reinvesting Community Development Block Grant (CDBG) and other public funds (in rehabilitation and other programs);
- Reducing crime through a security remedial plan;
- Supporting an interested and capable owner; and
- Placing properties in receivership.

In addition to rehabilitation strategies, just as important for the city will be to identify developments that cannot or should not be saved, resulting in

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



Rose Center study visit panel.

Although the city is on the right track in dealing with the immediate needs of these distressed multifamily properties, taking a step back to look at the big picture is crucial so the city can develop a comprehensive community development strategy for neighborhood revitalization. The panel posed a number of questions for Houston's Rose Fellowship team to consider when thinking about a comprehensive strategy:

- Can the private sector be stirred to competitively reposition and expand its offering of multifamily housing options?
- Could community development strategies inform the reconfiguration of nonperforming multifamily housing stock in a way that created more stable and livable neighborhoods?
- Could transit play a more significant role in spurring the redevelopment of the existing multifamily housing stock?
- Can open spaces play a role in spurring the redevelopment of neighborhoods, help achieve greater cohesiveness between single and multifamily residents, and provide a shared sense of place?

The city needs to lead a process for creating a long-term vision for how these study areas and places like them should evolve over time. The lack of strong private market interest in the study areas reflects the uncertainty of their future value (especially when compared to other development opportunities in the region). The panel suggested the following neighborhood community development framework or checklist for the city to consider:

- A range of housing opportunities and choices;
- A strong sense of place and identity;
- A mix of land uses;
- A walkable place;
- Resident-serving retail and services;
- Neighborhood parks and recreational opportunities;
- High-quality educational facilities and libraries;
- A variety of transportation choices;

- Local job opportunities; and
- Broad community and stakeholder participation.

For Houston today, the key question is: What is the appropriate role of the public sector in stabilizing and improving neighborhoods to stimulate the private market? If government makes targeted investments in infrastructure and amenities, it can help unlock the value for private investment. How a city targets and prioritizes these investments differs in every community, based on where the city can leverage the most private investment. The critical steps are the following:

- Working with the community to define the vision and needs to support a high quality of life;
- Closely examining the market to identify longer-term development potential from the private perspective;
- Carefully considering the role of transit in enhancing market value and quality of life; and
- Finding community partners to play key roles to advance the ball (for example, community development corporations, nonprofits, lenders, private developers, and foundations).

For Houston to achieve its community development goals, it needs to more thoroughly define what "success" will look like beyond the elimination of blighted properties. Developing real measures that the city and stakeholders can use to stay focused on the ongoing needs and implementation challenges will also be important.

The city will need to design solutions based on those desired outcomes, not on current department functions. The city should work to understand the real drivers of persistent neighborhood problems and ask what each department can contribute to those comprehensive solutions.

As a homework assignment, the panel suggests that the Houston Rose Fellowship team select at least one area to demonstrate a collaborative multiagency approach to neighborhood revitalization. Through this process, they can begin to create the elements of a comprehensive neighborhood revitalization plan, such as housing, amenities, infrastructure, and connectivity to jobs.

Citywide and Study Area Observations

The panel was briefed by Houston’s Rose Fellowship team, visited the two study area corridors—Broadway and Antoine Drive—and spoke with representatives of the neighborhoods, businesses, and development community as well as elected officials. This information leads the panel to the following observations.

Public Leadership

Under her new administration, Mayor Parker has assembled a team of leaders with diverse experience and capabilities to help Houston address its land use challenges and position itself as a place with competitive locational advantages for residents and businesses in a growing metropolitan area with a thriving regional economy. Several of these key personnel were named to the city’s Rose Fellowship team; they represent many years of leadership experience in both the public and private sectors.

The administration is working to break down silos both between public agencies and within city depart-

ments. Under the current leadership, a higher level of collaboration exists between the city and Houston METRO, the regional transit agency, which will be critical to help Houston attract reinvestment to parts of the city, as well as result in the development of new housing products that will bring new residents.

The Department of Housing and Community Development (HCD) disburses Houston’s federal entitlement funding, such as CDBGs and the Home Investment Trust Fund, which average about \$60 million annually. In recent years, the city has had nearly \$140 million in additional federal funding from disaster assistance funds in response to tropical storms and hurricanes that severely damaged homes and businesses in parts of Houston. Mayor Parker has urged the HCD to embrace its role in community development beyond providing public funding for the development or refurbishment of affordable and market-rate housing. To that end, the HCD is beginning to coordinate its efforts with those of the Planning and Development Department (P&D), the Department of Public Works, and others.



Houston’s Daniel Rose Fellows at 2010 ULI Fall Meeting in Washington, D.C.



The city of Houston does not currently have a comprehensive or general plan as is found in most American cities. P&D’s primary functions are to review plats for compliance with development codes and recommend action on platting applications to the Planning Commission, transportation planning, and neighborhood tools. Houston does not have traditional land use regulation—it is unique among American cities by not having a zoning code—although ordinances regulate much of what zoning controls in other cities, such as park space dedication, orientation, landscaping, parking, and access requirements.

Private deed restrictions, often formulated by residential civic associations, are the most common form of regulation of land use. Although the city has the legal authority to enforce these private agreements, civic associations are usually left to enforce their own restrictions. Over time, as some developments governed by civic associations decline in economic resources, their internal enforcement capacity diminishes. However, not all residential development (especially older development) is covered by deed restrictions, and not all civic associations sustain the capacity to enforce them. Furthermore, uses on commercial properties largely remain unrestricted.

Management districts have emerged as a common tool in commercial areas for property owners and businesses to assess themselves to fund additional capital improvements and maintenance. Sometimes these districts work in partnership with adjacent civic associations on beautification projects or leverage matching funds from the city. P&D staff members, through the city’s “Super Neighborhoods” program, meet with councils composed of numerous civic associations and businesses within neighborhood clusters to share best practices and help them build their own capacity, as well as to make them aware of public funding programs such as matching grants for beautification.



Top: A neighborhood association with private deed restrictions.

Left: A management district with the adopt-an-esplanade program.

The city also has a historic preservation ordinance, which offers landmark designations for individual structures and district designations. The Archaeological and Historical Commission determines whether to issue a certificate of appropriateness, which is required for all projects that seek to alter the exterior appearance of a city-designated historic property. Renewed interest in planning tools such as historic districts appears to be—at least in part—a manifestation of homeowner anxiety over changes to the character of their neighborhoods. However, historic preservation remains a somewhat controversial idea in a city with a strong property rights tradition.

Mayor Parker has appointed a chief development officer for the city. Among other responsibilities, the chief development officer takes the lead on the deployment of discretionary public resources to assist development. At the discretion of the City Council, the city has the ability to grant tax abatements to incentivize development, and the Parker Administration has used an economic development tool created by the Texas legislature in 1991 called 380 agreements. Such agreements let cities make loans and grants of public money to businesses or developers in return for building projects within the city. Cities often pay these grants from the increase in sales or property taxes generated by the project. Other city tax abatements to assist development are available with City Council approval.

Through the chief development officer, the HCD, and P&D, the Parker Administration is actively seeking partnerships with the private sector. Mayor Parker describes herself as “results oriented,” and although she has delegated to those directly reporting to her the authority to set their own departmental agendas and priorities, she is expecting measurable outcomes from them. However, they have a tough job ahead of them: the national economic outlook continues to constrain the availability of credit for the private sector as well as fiscal resources for the public while increasing the expectation and demand for public services.

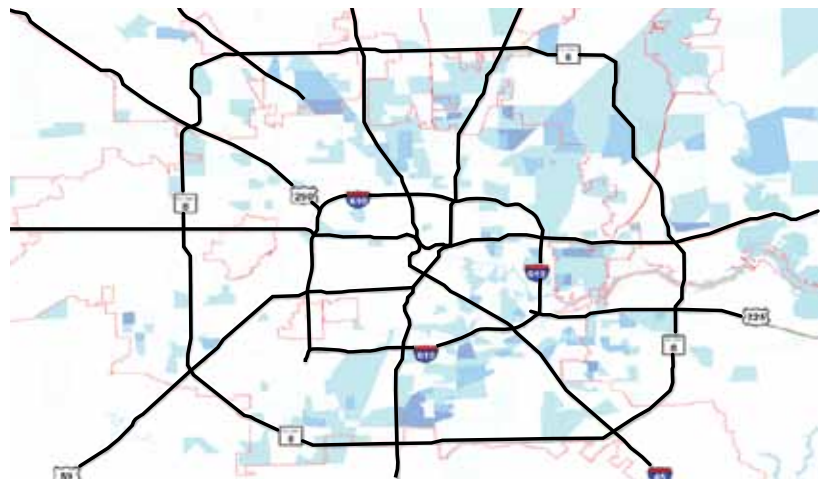
Also, Houston has some administrative accountability challenges with the federal government based on the actions of the previous administration. In particular, METRO and the HCD are working closely with the Federal Transit Administration and U.S. Department of Housing and Urban Development, respectively, to address those concerns. This collaboration has been constructive and is moving toward resolution.

Housing Market

The city has many stable neighborhoods composed of single-family homes, and demand remains strong: Houston had more new single-family building permits issued (more than 19,000) than any other metropolitan area in the nation from September 2009 to September 2010, according to the U.S. Census Bureau, consistent with its relatively low foreclosure rate. But the Parker Administration perceives special challenges in attracting private investment and redevelopment between the two ring limited-access highways: Interstate 610, which defines the boundary of the urban core, and the Texas 8 Beltway, which defines what in smaller metro areas with more incorporated municipalities would be called first-ring suburbs. Inside the urban core within the I-610 loop, the last decade has brought new and denser development and redevelopment as generation-Xers, millennials, and empty nesters sought more compact housing products in more urban settings.

Between the two ring highways, however, with the possible exception of the western quarter, the city has not found much interest from the development community. As in other regions, inner-ring suburbs have become a growing concern as they age, because their housing stock requires major investments, such as new water heaters, heating and cooling systems, roofs, exteriors, and replacement of other systems. If the original homeowners are now retired and on fixed incomes or have sold to new owners of lower economic status, such repairs may go undone, causing neighborhoods to deteriorate physically and threatening to spread blight. Chapter 42 of the city

Houston's inner-ring suburban neighborhoods are between I-610 and the Texas 8 Beltway.



code requires higher development standards in this area between the two ring highways, which may deter developer interest. These standards were relaxed in the urban core inside the I-610 loop.

In September 2010, the metro Houston market had more than 573,000 apartments, according to Apartment Data Services: some 45 percent are Class C or D. Most of these were developed in the late 1960s, 1970s, and early 1980s, associated with economic booms for Houston’s oil and gas industry. Although many of these communities were originally developed for professionals and contained amenities (such as swimming pools), with some exceptions they have not aged well. As professionals became homeowners or upgraded to larger, more luxurious apartments or condominiums, they moved to newer communities. Tenants have generally cycled in a downward economic trend as the stock aged. Owners did not keep up with repairs or remodeling needed to reposition the properties in the market, and many properties fell from originally being Class A to Class B, C, or, in some cases, even D.

The current market reflects this trend. Overall apartment occupancy has fallen from more than 90 percent at the end of 2005 and beginning of 2006, to about 85 percent today, with only a 10 percent gain in inventory over those five years. Occupancy rates of Class A and B units are still above 90 percent, whereas Class C and D occupancy is hovering at or below 80 percent. Among U.S. metropolitan areas, Houston had the fifth-highest rental vacancy rate for the third quarter of 2010, at 18 percent, and the third-most new multifamily building permits approved (more than 4,800) from September 2009 to September 2010, according to the Census Bureau. Reed Construction Data reports that the Houston metro area had the highest rate of new housing permits per resident of any in the nation in 2010.

Unlike rental housing stock in older eastern or midwestern cities—which, because it dates over several decades from the late 19th to early 20th century, contains original architectural and design elements that have become valued by developers and apartment dwellers—Houston’s apartment stock largely reflects two- or three-story garden apartments constructed at varying degrees of quality. Redevelopment or adaptive use of this stock, especially in economically marginal or declin-

Shares of Multifamily Housing in Southern Sunbelt Cities

City	Percent Multifamily	Percent Rental
Miami	62	65
Atlanta	53	48
Dallas	51	55
Houston	48	53
Phoenix	35	41

Source: American Community Survey, 2009.

Note: Multifamily housing includes dwellings with two or more units and mobile homes.

ing neighborhoods, can be especially difficult for would-be developers to make economically feasible based on rental rates.

Although Houston’s percentage of multifamily housing (two or more units per building) seems high, it is not unusual for Sunbelt cities. According to the 2009 American Community Survey, 48 percent of housing in Houston is in multifamily dwellings, which is a slightly smaller proportion than in Atlanta or Dallas. Some 53 percent of Houston’s housing is rental, which is similar to Atlanta and Dallas.

Nevertheless, an oversupply of Class C and D apartments clearly exists in the city. Multifamily housing in Houston is often located immediately adjacent to stable single-family subdivisions. Aging multifamily housing and retail areas line many corridors that are the gateways to the single-family subdivisions. Because of this visibility and proximity, the city is concerned about the appearance of blight spreading from unmaintained or even abandoned multifamily developments to stable single-family developments. As denser multifamily developments decay, the commercial mix along these corridors has also changed, with larger-format stores changing hands to lower-market retailers, another sign of economic decline. Strategies used thus far by the city to maintain the attractiveness of multifamily housing include code enforcement, rehabilitation assistance, and—since Mayor Parker took office—demolition.

Study Area Observations

The panel believes the Broadway study area has “good bones,” meaning that its infrastructure and current built environment provide the right foundation for a flourishing community. The proximity of Hobby Airport means the area has a nearby source of jobs ranging across a spectrum of incomes, not just from the airport but also from all its associated uses. Bus ridership along Broadway is very strong, and METRO is studying extending its southeast corridor light-rail line to the airport in the long term.

At this time, the appearance of blight along the corridor is limited to a few developments. Many appear to be well maintained, which is a good sign. However, action may be required by the city to ensure that decline does not spread. The demographics of the multifamily housing along Broadway are changing the neighborhood needs, such as building new schools. However, neighborhood retail is limited (although one retail strip at Bellfort was recently remodeled), and few parks and recreational opportunities are evident.

The Hobby Airport Environs Image Plan (2003) calls for more commercial development. The city’s Capital Improvement Plan calls for improvements to Broadway. A Hobby Area Management District is being developed that would bring additional financial resources to the area and unify the commercial property owners. A new historic district has been proposed in the adjacent single-family neighborhoods, which would add stability to a part of the city that is beginning to attract younger, new homeowners seeking lower price points for midcentury modern ranch homes.

Multifamily buildings along the Antoine corridor have more acute problems, although market-rate, healthy housing exists adjacent to abandoned multifamily buildings. In the developments with abandonment problems, crime and safety issues are evident where squatters have used vacant units for illegal housing or to conduct illegal activities. Those developments are clearly reaching the stage of demolition, and the city has recently taken action through code violations to demolish two in the study area (Candlelight Trails and Gables of Inwood), much to the relief of adjacent residents. In some cases (such



The Thai Xuan Village condominiums along Broadway have struggled to fund needed maintenance.

Vacant units for lease on De Soto Street in Near Northwest Houston.



Stable single-family homes in Near Northwest Houston.



as the Linda Vista apartments), the HCD is partnering with developers to rehabilitate existing buildings with public funding assistance. However, uncertainty exists about what comes after demolition for the developments that have been torn down.

In adjacent single-family communities such as Antoine Forest Estates and Inwood Forest (which was developed as a golf course community but no longer has its defining amenity), expectations have diminished and concerns are growing. Retail along

the Antoine corridor has cycled down to lower-cost businesses. Although many homeowners are original to the community, they fear that property values will decline as a result of the nearby distressed properties. The Near Northwest Management District is in place, and the Greater Inwood Partnership is actively addressing issues such as beautification of the esplanades, but the demolition and rehabilitation needs in the area are beyond their capacity without public resources.

Recommended Immediate Actions

As the Parker Administration has recognized, deteriorating and abandoned multifamily developments in Houston need to be triaged. A new coat of paint will not suffice to address this problem, which has reached a point that is no longer isolated to one or two developments. The immediate goal should be to “stop the bleeding” and stabilize areas where multifamily developments have become blighted eyesores and are allowing social problems to fester while alarming adjacent property owners, residents, and businesses.

Ensuring public health, safety, and welfare in areas where deteriorating buildings are causing problems is paramount. In the short term, stabilizing or removing problem properties entirely is integral, while creating a platform for new private or public investment should be the longer-term goal.

Potentially, the city can take several actions immediately, including aggressively enforcing minimum housing codes, and updating and enforcing the existing multifamily registration program.

Stabilization Approaches

The city must identify developments that can be stabilized by using the following tools:

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

Although Houston in recent years has received a substantial amount of federal community



The Linda Vista apartments are slated for rehabilitation with public financing assistance.

development funding compared to many other cities, recent proposals to cut the CDBG program underscore the need to make sure every precious public dollar is leveraged by other resources to maximize its impact.

Working with owners and managers of multifamily properties on security concerns is also critical. The city can help facilitate stronger partnerships between police, property owners and managers, homeowners associations, and management districts to coordinate efforts and communication.

Engaging with property owners is important for the city in determining which ones are interested and capable partners. Some properties have out-of-state or otherwise absentee owners with little interest in rehabilitation. Moreover, financial and construction capacities are just as critical in determining whether to invest public dollars.

As the city issues fines for code violations and puts liens on problem properties, determining at what point to place properties in a public receivership will be important. (The related problem of title issues is discussed in the “Land Title Challenges” section.)

Redevelopment Approaches

In addition to deciding on rehabilitation strategies, the city must identify developments that cannot or should not be saved (especially given the oversupply of Class C and D units). The city may choose among the following options for such developments:

- Demolition;
- Purchase for floodplain, park, or open-space use;
- Purchase for a public facility, such as a library, school, or community center (in partnership with other public entities); and

Candlelight Trails was razed because of health and safety violations.



- Positioning for future private sector development as new housing or other uses.

The Parker Administration has demonstrated leadership by demolishing two developments in the Antoine study area for code violations that were harming public safety, health, and welfare. This action was a big and positive step for Houston, a city young enough that it has not previously had to deal with blight-related issues at the scale of older eastern and midwestern cities, which routinely tear down unsafe properties.

In cases where the economics of rehabilitation are not feasible and the current owner has no interest in partnering financially with the city, or where land is not suitable for new housing development, the city should consider new uses, including public ones. In the Antoine study area, the White Oak Bayou floodplain encroaches on numerous existing structures. In such cases, preservation of the land as open space to help provide flood protection would make sense. The city could consider park and recreational uses. If public facilities are needed in the neighborhood, the city should also consider public uses such as libraries, schools, and community centers on redeveloped land.

Land Title Challenges

Positioning land for new development (either as housing or other uses) is the goal. But if the city demolishes properties based on code violations without holding title to the land, putting the land back into productive use will be challenging, especially for properties that have been divided into condominiums, such as Candlelight Trails. No party could be expected to individually purchase the shares of all the individuals and companies that now hold title to the ground (and who are responsible for paying all the liens placed on the property but have little incentive to do so). Furthermore, no regulated lender will finance a redevelopment effort in the absence of title insurance. The city is thus left in the position of maintaining land it does not own and cannot offer to a new owner or redevelop for public uses.

In many states, eminent domain powers are granted to cities precisely to remedy this kind of untenable situation. However, the Texas legislature in 2005 amended section 2206.001 of the Texas Government Code to prohibit the use of eminent domain for economic development unless (a) it is a secondary goal

to the elimination of blight and (b) acquisition is done in connection with a tax increment financing plan or in connection with certain authorized community development or urban renewal activities.

According to state law, Houston might be required to hold a citywide election on an urban renewal plan to gain title to the property—which the city has never done for any property and carries much cost and risk. This law has the practical effect of muddying the waters for the city’s use of eminent domain in a situation such as that of Candlelight Trails. Other than using tax foreclosure to gain title, the clearest remedy might be for the state legislature to further amend section 2206.001 to allow a municipality to use eminent domain against a condominium complex that has not been lawfully occupied for some period of time, but the politics of such a change would have to be negotiated at the state level. The panel urges the city to educate its own state legislators about the problem in the meantime.

The Big Picture: Building Competitive Neighborhoods

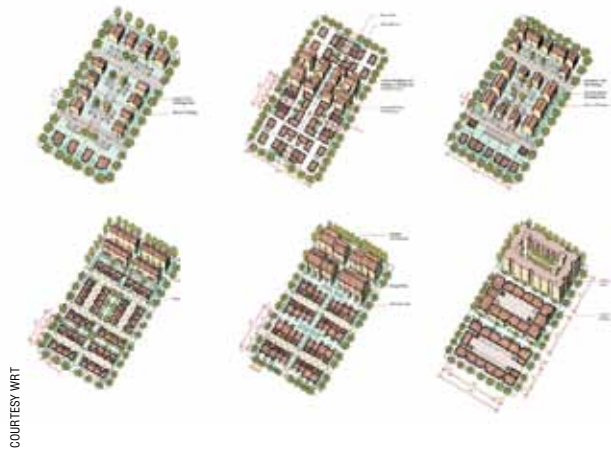
Although the city is on the right track in dealing with the immediate needs of these distressed multifamily properties, it must take a step back and look at the big picture so it can develop a comprehensive community development strategy for neighborhood revitalization.

What If ... ?

The panel posed a number of questions for Houston's Rose Fellowship team to consider when thinking about a comprehensive strategy:

- Can the private sector be stirred to competitively reposition and expand its offering of multifamily housing options?
- Could community development strategies inform the reconfiguration of nonperforming multifamily housing stock in a way that created more stable and livable neighborhoods?
- Could transit play a more significant role in spurring the redevelopment of the existing multifamily housing stock?
- Can open spaces play a role in spurring the redevelopment of neighborhoods, help achieve greater cohesiveness between single-family and multifamily residents, and provide a shared sense of place?

Different housing product types can produce different kinds of neighborhoods.



COURTESY WRT

A complete street design.



COURTESY WRT

Photo far right: Using green infrastructure to create shared spaces that also serve as flood control.

As the old saw goes: "If all you ever do is all you've ever done, then all you'll ever get is all you've ever got." The panel believes that much of the multifamily product that has been built in Houston has run its course. Fresh new product offerings are needed (even at the same densities on the same land) for inner-ring neighborhoods to compete with new development on the regional periphery.

One would be hard pressed to create synergies that improve the sum of the parts by simply rehabilitating all the deteriorating multifamily housing stock



COURTESY WRT

Urban infrastructure used as a community organizing principle in Seattle, Washington.



in the Antoine study area. Through thoughtful design, however, one can begin to create an urban infrastructure that starts helping other aspects of the community: eyes on the street for security, adjacencies that are attractive, walkable neighborhoods, and a framework for something that spurs further development. Workforce housing at a similar density that incorporates design elements such as public parks could better transit and retail integrated on site.

The cost of transportation cannot be unbundled from the cost of housing; residents of all incomes need to be able to get to jobs. The high bus ridership and economic demographics of the Antoine corridor should be a reason for designing more complete streets that make transit and pedestrian modes of travel safer and more attractive for residents.

The oversupply of land in the Antoine study area could be used for additional green infrastructure to help deal with flood control and could be crafted into a community network of open spaces. This strategy would help integrate multifamily development with single-family neighborhoods and provide common ground to help develop a greater sense of community while creating a neighborhood open-space amenity.

Factors in Developing a Comprehensive Approach

On the basis of what it observed and learned during the study visit, the panel believes the city should be considering some of the following factors.

Houston has advantages over other cities because of its diverse economic base. Houston's economic base has helped it weather the housing crises and recession stronger than most cities, but as the city and its building stock age, the city is facing new challenges.

The city is becoming a "young adult" and needs to address different growth issues than those of a "teenager." Some of the growth of past decades has now manifested itself in this multifamily redevelopment challenge, which is a type of problem that older cities have much experience (if not universal success) dealing with.

When making decisions about public funding, the city needs to keep in mind the adage about "not throwing good money after bad." Older buildings of limited market or architectural value are not always worth saving; building new housing products is often a better investment than upgrading old buildings. Furthermore, the demographics of the nation and

region have changed dramatically since those multifamily developments were built 20–30 years ago. Other medium-density multifamily housing product types (such as townhomes) could be very appealing to the regional market.

Just like private businesses, if Houston is going to continue to successfully compete with other cities in the global marketplace for increasingly mobile employers and residents, it needs to make strategic investments in infrastructure and amenities that these groups desire. Public investments set the table for private money, whether those investments take the form of infrastructure improvements, new public facilities, or public financing.

Houston’s leaders need to understand that competitive cities are composed of competitive neighborhoods. The city cannot allow situations such as that in the Broadway study area to deteriorate to the conditions in the Antoine study area if Houston is to remain a city that can sustain itself fiscally, socially, and economically in the future. The city needs to turn the tide of investment in these neighborhoods and others like them so that it can continue to afford to invest in its future and not spiral into the pathology of loss of residents and jobs that leads to tax-base deterioration.

Building Competitive Neighborhoods

Without considering how the built environment affects quality of life, Houston cannot hope to create communities of lasting value solely through private investment. The city needs to lead a process for creating a long-term vision for how these study areas and places like them should evolve over time.

The lack of strong private market interest in the study areas reflects the uncertainty about their future value (especially when compared to other development opportunities in the region). For the current and future market, public leadership needs to create the models of success and delineate a public strategy for building value within the Broadway and Antoine corridors. This action will in turn provide direction and more predictability for the market to invest and more certainty for area stakeholders.

What makes a successful neighborhood? What makes a place attractive to residents, businesses, and private

investment? The answers to these questions are influenced by values and therefore have somewhat different answers in different communities. But the panel suggests the city consider the following framework or checklist of elements when posing this question:

- A range of housing opportunities and choices;
- A strong sense of place and identity;
- A mix of land uses;
- A walkable place;
- Resident-serving retail and services;
- Neighborhood parks and recreational opportunities;
- High-quality educational facilities and libraries;
- A variety of transportation choices;
- Local job opportunities; and
- Broad community and stakeholder participation.

To the extent that a neighborhood includes these elements, it will be competitive for investment, sustain its existing quality and character, and create lasting value for its residents, businesses, and the city as a whole.

Not surprisingly, surveys by the Institute for Urban Research at Rice University corroborate that Houstonians want many of the elements on this list in their own communities. The 2010 Houston Area Survey found the following attitudes among respondents:

- Eighty percent support future growth by redeveloping older urban areas.
- Seventy-three percent want better land use planning.
- Fifty-two percent support more spending on transit.
- Forty-one percent want smaller homes and walkable neighborhoods.

If the city can foster urban neighborhoods that provide these elements, it will create places of lasting value that give it a competitive advantage.

Public Sector Roles in Community Development

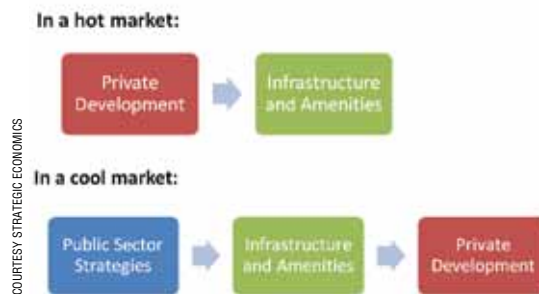
The roles of the public sector in community development change as cities grow and age. For Houston today, the key question is finding the appropriate role of the public sector in stabilizing and improving neighborhoods to stimulate the private market.

In a hot market, private developers are willing to pay for infrastructure and amenities—such as the original developer of Inwood Forest, who built a private golf course as an amenity for the neighborhood of homes. But in a cooler market, such as the current environment in the Antoine corridor, attracting private investment is difficult without a public sector strategy. If government makes targeted investments in infrastructure and amenities, it can help unlock the value for private investment.

Although some market interest exists in rehabilitation efforts along the Antoine corridor, it is still perceived as a Class C location for multifamily product. The recent interest exhibited in a few of the newly rehabilitated properties in the Antoine corridor today, while forestalling decline of those properties for about a decade, would not by itself have a transformative effect on the local market. This situation raises the question of what the city can do to change market perception of the area to being a Class A location.

A growing body of research demonstrates how targeted public sector investments can create value. Examples such as the following can help guide local governments to invest where they can get the most impact.

- **Parks and recreation:** Proximity to neighborhood parks was associated with a 13 percent increase in home values (Espsey and Owusu-Edusei, “Neighborhood Parks and Residential Property Values in Greenville, South Carolina,” *Journal of Agricultural and Applied Economics*, 2001).
- **Neighborhood retail and grocery:** Proximity of walkable amenities was associated with between a \$700 and \$3,000 increase in home values (Cortright, *Walking the Walk*, 2009).



The role of the public sector changes in different markets.

- **Transportation choices:** Proximity to high-quality transit increases property values (2 percent to 25 percent) (Center for Transit Oriented Development, *Capturing the Value of Transit*, 2009).
- **Streetscape:** Pedestrian improvements are associated with a 28 percent increase in home value (Wachter and Gillen, “Public Investment Strategies: How They Matter for Neighborhoods in Philadelphia,” 2006).

High-quality workforce and mixed-income housing can also have a significant positive effect if they are well designed and built and integrated into the fabric of the community.

How a city targets and prioritizes these investments differs in every community, based on where the leverage points are. The critical steps follow:

- Working with the community to define the vision and needs to support a high quality of life;
- Closely examining the market to identify longer-term development potential from the private perspective;
- Carefully considering the role of transit in enhancing market value and quality of life; and
- Finding community partners to play key roles in advancing the ball (e.g., community development corporations, nonprofits, lenders, private developers, foundations).

Next Steps and Concluding Thoughts

For Houston to achieve its community development goals, it needs to first set high-level priorities for neighborhood revitalization. This means defining what “success” will look like, whether using the checklist this panel developed or creating its own through stakeholder engagement. Also important will be developing real measures the city and stakeholders can use to stay focused on the ongoing needs and implementation challenges.

The city will need to design solutions based on those desired outcomes, not on current department’s functions. Too often, cities approach problems based on the silos of their departments’ respective responsibilities. The city should work to understand the real drivers of persistent neighborhood problems and ask what each department can contribute to comprehensive solutions.

As a homework assignment, the panel suggests that the Houston Rose Fellowship team select at least one area to demonstrate a collaborative multiagency approach to neighborhood revitalization. Through this process, they can begin to create the elements of a comprehensive neighborhood revitalization plan, such as housing, amenities, infrastructure, and connectivity to jobs.

In conclusion, the panel believes the city is on the right track with its efforts to stabilize these study areas. The Parker Administration’s attempts to break down silos within and outside the city are worthy of praise. The city needs to focus on more than one dimension of community development while recognizing that it cannot solve everything immediately. Although it has short-term needs (such as demolition and stabilization), the city cannot lose sight that this is a long-term effort.

The policy question for Houston is really the following: What is the public sector role in a market-driven strategy to create places of lasting value? Although the panel has given the city many ideas, it needs to answer this question based on its own civic values, culture, needs, and politics. Finding that answer will help Houston successfully grow into the next stage of its development as a city.

About the Fellows and the Panel

DANIEL ROSE HOUSTON FELLOWS

Annise Parker

Mayor Parker is a second-generation native Houstonian. She attended Rice University, graduating with a bachelor of arts. In the private sector, Parker spent 20 years working in the oil and gas industry, including 18 years with Mosbacher Energy Company. She also co-owned a retail bookstore for ten years.

Parker was sworn in to her first term as mayor of Houston on January 4, 2010. She is Houston's 61st mayor, one of only two women to hold the city's highest elected office. Before her election as mayor, Parker served for six years as Houston's controller and for six years as an at-large member of the Houston City Council. She is the only person in Houston history to hold the offices of council member, controller, and mayor.

As controller, she helped win overwhelming voter approval (85 percent) of Proposition 3, which gives the Controller's Office the independent authority to conduct performance reviews of all city departments, agencies, and programs. While a member of the City Council, Parker chaired its Fiscal Affairs and Neighborhood Protection committees and served on eight other committees, playing leadership roles in creation of the city's \$20 million Rainy Day Fund, a civic art program, a pooper-scooper law, tighter regulations for inner-city development, and the city's nondiscrimination policy.

Despite her duties as mayor, Parker remains active in the Houston community, currently serving on the boards of the Texas Environmental Research Consortium and the Houston-Galveston Area Council, and as an advisory board member of the Holocaust Museum, the Center for Houston's Future, and the Montrose Counseling Center.

George Greanias

Greanias has had a long and varied professional career in the private and public sectors. Since May 2010, he has served as president and CEO of the Metropolitan Transit Authority of Harris County (Houston METRO), overseeing a public transit agency with 3,500 employees and a \$1.3 billion annual budget. In his short time at the helm, Greanias has already established an ambitious agenda that includes finishing the buildout of Houston's light-rail system, improving customer service, and making METRO more transparent to the public it serves.

Before joining METRO, Greanias served as a partner at CLG, one of America's leading behavioral management firms, where he specialized in helping complex organizations develop the behaviors needed to generate sustained long-term success. From 1982 through 1987, Greanias was a member of the Houston City Council, representing the more than 270,000 residents of District C. Following his tenure on the council, Greanias served as controller for the city of Houston until 1995.

In addition to his public sector work, Greanias was a charter member of Rice University's Jones Graduate School of Management. During his nine years at the school, during which he became an associate professor, he was responsible for creating and leading innovative courses in the interplay among business, government, policy, and politics. Greanias has also worked as an attorney, first in Houston and later in New York, specializing in corporate law and government regulation.

An accomplished writer, Greanias has coauthored two books—one on the Foreign Corrupt Practices Act and another on contemporary issues regarding boards of directors—and is a published playwright. In 1972, the Rockefeller Foundation, through its Playwrights for Tomorrow program, selected *Wilson*, his play with music, for production at the Miami Repertory Theatre. *Wilson* was subsequently produced in 1974 at Houston's Alley Theater.

Andy Icken

Icken currently serves as Mayor Annise Parker's chief development officer for the city of Houston. His responsibilities include oversight of development, the Houston airport system, international trade and development, and sustainability.

Before his appointment by Mayor Parker, Icken served as deputy director of public works and engineering for the city of Houston's Planning and Development Services Division. The development processes the division manages include analysis of the availability and adequacy of the public utilities to serve proposed development; issuance of building permits and inspection of construction, proposed acquisition, and abandonment of public easements and rights-of-way; construction of new water, wastewater, and storm drainage; and the securing of life safety and occupancy certificates for new and existing commercial buildings. The division also oversees and enforces stormwater drainage and stormwater quality control regulations.

Prior to joining the city of Houston, Icken served for six years as executive vice president of the Texas Medical Center. His responsibilities for Texas Medical Center included business enterprises, support services, government affairs, and public affairs.

Preceding his employment with Texas Medical Center, Icken had an extensive career of over 30 years with ExxonMobil. From 1990 to 2000 he was executive-in-charge of the company's Materials and Service Department. This department provided shared business services to Exxon's domestic and international affiliates—services that included corporate procurement, real estate and facilities operations and management, and other shared business services. Icken's career with Exxon included other executive positions in business line management in both U.S. and foreign Exxon affiliates.

Icken holds a BS in chemical engineering from Carnegie Mellon University and an MS in industrial administration, also from Carnegie Mellon.

Jim Noteware

Noteware was named director of the city of Houston's Housing and Community Development Department by Mayor Annise Parker on April 9, 2010. The department is responsible for administering federal grants in activities designed to meet the city's goals and comply with federal, state, and local regulations. Expanding the stock of safe, high-quality, and affordable housing remains one of the city of Houston's primary goals.

Noteware has spent his entire 35-year career in the real estate industry, specializing in the development of real estate and the value-added turnaround of properties, portfolios, and the organizations that manage them in both the private and public sectors. Before his appointment with the city, as chairman and CEO of Noteware Development, he sponsored residentially based mixed-use projects in urban infill locations in several markets around the United States.

In 2003 and 2004, at the request of Mayor Anthony Williams of Washington, D.C., and with confirmation by the White House, Noteware led the real estate investment, development, and operations of the National Capital Revitalization Corporation, a joint venture between the District of Columbia and federal governments, to maximize and realize the value of the real estate held by both entities in the nation's capital.

From 1993 to 2002, Noteware served as chairman and CEO of Maxxam Property Company, the real estate development and investment operating subsidiaries of Maxxam, Inc., a Houston-based Fortune 500 company. Prior to joining Maxxam, Noteware was national director of real estate for Price Waterhouse, leading the firm's real estate practice nationally and internationally from its New York headquarters. Early in his career, Noteware practiced architecture in California.

Noteware holds a bachelor's degree in civil engineering and architecture from Stanford University and an MBA in finance from the Wharton School at the University of Pennsylvania.

CONSULTING FELLOWS

Marlene Gafrick

As Houston's top planning and development official, Gafrick brings more than 30 years of experience in land development that includes ordinance development, implementation and enforcement, permitting, and coordination with public agencies and special districts.

Gafrick joined the city's Planning and Development Department 30 years ago as an associate planner fresh out of school. She was named planning director by Houston mayor Bill White on July 7, 2005, and continues in that capacity today under Mayor Annise Parker.

Although her work location has stayed the same, Gafrick's responsibilities and the ways they are fulfilled have seen many changes. She has been instrumental in the creation and implementation of many new and amended ordinances to encourage growth while protecting and preserving neighborhoods. She is especially adept at harnessing new technologies to improve workflow and accountability.

The department provides tools and resources to strengthen and increase the long-term viability of neighborhoods, regulates land development in Houston and the extraterritorial jurisdiction, and reviews, investigates, and promotes land regulation policies for the changing demands to Houston's growth and quality of life. Current challenges include changing development rules along transit corridors to increase pedestrian and multimodal connections to adjacent neighborhoods and creating rules to allow mixed-use/pedestrian districts. Gafrick is partnering with related city departments and outside agencies to increase regional transportation planning, including the adoption of a citywide mobility plan.

Gafrick holds a BS in economics in urban and regional planning from Missouri State University in Springfield.

John Sedlak

Sedlak is the executive vice president and director of strategic partnering at the Metropolitan Transit Authority of Harris County. His primary responsibility is to assist the president and CEO and to provide a focus on building and sustaining partnerships with stakeholder organizations across the Houston-Galveston region, one of METRO's strategic priorities.

Since joining METRO in 1983, Sedlak has served as director of facilities design, assistant general manager of planning and development, and vice president of planning, engineering, and construction. He was responsible for the development of METRO's capital program, including the 100-mile high-occupancy-vehicle lane system (largest in the United States), all transit facilities including transit centers, and park-and-ride lots, METRO's administration building, and METRO's first light-rail line.

Before joining Houston METRO, Sedlak worked with the Metropolitan Atlanta Rapid Transit Authority (MARTA) for nine years on the planning, design, construction, and operational startup of the \$2 billion first phase of Atlanta's rapid rail system. As MARTA's manager of architecture, Sedlak was responsible for the architectural design management of all public transit facilities.

Sedlak is a graduate of the Pennsylvania State University with a bachelor's of architecture degree and an MS in architecture and urban planning. He is a registered architect and serves on several national transit and transportation committees dealing with the planning and design of transit facilities and project management. He has participated as a member of the Urban Land Institute and as a member of a federal international study team examining the design and operation of transit systems in South America. Sedlak is also a lecturer at the Department of Civil and Environmental Engineering at Rice University on urban transportation planning and engineering.

ROSE CENTER HOUSTON FACULTY AND STUDY VISIT PANEL COCHAIRS

Antonio Fiol-Silva

Fiol-Silva is a leading principal at Wallace Roberts & Todd, LLC, in Philadelphia, where that firm's nationally recognized practice is based. His planning, urban design, and architectural practice spans 25 years and has encompassed a broad range of cross-disciplinary experiences in both the public and the private sectors, with particular emphasis on complex urban redevelopment and infrastructure projects and the creation of public urban spaces. His recent high-profile projects include the South Capitol Area Plan for the Architect of the Capitol in Washington, D.C., and the Downtown Transit and Visitor Center and the Albemarle Court-house Complex in downtown Charlottesville, Virginia.

Before rejoining Wallace Roberts & Todd in 2000, Fiol-Silva served as planning director for the city of San Juan, Puerto Rico. As head of that city's Urban Development Department, he spearheaded an extensive program of capital improvement projects implemented in the late 1990s. Before that, he served as director of urban planning and design for Tren Urbano, San Juan's \$2.1 billion transit system. Fiol-Silva has also worked in the city of Boston, where he had a leading role on Boston's Central Artery Air Rights Plan, Boston 2000, while working at the Boston Redevelopment Authority, and in the city of Barcelona, Spain, where he was a Fulbright Scholar from 1992 to 1993.

Fiol-Silva's work in architecture and urban design has earned him several awards, including three Gold Commonwealth Design Awards from the state of Pennsylvania, an Urban Design Award from *Progressive Architecture* magazine, a national Urban Design Award from the American Institute of Architects, and a Charter Award from the Congress for the New Urbanism. He is active in several professional organizations including the American Institute of Architects, the American Planning Association, and the Urban Land Institute.

Fiol-Silva received his master's of architecture in urban design from Harvard University in 1989. He received his bachelor's of architecture from Cornell University. He has also taught at the University of Puerto Rico and at the Boston Architectural Center.

Marilee Utter

Utter is president of Citiventure Associates, LLC, and managing partner of P3 West, LLC. The Denver, Colorado-based firm focuses on public/private transactions and infrastructure, and development of mixed-use projects that transform communities and build economic vitality. Utter works across the country and brings particular expertise in transit-oriented developments (TODs), mixed use, failed mall sites, and large-scale master plans.

In addition to experience as a banker with (now) Wells Fargo Bank and a private developer (with Trillium Corporation managing the revitalization of Denver's Central Platte Valley rail yards), Utter previously established the Office of Asset Management for the city and county of Denver, and the Department of Transit-Oriented Development for the Denver Regional Transit District.

With this unique background, Utter has become a nationally known speaker, writer, and adviser on innovative approaches to community redevelopment and urban issues. On a national basis, her engagements have included Arlington (Virginia), Austin, Colorado Springs, Charlotte, Houston, Minneapolis, Phoenix, Salt Lake City, Santa Fe, Seattle, and West Palm Beach.

Utter holds an MBA from the Anderson School of the University of California, Los Angeles; a certificate in state and local public policy from Harvard's Kennedy School; and a designation from the Counselors of Real Estate. She is a national trustee for the Urban Land Institute and past chair of the Colorado District Council. In addition, she serves on the boards of many community organizations, including the Metropolitan State College of Denver Foundation and the Center for Visual Arts.

ROSE CENTER HOUSTON STUDY VISIT PANELISTS

Nadine Fogarty

Fogarty is a principal at Strategic Economics, an urban economics consulting firm based in Berkeley, California. She manages a wide range of public sector consulting assignments, providing expertise in market analysis and real estate development feasibility. Fogarty specializes in evaluating the implications of planning policies on development potential, and implementation strategies for TOD and infill development.

As a core staff member of the Center for Transit-Oriented Development, Fogarty engaged in a multi-year research effort funded by the Federal Transit Administration to understand the impact of transit on property values and the potential to capture this value to pay for transit-related infrastructure and other community benefits.

Fogarty holds a master's in city planning and an MS in real estate development from the Massachusetts Institute of Technology. She received her BA in geography from the University of California, Berkeley.

Ana Gelabert-Sanchez

As planning director for the city of Miami from 1998 to 2010, Gelabert-Sanchez led the city through major efforts such as Miami 21, the Museum Park master plan, the Coconut Grove master plan, the Virginia Key master plan, and the Parks and Public Spaces master plan. She also led the review and approval of more than 75,000 residential units, approximately 6,000 hotel rooms, over 8 million square feet of office space, and 7 million square feet of retail space, contributing to Miami's greatest growth period in history.

Since 2004, Gelabert-Sanchez led the Miami 21 effort to make Miami a more sustainable, pedestrian-friendly, and better-planned city. Miami 21 was approved by the City Commission on October 22, 2009, and will become effective on May 20, 2010. Miami is the first major U.S. city to adopt a form-based zoning citywide code.

Gelabert-Sanchez directed all urban planning programs, including coordinating, developing, and

implementing Miami's Comprehensive Neighborhood Plan, and administered a \$2.8 million budget, directing a staff of 30 professionals in the areas of general planning, land development, urban design, historic preservation, and community planning. She worked closely with the development community and with Miami's culturally diverse neighborhood groups, bridging their needs with high-quality projects that helped further the city's goal of creating a sustainable community with a better quality of life.

Before being appointed planning director, Gelabert-Sanchez held several positions as both a planner and an area administrator for the city's Upper Eastside and Downtown neighborhoods, dating to 1985. Before joining the city of Miami, she worked in the private sector in both architecture and land planning firms. She was also an adjunct design professor at the University of Miami and Florida International University.

Gelabert-Sanchez holds bachelor's degrees in architecture and fine arts from Rhode Island School of Design and a master's in landscape architecture from Harvard University. She is currently a Loeb Fellow at the Harvard Graduate School of Design and was recently named Top Public Official of the year by *Governing* magazine.

John Hodgson

Daniel Rose Sacramento Fellow

Hodgson is founder and president of the Hodgson Company. He has headed numerous residential and mixed-use master-planned projects throughout the greater Sacramento Valley area. He also has a strong interest in urban revitalization and mixed-used development in the urban centers of the region.

A full member of the Urban Land Institute, Hodgson recently served as chair of the ULI Sacramento District Council. He served six years as the chair of the Capital Area Development Authority. Hodgson currently serves as chair of the South Sacramento Habitat Conservation Plan and is also active in numerous civic organizations.

He is a member of the State Bar of California and a graduate of University of California, Davis, and the University of California, Davis, law school.

Jim Schumacher

Daniel Rose Charlotte Alternate Fellow

As an assistant city manager for the city of Charlotte, Schumacher is responsible for developing policies that guide and manage the growth of the city. This work involves coordination of the transportation focus area with planning, transportation, land use, and economic development initiatives. He also represents the city on issues related to the Charlotte Bobcats and the arena, as well as the Charlotte Regional Visitors Authority and NASCAR Hall of Fame. Schumacher leads the “Run the Business” work team and the staff team managing construction of the NASCAR Hall of Fame complex.

Schumacher joined the city of Charlotte in 1978 as a staff engineer and held a number of positions in the Engineering and Property Management Department before being named city engineer in 1999. His responsibilities included creation of Charlotte’s stormwater utility and obtaining the city’s stormwater quality permit, the first in North Carolina. As city engineer, he led the project design and construction team for the new Charlotte Arena, directed the extensive infrastructure improvements along the South Boulevard Corridor, the improvements in the Convention Center that allow the trolley and light-rail trains to pass through the building, and many other public works projects. He participated in the public/private team that won the NASCAR Hall of Fame and is now leading its design and construction. He has an outstanding history of completing projects on time and on or under budget. He began his full-time public service career in 1977 with the West Virginia Department of Highways.

Schumacher received his bachelor’s in civil engineering from West Virginia University and is a licensed professional engineer. He is a board member and past president of the National Association of Flood and Stormwater Management Agencies and also served as president of the Water Resources Division of the North Carolina Chapter of the American Public Works Association. He is a member of the American Society of Civil Engineers.

Olga Stella

Daniel Rose Detroit Fellow

Stella is vice president for business development at the Detroit Economic Growth Corporation (DEGC). In this position, she helps lead DEGC’s business attraction, retention, and expansion efforts on behalf of the city of Detroit.

Stella has previously held positions within DEGC that focused on policy development, special initiatives, strategic partnerships, and project management. Before rejoining DEGC in 2007, she served as chief of staff for State Representative Steve Tobocman. As chief of staff, she handled Representative Tobocman’s policy agenda, communications, and community initiatives. Their work focused on economic and community development, neighborhood revitalization, immigration, and social justice/civil rights issues.

Stella began working in economic development in Detroit as assistant to Mayor Dennis W. Archer for economic development in 2000, after a short period as a business analyst at McKinsey and Company. In this role, she worked directly with the city’s chief development officer on innovative strategies and programs to overcome critical economic challenges faced by the city and to revitalize Detroit neighborhoods. She had an instrumental role in managing and resolving issues associated with major city development projects.



**Urban Land
Institute**

1025 Thomas Jefferson Street, NW
Suite 500 West
Washington, DC 20007-5201



Printed on recycled paper.